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The U.S. Charter School Movement: Lessons for South Africa

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The U.S. Charter School Movement: Lessons for South Africa

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EXECUTIVE SUMMARY

Charter schools, public schools that operate with enhanced levels of autonomy in exchange for accountability, are now a significant part of the American urban education landscape and a primary policy lever for creating equity and opportunity in underserved communities. Charter schools comprise more than 5 percent of all American public schools and are allowed under law in 41 states. In several large cities, charter schools now represent more than one-quarter of all public schools. American charter schools are largely an urban phenomenon. Approximately 53 percent of all charter schools are located in urban areas, with nearly a quarter in suburban areas and 12 percent in rural areas.

Charter schools in the United States are public schools that, at least in theory, enjoy increased operational freedoms in exchange for increased accountability. They are designed to be open to all students who apply, and the schools are typically required to run a lottery for available seats to ensure fair and open access. Most charter schools are organized as not-for-profit organizations and can be started by groups of teachers, parents, community groups, or others. In general, charter schools are schools of choice, meaning that no students or teachers are assigned to these schools—as is the case in traditional American public schools—but rather must select them explicitly.

Overall, the U.S. experience offers a useful laboratory for learning about factors that contribute to effectiveness, thanks to variation in state law and a variety of ways that states have approached implementation. Many states and cities have employed charter policies to great effect, partnering with high-performing charter schools to replace low-performing government-run schools and replicating high performers through networks, management organizations, and incubation. The states and cities that have been most successful offer lessons in both policy and implementation that point toward predictable paths of both success and failure.

Though differing international contexts and culture must be considered if South Africa embarks on a charter school initiative, several takeaways are evident, especially the need to:

- focus intensively from the start on clear academic and other outcomes for students,
- to provide equitable funding and access to facilities,
- to ensure that government agencies are capable of and accountable for responsible oversight

Strategic Goals and Common Concerns

While the concept of charter schooling has always enjoyed some degree of bi-partisan support from U.S. presidents and their administrations, state and local efforts to pass and implement charter

school laws have often been rancorous. Charter school supporters had diverse, and sometimes conflicting, aims. Each state differed somewhat in the intent and rhetoric surrounding passage of their charter laws. But advocates typically see the promise of charter schools as promoting:

- Experimentation and innovation
- Diverse public school options for at-risk students
- Competitive pressure on the broader public school system
- Focused, mission-driven organizations
- Enhanced accountability

Those who traditionally opposed passage of charter schools laws have raised a number of concerns over the last 20 years:

- Creaming the most privileged
- Segregation by race or affinity
- Undermining the power of teachers unions
- Lack of accountability

Outcomes to Date

Overall, the academic record of U.S. charter schools is highly varied, with top performers producing breakthrough results but also with many charters performing poorly. This high variation suggests that allowing schools freedom to innovate has created the experimentation and innovation that proponents hoped for. This reality of mixed results, however, places a premium on the public accountability part of the charter equation. As states have taken very different approaches to performance management and school closures, it should come as no surprise that outcomes vary tremendously by state and city. That said, mounting evidence suggests that low-income students, English language learners, and urban students benefit consistently from charter schools. Charters in many specific states and cities outperform traditional public schools, suggesting that policy and implementation—the elements that vary most across states—matter greatly to whether a charter law produces high-quality results.

Although there are very few studies of high school graduation and college-going attainment in charter schools, there is reason to believe that students choosing charter schools are more likely to graduate and go on to college. Charter schools have also very clearly achieved the goal of increasing the array of options available to parents. Multiple studies find that parent satisfaction rates at charters are consistently higher than in neighboring or matched public schools.

Neither observed enrollment patterns nor in-depth investigations in specific jurisdictions indicate that charter schools cream the highest-performing or economically advantaged students out of district schools. Charter schools also do not appear to take the districts' highest-performing, or more motivated, students. Just as charter schools do not appear to cream the best students, there is no evidence that charter schools systematically exacerbate existing patterns of racial segregation. There are also many charter schools that intentionally recruit students from diverse socioeconomic backgrounds to create models of integrated schools.

If they innovated, early charter schools tended to do so around governance. Charter schools have created streamlined labor-management contracts, teacher co-ops, and novel ways to engage parents and communities, but most had very traditional classroom environments or employed Montessori or other alternative teaching models already prevalent in government-run public schools. More recently, charter schools have produced individual schools and networks that are experimenting with extremely promising new instructional technologies and staffing models.

Charter schools nationally appear to serve fewer students with low-incidence disabilities, such as severe cognitive or medical impairments, than the public school system as a whole. On the other hand, charter schools, on average, enroll a higher percentage of English language learners (ELL) than do traditional public schools. In many cases, charter schools are pioneering new approaches to serving students with special needs and limited language proficiency.

For many reasons, the competitive effect from charter schools has not materialized in the ways that early advocates had envisioned, but examples of cooperative district-charter partnerships such as those described above are on the rise.

Characteristics of High-Performing Charter Schools

Despite the difficulty of isolating school-level factors in relation to outcomes, a set of school-level characteristics associated with heightened student achievement is emerging on effective charter school-level attributes, characterized by strict student behavior policies, and a powerful commitment to academic achievement in core subjects. Indeed, a subset of charter schools that generally embodies these attributes has come to the forefront of the charter school movement. These schools have taken the informal title of “no-excuses schools.” There is some evidence pointing to the effectiveness of charter schools that employ technology in tandem with strong instruction and reason to believe that schools that start from scratch are more effective than those that convert from government-run status. There is little evidence that nonprofit management organizations are more effective than for-profits, but nonprofits have proliferated recently under the legal and funding streams currently available.

Systemic Factors that Support Quality Charter Schools

Researchers are really only beginning to study the effectiveness of various policies related to virtually every level of charter schooling, but variation between states and adjustments in practice suggest that certain legal frameworks and practices seem to prompt more success than others. There is good reason to believe that strong public oversight, technical support organizations and school incubators, equitable funding, effective school governing boards, and charter school networks or management organizations all contribute to producing large numbers of high-quality charter schools. Recent years have seen a push for “smart cap” policies that make it easier for providers with a proven track record to replicate high-quality schools, as well as policies that implement more quality control mechanisms to monitor and close low-performing charter schools.

Recommendations

The establishment of charter schools can be an important tool for serving previously underserved students and injecting new talent and ideas into the school system. At their heart, charter schools are a research and development sector for public education systems that have become moribund in regulation and passivity. They offer proof points to show what's possible when government agencies responsibly unleash innovative ideas, entrepreneurial leadership, and mission-driven staff to create better outcomes for students. They offer a mechanism to start new schools quickly and an organizational structure that is designed to solve learning problems quickly and creatively.

