Understanding the Charter School Special Education Gap: Evidence from Denver, Colorado

Executive Summary

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About the Author

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Through research and policy analysis, CRPE seeks ways to make public education more effective, especially for America’s disadvantaged students. We help redesign governance, oversight, and dynamic education delivery systems to make it possible for great educators to do their best work with students and to create a wide range of high-quality public school options for families.

Our work emphasizes evidence over posture and confronts hard truths. We search outside the traditional boundaries of public education to find pragmatic, equitable, and promising approaches to address the complex challenges facing public education. Our goal is to create new possibilities for the parents, educators, and public officials who strive to improve America’s schools.

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As charter schools become an increasingly significant force in American education, critics continue to question how well they serve our nation’s most vulnerable students. Nationwide, students with individualized education programs (IEPs) account for approximately 8 percent of students enrolled in public charter schools, compared to 11 percent in traditional public schools. A 2012 report produced by the Government Accountability Office (GAO) found that special education enrollment gaps exist in almost every state, although charter schools sometimes serve more students with special needs than their district counterparts.¹

The GAO study did not document reasons for these gaps. Many people have hypothesized that students with special needs leave charter schools because they are “counseled out” or don’t receive the services they require. A 2013 report from the Center on Reinventing Public Education (CRPE) and Manhattan Institute found that this is not the case, at least in New York City.² The CRPE report found that the causes for the gap in New York City were complex and had little to do with these students leaving charter schools.

Instead, the report found that students with special needs, particularly in some disability categories, were far less likely than students with typical needs to enroll in charter schools to begin with. In addition, the report found that New York City charter schools were less likely to identify students as having special needs, and more likely to move students who came from special education programs in traditional public schools off IEPs and into general education programs.

Now we attempt to explain why a similar disparity in special education enrollment rates exists in Denver. Using data on all students in grades K–8 attending charter and traditional public schools in Denver between 2008–2009 and 2013–2014, we assessed the influence of various factors that could contribute to the special education gap, and how categories of students differ in their choices to enter and leave schools. We also used data from Denver’s recently implemented SchoolChoice enrollment system to understand how student preferences affect the gap.

Taken together, these data show that a gap between charter and traditional public schools does exist in Denver and, like in New York City, that gap has little to do with students with special needs leaving charter schools. Instead, the gap is primarily caused by students’ preferences for different types of schools, how those schools choose to classify and educate students with differing needs, and the mobility of students without disabilities between charter and traditional public schools.

Specifically, this analysis reveals several important findings about the special education gap in Denver:

• The special education gap between charter and traditional public schools begins before kindergarten and continues to increase through eighth grade. Figure ES1 looks at a snapshot of all grades in the fall of 2012 to demonstrate how the gap between traditional and charter school special education enrollment changes from grade to grade. At kindergarten entry, the gap is roughly 2 percentage points, widening to roughly 4 percentage points at the start of middle school. The gap increases throughout the middle school grades, primarily due to a drop in the percentage of charter middle school students with IEPs. In eighth grade, the gap is more than triple what it was in kindergarten.

• The gap begins because students with special needs are less likely to apply to charter schools in kindergarten and sixth grade, the gateway grades when students often enter new schools. In fact, these differences in who applies explain the vast majority of the special education gap in the middle school grades, particularly for students with certain categories of disability, such as intellectual disabilities, serious emotional disabilities, specific learning disabilities, physical disabilities, and multiple disabilities.

The gap grows significantly between kindergarten and fifth grade. For a student who entered kindergarten in 2008, the gap more than quadruples by the time they enter fifth grade. This occurs partly because charter schools are less likely to classify students as needing special education services, and partly as a result of students without IEPs changing schools.

Figure ES2 shows how different factors contribute to the special education gap in elementary school. A gap of 1.7 percentage points exists in kindergarten. As students progress through grades, that gap widens, primarily due to changes in student classifications—mostly a higher probability of new classifications in traditional public schools—and student mobility.