These policies, however, do not run on autopilot. They are not vehicles for governments to abdicate public management; in fact, their success relies on thoughtful and vigilant public oversight. Public and private organizations hoping to build high-quality public school choice need to design the programs to target the students with the greatest need, build screens and accountability systems that allow for diverse school options but filter out low-quality schools, actively build the supply of schools when needed, create the information and support systems that families need to make good choices, and invest in the transportation systems that allow them to access these choices.

Although the South Africa context differs in many important ways, the following principles that flow from the U.S. charter school experience may be relevant:

- **Charter initiatives must be, from the start, laser-focused on quality.** Improving student achievement must be the unapologetic goal at the forefront of all discussions and legal frameworks.
- **Provide strong autonomy and accountability.** A strong charter law is one that promotes strong autonomy, so that schools have control over their staffing, budgets, and education programs and strong accountability for results.
- **Strong authorizing is key to quality.** It is clear from the U.S. experience that local agencies that currently run public schools should not be the only authorizers. On the other hand, too many authorizers can be problematic too, as authorizers need to build specialized expertise.
- **You cannot get good schools without paying for them.** If charter schools are expected to accept equal responsibility for serving all students and getting improved results, it's reasonable for charter providers to also expect they will receive equal access to resources and facilities.
- **Clear language, oversight, and adequate funding are the best guarantees for equal student access to charters.** Charter policy should work to create the right incentives, supports, and accountability structures so that there are many high-quality school choice options available to families with unique needs.
- **Good schools can and should be replicated.** Policymakers should consider ways to create start-up infrastructures, including investments in start-up funding, school incubators, a supply of talented teachers and principals to work in the schools, and growth-friendly policies. To ease start-up challenges there must be public or private investment in planning and start-up via direct grants or through school incubators or other mechanisms.
- **Do not expect to get everything right the first time.** Great systems of charter schools evolve over time as oversight agencies learn to oversee performance effectively, technical assistance providers learn how to incubate schools, and policies are adjusted to meet community needs.
- **Be intentional about research and development.** As the U.S. charter sector has shown, innovation does not always occur and spread spontaneously. Those promoting public charter schools should be

intentional about the intended role of innovation in charter schools. They should use research to intentionally develop and test potentially promising innovations, such as new uses of technology, and then actively disseminate information about what works.

- **Do not expect the law alone to take care of quality.** The legal framework for a charter policy is an important foundation for quality, but implementation is critical. Policymakers should not promote charter laws if they are not prepared to make investments in building capacity and if they are not willing to make the difficult decisions to enforce high standards for performance-based accountability.

INTRODUCTION

Charter schools, public schools that operate with enhanced levels of autonomy in exchange for accountability, are now a significant part of the American urban education landscape and a primary policy lever for creating equity and opportunity in underserved communities. The first charter school law was passed in the state of Minnesota in 1991 as an effort to infuse choice, innovation, and improvement in an otherwise change-resistant public school system. Now 41 states and the District of Columbia allow charter schools. Charter schools comprise more than 5 percent of all American public schools.¹ In several large cities, charter schools now represent more than one-quarter of all public schools.

Individual state law establishes the legal authority for charter schools and specifies the agencies that are permitted to authorize and oversee the schools, the regulatory flexibility the schools will have, and how the schools will be financed. As a result, the design and operation of charter schools differ substantially across states. In exchange for these freedoms, charter schools operate under a performance agreement (the charter) with an oversight agency. This charter “authorizer” in most states can be a state department of education, local school board, or other agencies, such as public universities.

More than 20 years into public charter school implementation, the U.S. experience offers many lessons to help inform South Africa and other countries about how to achieve the best possible results with charter school policies. Along with significant areas of success, there have been significant missteps and midcourse corrections that others could avoid with thoughtful policy and practice.

This paper first describes what policymakers and advocates hoped to achieve through charter school legislation and how implementation has gone. It then describes what results are evident to date and summarizes what research suggests makes some charter schools more effective than others, including how policy and governance can support significant numbers of quality charter schools.

Overall, the U.S. experience offers a useful laboratory for learning about factors that contribute to effectiveness, thanks to variation in state law and a variety of ways that states have approached implementation. Many states and cities have employed charter policies to great effect, partnering with high-performing charter schools to replace low-performing government-run schools and replicating high performers through networks, management organizations, and incubation. The states and cities that have been most successful offer lessons in both policy and implementation that point toward predictable paths of both success and failure.

¹ „The Public Charter Schools Dashboard,” National Alliance for Public Charter Schools, <http://dashboard.publiccharters.org/dashboard/home> (accessed June 2, 2012).

Though differing international contexts and culture must be considered if South Africa embarks on a charter school initiative, several takeaways are evident, especially the need to:

- focus intensively from the start on clear academic and other outcomes for students,
- to provide equitable funding and access to facilities,
- to ensure that government agencies are capable of and accountable for responsible oversight,
- and to invest in ways to incubate and support school capacity and replication.

This paper explains the strategic objectives of charter laws as well as the central arguments against them. It describes what the body of research implies about outcomes to date and what we know about the characteristics of the most effective charter schools as well as the legal frameworks and approaches to implementation that seem to contribute to more consistent state and local charter systems. The paper concludes with an analysis of implications and recommendations for South Africa's policy makers and civic leaders.

I. BACKGROUND

The American and South African contexts: striking similarities, obvious differences.

Although located on opposite sides of the globe, the United States and South Africa have notable similarities. South Africa and the United States both have recent histories of racial segregation and overt discrimination. Although these eras are officially over, residual attitudes and suspicions still exist in both countries. In both nations as well, housing and schools are still highly segregated by race and income. Teachers unions are powerful in both the United States and South Africa, and in both contexts teachers are often considered to be underprepared for their jobs.

Still, the contexts have notable differences. All public schools in the United States (both government-run and charter schools) are tuition free, drawing a bright line between public and private education. By contrast, many government-run schools in South Africa charge fees. Government and political structures in the two countries differ dramatically and in too many ways to outline in this paper, but which may be relevant to policy adoption and implementation. Finally, although finding and developing quality teachers and leaders capable of starting and running third sector schools is a concern in both nations, the U.S. has a longer track record of investment in teacher training and recruitment efforts via innovative programs like Teach for America.

In addition to these contextual differences, cultural differences, while undoubtedly relevant, are too extensive and nuanced to name in this paper.

What is an American charter school?

Charter schools in the United States are public schools that, at least in theory, enjoy increased operational freedoms in exchange for increased accountability. They are designed to be open to all students who apply, and the schools are typically required to run a lottery for available seats to ensure fair and open access. Most charter schools are organized as not-for-profit organizations and can be started by groups of teachers, parents, community groups, or others. In general, charter

schools are schools of choice, meaning that no students or teachers are assigned to these schools—as is the case in traditional American public schools—but rather must select them explicitly.

Individual state law establishes the legal authority for charter schools and specifies the agencies that are permitted to authorize and oversee the schools, the regulatory flexibility the schools will have (e.g., relaxed teacher certification requirements and exemption from local collective bargaining agreements), and how the schools will be financed. As a result, the design and operation of charter schools differ substantially across states. Despite that variation, most charter schools enjoy freedom from union regulations and bureaucratic constraints such as district mandates about operational procedures, curriculum, and pedagogy.²

In exchange for these freedoms, charter schools operate under a performance agreement (the charter) with an oversight agency. This charter “authorizer” in most states can be a state department of education, local school board, or other agencies, such as public universities. In the case of two states, Ohio and Minnesota, nonprofit organizations are eligible to authorize and oversee charter schools. Charter school accountability provisions are primarily aimed at student performance outcomes, but charter schools are also required to comply with federal and state laws that address student health, safety, and civil rights in public schools. Charter schools must also adhere to state student performance standards, common assessments, and most data reporting requirements. A charter school can be closed by its authorizer if it fails to attract a sufficient number of students or does not meet performance objectives set forth in its charter.

Charter schools are different from schools participating in voucher programs, which provide public funding for students to attend private schools. Charter schools must be free for all students.³ Although some charter schools have specific cultural or religious affiliations, public charter schools may not legally endorse a set of religious beliefs.⁴ Charter schooling also differs from voucher programs in that in addition to being accountable to parents through market structures, charter schools are accountable to their authorizers for meeting the goals that they set forth in their performance contract.⁵ Overall, then, voucher programs allow students to attend fully private schools using state money, and the funding is supposed to act as a market incentive. Charter schools are assumed to be a way to transform public schools to be more innovative and responsive to community preferences, but still accountable to serve the public good.

The Chartering Process

² A. F. Shober, P. Manna, and J. F. Witte, “Flexibility Meets Accountability: State charter school laws and their influence on the formation of charter schools in the United States,” *The Policy Studies Journal* 34, no. 4 (2006): 563-587.

³ R. J. Lake and P. Hill, *Hopes, Fears, & Reality: A Balanced Look at American Charter Schools in 2005* (Seattle, WA: Center on Reinventing Public Education, 2005).

⁴ M. J. Harr Bailey and B. S. Cooper, *The start-up of religious charter schools: Implications for privatization and choice in U.S. Education*, 2011, http://www.ncspe.org/publications_files/OP170.pdf (accessed June 2, 2012).

⁵ A. J. Rotherham, “The pros & cons of charter school closures,” in *Hopes, Fears, & Reality: A Balanced Look at American Charter Schools in 2005*, ed. R. J. Lake and P. Hill (Seattle, WA: Center on Reinventing Public Education, 2005).

Although the process of attaining a charter and operating a charter school varies by state and authorizer, the chartering process almost always involves a contract between the school and the authorizer that sets forth performance goals. The authorizer then reviews the contract at the end of its term, which is typically three to five years long, and makes a decision about contract renewal.

Authorizers can, however, revoke a charter prior to the end of the contract term if there is strong evidence that the school is not serving the public well. When authorizers have exercised this privilege, there have typically been substantial financial, operational, or management problems in the school.⁶ However, when charters have been refused renewal at the end of their term, it is most often due to unacceptable student performance.⁷ To date, a little over 1,000 schools, or more than 15 percent of charter schools that have opened nationwide, have been closed.⁸

II. WHAT CHARTER SUPPORTERS HOPED TO ACHIEVE; WHAT OPPONENTS FEARED

Although the earliest charter school law passed in Minnesota, a mostly liberal, Democratic (labor-party) state, U.S. public charter schools have typically enjoyed bipartisan support. U.S. presidents from both parties, including Bill Clinton, George W. Bush, and Barack Obama, have supported the idea of public charter schools.

Despite national bipartisan support, state-level politics were often rancorous and sometimes highly partisan. In most states, teachers unions came out strongly against charter laws, viewing the largely non-unionized charters as a threat to membership and union power. The unions were often joined by local school governing boards that felt threatened that charter schools could be authorized by state or university sponsors. Coalitions formed to pass charter school laws usually included a set of strange bedfellows, such as free-market Republicans, low-income families with little access to quality schools, groups of parents and teachers who supported alternative education and were trying to flee a new era of high-stakes testing, and civil rights activists.

Fast Growth, especially in urban areas

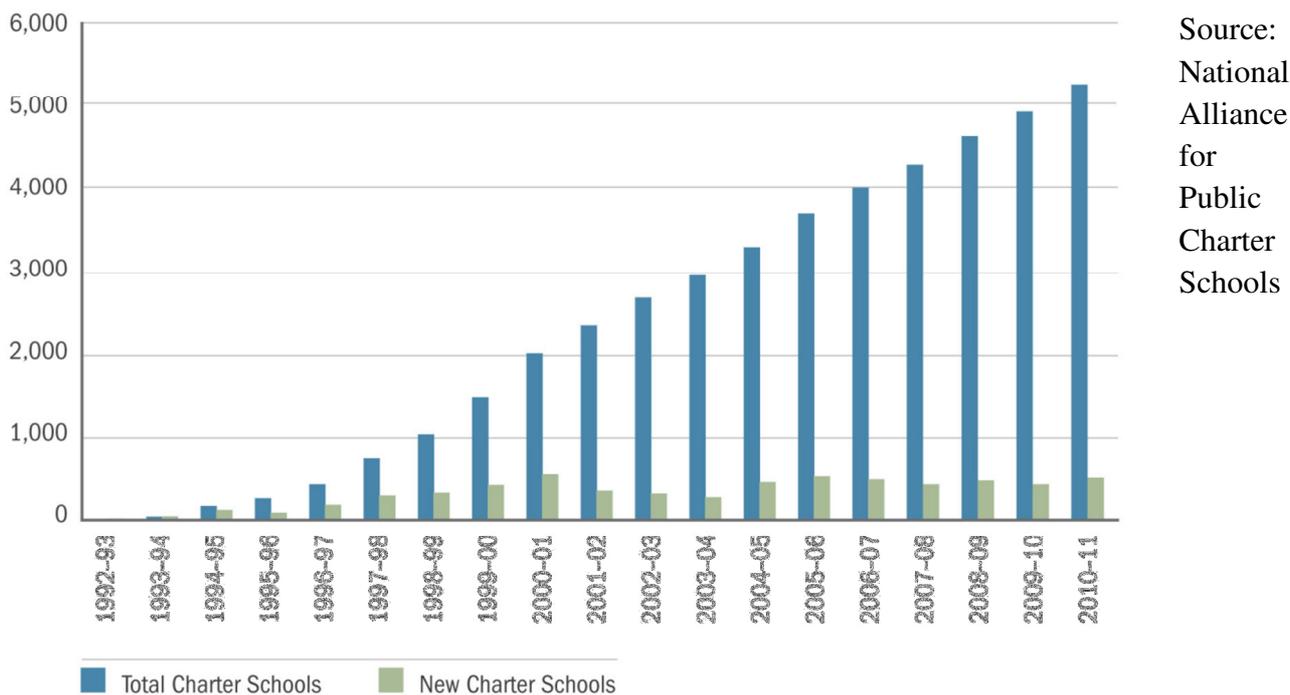
⁶ S. Mead and A. J. Rotherham, *A Sum Greater than Its Parts: What States Can Teach Each Other About Charter Schooling* (Washington, D.C.: Education Sector, 2007), <http://www.educationsector.org/sites/default/files/publications/CharterSchoolSummary.pdf>.