Nearly half (46 percent) of the growth in the gap between kindergarten and fifth grade occurs because charter schools are less likely to classify students as in need of special education services, and more likely to declassify them, than are traditional public schools. In particular, traditional public schools are significantly more likely than charter schools to classify a student as having a specific learning disability.

Slightly more than half (54 percent) of the growth in the gap over those same grades results from the number of general education students in charter schools going up as new students enroll, and not from the number of students with special needs going down. Because lottery data only go back two years, it is not yet possible to know whether the differences in classifications are due to the type of student who attends a charter school or due to different experiences across sectors.

*Note: the difference in IEP rates between traditional and public charter schools is significant at the \( p < 0.01 \) level or less beginning in grade 2.*
Figure ES2 Changes in the Special Education Gap in Elementary School Are Due to IEP Classification Changes and Student Mobility

A decline in the gap from student mobility nearly compensates for gap growth from classification changes.

Figure ES3 Changes in the Special Education Gap in Middle School Are Due to IEP Classification Changes and Student Mobility

A decline in the gap from student mobility compensates for and exceeds gap growth from classification changes.
• The gap grows and then declines in middle school. As Figure ES3 shows, as a cohort of students moves from sixth to seventh grade the gap grows slightly, primarily due to students having their IEPs declassified. The gap then decreases notably as students move from seventh to eighth grade, primarily due to student mobility, specifically as students without IEPs enroll.

• Students with IEPs in traditional public schools change schools more often than students with IEPs in charter public schools. In Denver, students with IEPs are less likely to leave their school when they are enrolled in a charter school. Five years after enrolling in kindergarten, about 65 percent of charter school students with IEPs are still in their original schools, while about half of students in both sectors without IEPs are still in their original schools, and only 37 percent of traditional public school students with IEPs are still in their original schools. Consequently, the mobility of students with IEPs actually reduces the special education gap across sectors. This finding counters the conventional wisdom that students with IEPs are more likely to leave, or be counseled out, of charter schools.

Denver students with IEPs are indeed less likely to attend charter schools than traditional public schools, but the factors producing that gap are complex and run counter to conventional wisdom.

The fact that students with identified disabilities are much less likely to apply to charter schools (particularly in middle school) is an important finding that deserves attention, both from researchers and from school operators. Some preliminary evidence from CRPE’s interviews in Denver suggests that parents whose students have IEPs may not understand that students with special needs have as much right as any other student to enroll in charter schools, which are then required to provide services.

The finding that charter schools are less likely to identify a child as needing special education services, and more likely to declassify them, opens up an important area for future research. CRPE’s analysis in New York City demonstrated that the difference was explained by factors related to charter schooling itself (such as intervention strategies), not to student differences. In future years, we will be able to assess whether that is the case in Denver as well.

In the meantime, the fact that students with IEPs leaving charter schools is not a significant factor in the special education gap at either the elementary or middle school level has important implications: efforts to address the gap by focusing on the counseling out of students with special needs are unlikely to be productive.

For middle school, the results suggest that the most productive avenue for addressing the special education gap is to encourage more students with special needs to apply to charter schools. Denver Public Schools and the Denver charter sector should make sure parents know that charter schools can, and must, serve students with special needs. Denver Public Schools has taken recent steps to create specialized programs for students with moderate to severe disabilities in high-performing charter schools. These programs, combined with more active recruitment and placement efforts, will likely help.

In elementary schools, the growth of the gap is largely explained by the identification rate in traditional public schools relative to charter schools. This gap is not worrisome if those students are being served just as well without a special needs identification. In fact, it may be desirable. If future analysis shows that effective charter school interventions explain a significant portion of the difference, policy efforts meant to simply increase the percentage of students with IEPs in charter schools could lead to unnecessary classifications.

Finally, while the results in Denver are consistent with our previous analysis in New York City, charter schools in these two cities have been found by prior empirical research to be relatively effective at improving student achievement. This is not the case for charter schools in all other cities. Further research on the causes of the special education gap in other cities with effective charter sectors, as well as in those where results are less promising, is warranted to determine if these factors are in fact common nationwide.