⁷ Mead and Rotherham, *A Sum Greater than Its Parts*.
<http://www.educationsector.org/sites/default/files/publications/CharterSchoolSummary.pdf>

⁸ A. Consoletti, *The state of charter schools: What we know- and what we do not- about performance and accountability* (Washington, DC: The Center for Education Reform, 2011), <http://www.edreform.com/2012/01/26/state-of-charter-schools-december-2011/> (accessed June 4, 2012).

The movement spread rapidly: In 1994, there were just 12 states with charter laws. By 2000 there were nearly 40 states, plus the District of Columbia. The overall percentage of public schools students served by charter schools grew steadily. States with the most expansive charter laws (where it was relatively easy to get a charter) produced the most schools, sometimes hundreds in one state. Some of the weakest laws (where charter schools had to be approved by their local school board and had to follow union and other rules) produced only a handful.

Figure XX Growth of U.S. Charter School Sector, 1992-2011



Currently, 5,637 charter schools in 41 states and Washington, D.C., are serving about 2 million students, or about 4 percent of students nationwide.⁹ Charter schools, which tend to be smaller than traditional public schools, account for about 5.5 percent of schools serving primary and secondary students in the United States.¹⁰

A small number of large states, such as California, Florida, Arizona, Ohio, and Texas host the vast majority of charter schools and tend to account for most of the new charter schools annually.¹¹ These states have large public school student populations; large, struggling urban school systems; and reasonably or aggressively growth-oriented state laws (allowing multiple state agencies to approve charters, for example, and few or no caps on charter school expansion).

9 "The Public Charter Schools Dashboard," National Alliance for Public Charter Schools, <http://dashboard.publiccharters.org/dashboard/home> (accessed June 2, 2012).

10 Ibid.

11 R. Lake, ed. Hopes, Fears, & Reality in *Hopes, Fears, & Reality: A Balanced Look at American Charter Schools in 2009*, ed. R. J. Lake.

American charter schools have received the most attention in urban areas, which are home to approximately 53 percent of all charter schools.¹² The urban nature of charter schools is likely a simple reflection of need and demand. People want to open charter schools in areas where students are not currently well-served by public schools and where parents want more options. Those conditions are most often met in major U.S. cities and successes in the neediest neighborhoods have attracted the most public attention. Rural areas are home to just 12 percent of all charter schools.

Eighteen cities have one-fifth or more of their students enrolled in charter schools.¹³ The two leading districts in charter school enrollment are New Orleans, Louisiana, and Washington, D.C. More than 70 percent of students in New Orleans and almost 40 percent of students in Washington are enrolled in charter schools.¹⁴ However, 90 percent of American school districts, most of which are comprised of fewer than 20 schools, have no charter schools within their boundaries.¹⁵

Figure XX: Districts Serving the Highest Percentage of Public Charter School Students

New Orleans (La.) Public School System	70%
District of Columbia Public Schools	39%
Detroit (Mich.) Public Schools	37%

¹² B. Gross, M. Bowen, and K. Martin, "Assessing the Charter School Landscape," in *Hopes, Fears, & Reality: A Balanced Look at American Charter Schools in 2011*, ed. R. J. Lake and B. Gross (Seattle, WA: Center on Reinventing Public Education, 2012), 14.

¹³ National Alliance of Public Charter Schools, *A Growing Movement: America's Largest Charter School Communities*, The Sixth Annual Edition (Washington, DC: NAPCS, 2011).

¹⁴ Ibid.

¹⁵ R. Lake, ed. *Hopes, Fears, & Reality in Hopes, Fears, & Reality: A Balanced Look at American Charter Schools in 2009*, ed. R. J. Lake.

Kansas City (Mo.) School District	35%
Flint City (Mich.) School District	32%
Gary (Ind.) Community School Corporation	30%
St. Louis (Mo.) Public Schools	29%
Dayton (Ohio) Public Schools	27%
Youngstown (Ohio) City Schools	24%
<ul style="list-style-type: none"> • Albany City (N.Y.) School District • Cleveland (Ohio) Metropolitan School District • Toledo (Ohio) Public Schools 	23%

Source: National Alliance for Public Charter Schools

Goals of proponents

Even though charter schools enjoyed bipartisan support nationwide, its supporters had diverse, and sometimes conflicting, aims. Each state differed somewhat in the intent and rhetoric surrounding passage of their charter laws. But prevalent themes dominated:

Experimentation should be cultivated. Charter advocates often speak of the need to free teachers and principals from burdensome bureaucracy in order to find innovative ways to teach and run schools. Many of the first charter schools were started by groups of teachers who wanted to run their own schools, choose their own curriculum, and experiment with unorthodox schedules, staffing arrangements, and instructional techniques.

Parents should have more public school options. Charter proponents aim to create opportunities for parents to exercise choice among public schools. They often cite the need to create avenues for poor families to access choice in the same way that wealthy families can choose to go to private schools or move to neighborhoods with good schools. A common refrain among proponents is that public school choice is the “civil rights issue of our time,” allowing poor or minority students access to the same educational opportunities as wealthier families.

Competitive pressure. Those who designed the Minnesota charter law and were among the first to write about the charter school idea believed strongly in the notion that charter schools would perform so much better than other public schools that they would have a ripple effect, putting pressure (via proof points and parent demand) on traditional public schools and school districts to respond with their own large-scale innovations and improvement. Many economists agreed with this notion and believed that by putting an end to the monopoly that school districts had on the system, charter schools would create a rising tide to lift all boats.

Focused, mission-driven organizations. Many scholars and policymakers felt that charter schools offered a way for public schools to act as coherent organizations, rather than bureaucratic government agencies. By hiring and firing their own staff and attracting parents based on the

schools' values and strategic directions, charter schools would be more able to stay focused on a clear purpose and engage parents and teachers in that purpose.

Enhanced accountability. A charter school is supposed to operate on a set-term performance contract that spells out clear academic goals. Authorizers are supposed to strictly oversee charter schools to ensure financial and organizational viability, as well as compliance with state and federal regulations in health, safety, and civil rights. In addition, because a charter school's success depends on parents and teachers voluntarily choosing to be part of it, advocates argue that charter schools are more accountable for results than are other public schools.

Fears of opponents

Those who traditionally opposed passage of charter schools laws have raised a number of concerns over the last 20 years. Because charter schools directly threatened the existing power structures of teachers unions and school boards, those concerns were clearly often politically motivated. At the same time, the charter school structure was a novel concept and many raised legitimate fears about the consequence of freeing schools from decades worth of regulatory requirements that were intended to protect student and teacher interests.

Creaming the most privileged. A common concern in the early years of the charter movement was the idea that charter schools would become an enclave for the privileged. Although charter school laws were nearly always designed to be open to all students and have lottery-based enrollment systems (many laws even give preference in the approval process to charter applicants who want to serve students at risk of academic failure), many believed that low-income families would not have the information or motivation to apply for charter school enrollment.

Segregation by race or affinity. Similar to the concerns about creaming, some felt that because parents would have to opt in to charter schools, rather than being assigned to a neighborhood school, charter schools would have a segregating effect on families. This fear was exacerbated by the mission or theme orientation of charter schools. Those that were Montessori, arts, or environmentally focused were, to some, a way for white, upper-income families to opt out of urban neighborhood schools. But many people were equally chagrined to see ethnic charter schools arise, such as those specifically designed to serve black inner-city students, or native Hawaiians, Vietnamese immigrants, and Hispanics. People feared that by allowing a high degree of self-selection, the long tradition of U.S. public schools serving as the primary way to acculturate new immigrants to American culture and values would be compromised.¹⁶

Undermining the power of teachers unions. Though they seldom voiced it directly, teachers and their union representatives typically held a deep belief that the rise of charter schooling would spell the end to teachers unions, decent pay, and workplace protections. In most states, and at the local school district level, teachers unions are some of the most powerful lobbyists in government, fighting for (and often winning) pay increases, rights to tenure, strong benefits packages, and small class sizes. Teacher unions are typically allowed to collect mandatory fees

¹⁶ N. Postman, *The End of Education: Redefining the Value of School* (New York: Alfred A. Knopf, 1995).

from all public school teachers to pay for their operations and lobbying efforts, and with the exception of small numbers of states (mostly in the southern U.S.) have the right to strike.

Most charter school laws provide a blanket exemption from state and local collective bargaining provisions, directly threatening unions' power bases and leaving charter school teachers without representation. For these reasons, teachers unions and district-level leaders frequently oppose charter schools. They are often joined in this opposition by other state and local unions as an act of solidarity, creating a very powerful alignment of interests.

Attempts to pass charter school laws, then, were met with a variety of assertions about how teachers would be mistreated and underpaid. In many states there were intense political negotiations in order to secure passage of the laws. In some cases, sponsors had to severely limit the number of charter schools allowed. In other cases, sponsors agreed that charter school employees would be subject to the state collective bargaining law or that only local school boards would have the authority to approve charter schools. In the most severe cases, these compromise bills resulted in laws that amounted to only slightly enhanced authority for charter schools and a fairly hostile authorizing environment.

After passage of each law, unions, local school boards, and other opponents continued to try to prevent charter schools from opening or to undermine implementation. Early in the charter movement a significant portion of charter school developers reported that political opposition from local school boards or state agencies interfered with their ability to implement their charters.¹⁷ There were many stories of much more politically driven nefarious actions, such as local fire and police officers refusing to approve applications for the building renovations necessary to open charter schools.

Lack of accountability. Many asserted that charter schools would abuse their freedom from many state rules and regulations. Opponents raised concerns about financial mismanagement, religious affiliation, and simple academic failure. Because charter schools in most states can be approved by entities other than a locally elected school board, many players (including school board associations) especially feared the consequence of public schools that do not answer directly to a locally elected school board. A common fear was loss of a community-based democratic process that many argued was essential to American society. For their part, charter school advocates argued that these same local school boards had failed to educate students and, despite democratic elections, were not responsive to parents' concerns.

III. SUMMARY OF EVIDENCE AND OUTCOMES TO DATE

¹⁷ C. Finn, B. Manno, and G. Vanourek, *Charter Schools in Action* (Princeton, NJ: Princeton University Press, 2000).

Given their controversial nature, policymakers, the media, and interest groups have been very interested in how charters perform. Honest assessments of charter performance however, were difficult to come by for many years, thanks to a large number of politically motivated studies, lack of strong data, lack of agreement about which outcomes to assess, and the technical challenge of assessing what value schools serving low-income and minority students add to the performance of incoming students. There is now a reasonable body of evidence on which to make some assertions. Overall, the academic record of U.S. charter schools is highly varied, with top performers producing breakthrough results but also with many charters performing badly. This high variation suggests that allowing schools freedom to innovate has created the experimentation and innovation that proponents hoped for. This reality of mixed results, however, places a premium on the public accountability part of the charter equation. As states have taken very different approaches to performance management and school closures, it should come as no surprise that outcomes vary tremendously by state and city.

Academic outcomes: When charters work, they really work.

The quality of methods used in charter school research are highly inconsistent across studies, but a recent meta-analysis of 25 studies that employed either lottery or student growth methods—the most rigorous studies of charter school impacts—reveals some emerging trends.¹⁸ The authors found modest¹⁹ but positive and significant effects for both reading and math in charter elementary schools, as well as positive and significant effects for math in charter middle schools. They found no effects for charter high schools. Another study found that of 16 states, 63 percent of charter schools scored as well as or outperformed a matched traditional public school with similar characteristics, but 37 percent significantly underperformed and only 17 percent significantly outperformed. These average results, however, are almost meaningless in the face of the high degree of heterogeneity in the charter sector. When one analyzes the variation in results, important trends emerge that can inform policy.

Certain charter schools consistently outperform others. Studies of the Knowledge is Power Program (KIPP), a network of nearly 100 mostly inner-city charter school operators, show impressive and consistent results.²⁰ KIPP schools were not included in the original 25-study meta-analysis mentioned above; when the authors did include KIPP schools, the results for charter middle schools appear substantially more positive than those of traditional schools in both reading and math.²¹ Many other types of charter schools also demonstrate

¹⁸ J. Betts and Y. E. Tang, *The Effect of Charter Schools on Student Achievement: A Meta-Analysis of the Literature* (Seattle, WA: Center on Reinventing Public Education, 2011).

¹⁹ Betts and Tang showed an overall effect size for elementary school reading and math of 0.02 and 0.05, respectively, and for middle school math of 0.055.

²⁰ The authors exclude KIPP schools for their basic analysis because there are a large number of studies of individual KIPP schools and these studies reveal large impacts of KIPP on student performance. The value and magnitude of effects would overwhelm the meta-analysis results, making the results less representative of the national picture of charter schools.

²¹ More recently, a national study of 40 charter management organizations found that only KIPP schools seemed to outperform their local traditional schools.

extremely impressive effect sizes (the degree to which charter schools are advancing student learning in reading in math scores), often advancing students two to three grade levels of learning in one year. Rocketship Education, STRIVE Preparatory Schools, and Aspire Public Schools are examples of school networks that have produced impressive results. The characteristics of successful charter schools are outlined later in this paper. The highest performing charter schools are setting a new standard, and raising expectations, for the education of urban and minority students.

Pull Out Box 1

Innovation leaders: Rocketship Education

Rocketship Education has a mission of eliminating the achievement gap and preparing all of its students to attend college. All three Rocketship schools for which test scores are available were ranked in the top 10 schools serving low-income students in Santa Clara County, California.

Like many other high-performing schools, Rocketship uses strategies like an extended school day and year, emphasis on college-going expectations, and extensive use of data to bring students closer to their goal. However, unlike many high performing charter schools, Rocketship combines traditional face-to-face instruction with virtual learning. A typical school day at Rocketship includes six hours of classroom time and two hours in an individualized online learning lab. This model, frequently called blended learning, allows students to learn basic facts on the computer at their own pace. Teachers can then use classroom time to focus on critical thinking and other skills. This model also saves money, which allows Rocketship Schools to pay for higher teacher salaries and other school-based resources. Rocketship now operates seven schools in the San Jose area and has plans to expand to Milwaukee and other cities.

Pull Out Box 2

Homegrown Success: STRIVE Preparatory Schools

STRIVE Preparatory Schools, formerly called West Denver Prep, is a nonprofit charter school network whose mission is to give Denver students, many of whom are students of color or come from low-income families, an excellent education. STRIVE schools have a longer school day and school year, a discipline system with clear rewards and consequences, student uniforms, and nightly homework. Educators give frequent assessments and use the results to continuously adjust instruction. In 2011, STRIVE schools ranked as four of the top five public secondary schools on the city's School Performance Framework, all earning the highest rating of "distinguished."

The network now serves 1,110 middle schoolers on four campuses and plans to expand to 12 schools, serving a total of 4,000 middle and high schoolers.

Pull Out Box 3

COLLEGE-GOING CULTURE: Aspire Public Schools

Aspire Public Schools is among the highest performing CMOs in the nation. Aspire's students, 75 percent of whom classify as low-income, earn test scores that place Aspire in the top 1 percent of California schools. Furthermore, Aspire has graduated 95 percent of its students since its founding

and at least 97 percent of the network's graduates have applied and been accepted to a four year college. Aspire creates a college going culture, provides intensive teacher coaching and a consistent schoolwide approach to student behavior expectations. The network operates 34 schools in California and will expand to operate schools in Memphis, Tennessee in the 2012-2013 school year.

Low-income students benefit more than others. Mounting evidence suggests that low-income students, English language learners, and urban students benefit consistently from charter schools.²²

Charter schools in many cities and states perform consistently well. Research shows that charter schools in many jurisdictions, such as Boston,²³ New York City,²⁴ and New Orleans,²⁵ produce positive results. While charter schools typically produce a mixed set of results in cross-site or national studies, this does not mean that any state passing a charter law is likely to see similarly mixed results. Charters in many specific states and cities outperform traditional public schools, suggesting that policy and implementation—the elements that vary most across states—matter greatly to whether a charter law produces high-quality results.

Pull Out Box: New York City: An exemplar

New York City has been a national leader in attracting and integrating high performing charter schools into the district. Studies have repeatedly found that charter schools in New York City outperform their traditional public school counterparts²⁶ and test data from the 2011-2012 school year revealed that New York charter school students in grades 3-8 outperformed traditional public schools in both math and reading on state tests, despite serving comparable proportions of students living in poverty.²⁷

²² Center for Research on Education Outcomes, *Multiple Choice: Charter School Performance in 16 States* (Stanford, CA: CREDO, Stanford University, 2009); Betts and Tang, *The Effect of Charter Schools on Student Achievement*, P. P. Gleason, M. Clark, C. C. Tuttle, and E. Dwoyer, *The Evaluation of Charter School Impacts: Executive Summary*, NCEE 2010-4030 (Washington, DC: National Center for Education Evaluation and Regional Assistance, Institute of Education Sciences, U.S. Department of Education, 2010).

²³ A. Abdulkadiroglu, J. Angrist, S. Cohodes, S. Dynarski, J. Fullerton, T. Kane, and P. Pathak, *Informing the Debate: Comparing Boston's Charter, Pilot and Traditional Schools* (Boston MA: The Boston Foundation, 2009).

²⁴ Center for Research on Education Outcomes, *Charter School Performance in New York City* (Stanford, CA: CREDO, Stanford University, 2010), and C. M. Hoxby, S. Murarka, and J. Kang, *How New York City's charter schools affect achievement* (Cambridge, MA: New York City Charter Schools Evaluation Project, 2009).

²⁵ CREDO, *Multiple Choice: Charter school Performance in 16 states*.

²⁶ *Charter School Performance in New York City* (Stanford, Calif.: Center for Research on Education Outcomes, January 2010) and C.M. Hoxby, S. Murarka, and J. Kang, *How New York City's Charter Schools Affect Achievement* (Cambridge, Mass.: New York City Charter Schools Evaluation Project, September 2009).

²⁷ NYC charter schools show math and English gains on 2011-12 tests. New York City Charter School Center. Retrieved from <http://www.nyccharterschools.org/content/nyc-charter-schools-show-math-and-english-gains-2011-12-tests> on September 4, 2012;

Architects of the current system, New York City Mayor Michael Bloomberg and former School Chancellor Joel Klein worked together to create a system that prioritizes five major categories:

- A strategy that attracts, develops, and supports top talent and does not limit its pool of applicants to people already working in the field of education
- A finance strategy in which money travels with the student but it controlled by principals
- Intensive collection and use of transparent data about performance at all levels
- A portfolio strategy in which the district seeks to open schools in neighborhoods with the fewest quality options and closes the lowest performing schools
- Restructuring of the central office and performance dependent contracting with nonprofit providers, who have assumed responsibilities once assigned to the central office.²⁸

Committed to these pillars, the district has attracted and encouraged the replication of high performing charter schools. Moreover, through a compact between the charter sector and the district, charter and district schools are working together to share facilities and best practices and collectively produce transparent student achievement data.²⁹

Pull Out Box: New Orleans, Louisiana: A seized opportunity

In 2005 Hurricane Katrina flooded New Orleans, displacing many residents and destroying many of the city's schools. The storm, while devastating, gave leaders the opportunity to rebuild the New Orleans school system- which had previously been one of the worst in the nation- from scratch. Former State Superintendent Paul Pastorek and former schools chief Paul Vallas led the Recovery School District (RSD) after the storm, which reopened most schools as charters. The sense of possibility and reinvention in the region, teamed with charter-friendly leadership made New Orleans a magnet for organizations aimed at reinventing public education. The charter schools incubator New Schools for New Orleans, founded in 2006, has attracted leadership talent to the region and has helped to launch and support the top-performing charter schools in the city.³⁰ In the past several years the city has seen improved school climates, student attendance, test scores, and levels of educational attainment.³¹

Pull Out Box: Arizona: A cautionary tale

Particularly at the birth of the charter school movement many authors referred to Arizona and states with similar charter school policy as the “wild west” of charter schooling. The state put no cap on the number of charter schools able to open, and granted 15 year charters³²- much longer than the 3-5

²⁸ Hill, P., Campbell, C., Menefee-Libey, D., Dusseault, B., DeArmond, M., Gross, B. (2009). *Portfolio school districts for big cities: An interim report*. Seattle, WA: Center on Reinventing Public Education. P. 13

²⁹ District/charter collaboration compact: A collaboration to transform education in New York City. Retrieved from http://www.crpe.org/sites/default/files/NewYork_Compact_Dec10_0.pdf on September 4, 2012.

³⁰ Public Impact. (2011). *Better choices: Charter school incubation as a strategy for improving the charter sector*.

³¹ P. Hill & C. Campbell. Portfolio school districts project: Growing numbers of districts seek bold change with portfolio strategy. (Seattle, WA: University of Washington Center on Reinventing Public Education, 2011).

³² Building charter school quality in Arizona, 2011. Retrieved from <http://www.charterschoolquality.org/media/2168/buildingcsqualityaz.pdf> on September 4, 2012.

year charters granted in most states. Authorizers were under-funded and there were few reporting and accountability requirements, allowing many low-performing schools to go unnoticed.³³ Although charter schools in Arizona enjoy substantial autonomy, no one in the region has stepped up as a leader to craft charter school policy that supports equitable funding for the schools, closely monitors data and holds under-performing schools accountable. Likely as a result, Arizona charter school students, on average, demonstrate less academic growth than their peers in traditional public schools.³⁴ Many excellent charter schools operate in Arizona, but the quality spectrum is wide, demonstrating the need for both autonomy *and* accountability when developing and executing charter school policies.

Promising results beyond test scores. Although there are very few studies of high school graduation and college-going attainment in charter schools, there is reason to believe that students choosing charter schools are more likely to graduate and go on to college. A study from RAND examining charter school students in Chicago and Florida³⁵ found that charter school students not only graduated but also enrolled in college at higher rates than their non-charter counterparts.³⁶ These findings are not surprising, given that many charter schools heavily emphasize a college-going culture.

Charter schools have also very clearly achieved the goal of increasing the array of options available to parents. Multiple studies find that parent satisfaction rates at charters are consistently higher than in neighboring or matched public schools. A 2010 study by the U.S. Department of Education found that 85 percent of surveyed charter school parents rated their school “excellent,” compared to 37 percent of parents in district schools.³⁷ These findings hold, even controlling for factors such as socioeconomic status, education levels, and church attendance.³⁸ It is unclear why parents report such consistently high satisfaction, despite uneven achievement results. One possibility is that parents simply lack effective information about achievement or overall school quality. Another is that parents are choosing, and are happy with, charter schools based on factors that are sometimes unrelated to achievement. We know, for example, that parents tend to place safety highest in a rank order of school qualities that matter to them.³⁹ Some data indicate that charter schools offer a safer

³³ National Alliance for Public Charter Schools. Measuring up to the model: tool for comparing state charter school laws. Retrieved from <http://www.publiccharters.org/law/ViewState.aspx?state=AZ> on September 4, 2012.

³⁴ *Multiple Choice: Charter School Performance in 16 States* (Stanford, Calif.: Center for Research on Education Outcomes, June 2009).

³⁵ R. Zimmer, B. Gill, K. Booker, S. Lavertu, T. R. Sass, and J. Witte, *Charter Schools in Eight States: Effects on Achievement, Attainment, Integration, and Competition* (Santa Monica CA: RAND, 2009), <http://www.rand.org/pubs/monographs/MG869.html>.

³⁶ We still know little about college completion; however, a study of KIPP charter schools has found that only about 30 percent of their students are completing college. This report, *The Promise of College Completion: KIPP's Early Successes and Challenges*, is available at <http://www.kipp.org/ccr>.

³⁷ <http://ies.ed.gov/ncee/pubs/20104029/pdf/20104029.pdf>

³⁸ <http://www.vanderbilt.edu/schoolchoice/downloads/articles/pje-buckleyschneider2006.pdf>

³⁹ M. Schneider, P. Teske, and M. Marschall, *Choosing Schools: Consumer Choice and the Quality of American Schools*. Princeton University Press. 2002.

environment.⁴⁰ Parents also may find that charter schools, with their ability to specialize in a topic area or instructional method, offer a better fit with their child's interests or learning styles.

Most likely, different types of parents are satisfied for different reasons. Parents in inner-city urban areas may value both the safety and high expectations that many urban charter schools offer. Parents in suburban and rural areas, whose students may already have access to safe and rigorous learning environments, may value softer qualities such as a caring community, or a more creative approach to learning. More research is needed in this area.

Charter schools enroll high numbers of low-income, minority, and previously low-performing students.

Neither observed enrollment patterns nor in-depth investigations in specific jurisdictions indicate that charter schools cream the highest-performing or economically advantaged students out of district schools.

Nationally, compared to traditional district schools, charter schools serve a higher share of low-income students (46 percent versus 41 percent)⁴¹, minority students (68 percent versus 48 percent),⁴² and English language learners (17 percent versus 11 percent).⁴³ A 2008 analysis of charter schools shows that these differences are largely due to the fact that charters tend to locate in urban areas, where disadvantaged students are also concentrated—so it is important to compare charter populations against other local schools.⁴⁴

Charter schools also do not appear to take the districts' highest-performing, or more motivated, students. A 2009 analysis of charter school enrollment in two states, Ohio and Texas, and five major cities found that in all but one jurisdiction studied, students transferring to charter schools were lower-performing than their peers in the schools they left. Schools can also cream students not just through enrollment but through attrition, expelling or otherwise pushing out the most challenging students. Critics often raise this concern with regard to the academically rigorous, "no excuses" charter schools whose promising results have garnered national attention. However, a study that examined the attrition of students in 22 KIPP schools, using student-level data and identifying appropriate comparison schools, found that KIPP schools had similar attrition rates to

40 P. Hill and J. Christensen, "Safety and Order in Charter and Traditional Public Schools," in *Hopes, Fears, & Reality: A Balanced Look at American Charter Schools in 2007*, ed. R. J. Lake (Seattle, WA: Center on Reinventing Public Education, 2007).

41 "The Public Charter Schools Dashboard," National Alliance for Public Charter Schools, <http://dashboard.publiccharters.org/dashboard/home> (accessed November 20, 2011).

42 Ibid.

43 U.S. Department of Education, National Center for Education Statistics, Schools and Staffing Survey (SASS), "Public School, BIE School, and Private School Data Files," 2007–08.

44 J. Christensen, J. Meijer-Irons, and R. J. Lake, "The Charter Landscape, 2004-2009," in *Hopes, Fears, & Reality: A Balanced Look at American Charter Schools in 2009*, ed. R. J. Lake (Seattle, WA: Center on Reinventing Public Education, 2010).

their matched comparison and their local district schools.⁴⁵ This, however, is only one study. More evidence is needed to assess whether or not attrition is an issue with charter schools more broadly.

Little segregation by color or race.

Just as charter schools do not appear to cream the best students, there is no evidence that charter schools systematically exacerbate existing patterns of racial segregation.⁴⁶ One oft-cited study criticizes charter schools for having more highly concentrated racial profiles in their student populations than do state or district government-run schools.⁴⁷ This should not be surprising, given that charter schools tend to locate in urban areas, target at-risk students, and have explicit missions that attract families with similar cultures or backgrounds. At least one study suggests, however, that there is little reason to believe that students who attend charter schools are moving from racially integrated schools to racially concentrated schools.⁴⁸ It is unlikely that charter school populations can overcome existing highly segregated housing patterns in U.S. cities. However, there are many charter schools that intentionally recruit students from diverse socioeconomic backgrounds to create models of integrated schools.⁴⁹

Innovations have come, but slowly

If they innovated, early charter schools tended to do so around governance. Charter schools have created streamlined labor-management contracts, teacher co-ops, and novel ways to engage parents and communities. Still, while charter schools may have looked innovative from the governance perspective, most had very traditional classroom environments or employed Montessori or other alternative teaching models already prevalent in government-run public schools.

Even America's most highly regarded charter schools are not particularly innovative. The most attention in the U.S. charter school conversation goes to what are often called "no excuses" schools, including KIPP, which emphasize strict discipline, a college prep curriculum, and high expectations for students and teachers. Their innovation comes mainly from bringing the high expectations common in more affluent schools to low-income students, and intensifying the instruction to meet their needs.

More recently, charter schools have produced individual schools and networks that are experimenting with extremely promising new instructional technologies and staffing models. A

⁴⁵ I. Nichols-Barrer, C. Clark Tuttle, B. P. Gill, & P. Gleason, *Student Selection, Attrition, and Replacement in KIPP Middle Schools*, Mathematica Policy Research Working Paper (Mathematica Policy Research, April 2011).

⁴⁶ For an excellent critique of claims to the contrary, see this blog post by Dr. Gary Ritter: <http://publiccharters.org/Blog/Default.aspx?id=191>

⁴⁷ E. Frankenberg, G. Siegel-Hawley, and J. Wang. *Choice Without Equity: Charter School Segregation and the Need for Civil Rights Standards*. Civil Rights Project. 2010.

⁴⁸ R. Zimmer, B. Gill, K. Booker, S. Levertu, and J. Witte. *Do charter schools "cream skim" students and increase racial-ethnic segregation?* Vanderbilt University, 2009.

⁴⁹ N. Kern, R. Thukral, and T. Ziebarth. *A Mission to Serve: How Public Charter Schools are Meeting the Diverse Demands of Our Communities*. Issue Brief, National Alliance for Public Charter Schools. 2012.

small number of schools, such as the Carpe Diem Schools and Rocketship Education, are now setting a new standard for the use of technology in public schools.

Charter schools sometimes serve fewer students with special needs and English language learners.

Charter schools nationally appear to serve fewer students with low-incidence disabilities, such as severe cognitive or medical impairments, than the public school system as a whole, raising concerns about whether or not charters offer equitable access to special education students.⁵⁰ As for students not fluent in English, charter schools, on average, enroll a higher percentage of English language learners (ELL) than do traditional public schools. But analyses from local districts, including Boston and New York,⁵¹ show that ELL students are also underrepresented in charter schools by a substantial margin, in at least some locales. Evidence from national studies indicates that ELL students on average perform better in charter schools,⁵² which may mitigate equity concerns for some.⁵³

It seems evident that at least some classes of special education and ELL students are currently underserved in charter schools. But the reasons and remedies for these discrepancies are unclear. It's possible that charter schools receive insufficient funding to provide the intensive services needed, that they are engaged in explicit efforts to steer away from serving these students, or that jurisdictions fail to reach out and inform language-minority families and parents of children with disabilities of their choice options. Additional investigation is needed to answer this question, but it's clear that most charter school funding formulas do not adequately compensate schools for intensive need students. Many schools locales are working to amend funding formulas and to design co-operatives and other support structures to allow small stand alone charter schools to share expertise and economies of scale to serve such students with special needs.

We do know that charter schools are, in many cases, pioneering new approaches to serving students with special needs.⁵⁴ Many charter schools are created with the explicit mission to better serve students on the autism spectrum, for instance. It's likely that these innovations are made possible by the enhanced autonomy and focused accountability inherent in the charter model.

⁵⁰ U.S. Department of Education, National Center for Education Statistics, Schools and Staffing Survey (SASS), "Public School, BIE School, and Private School Data Files," 2007–08.

⁵¹ Jack Buckley and Carolyn Sattin-Bajaj, "Are ELL Students Underrepresented in Charter Schools? Demographic Trends in New York City, 2006-2008," *Journal of School Choice*, 5 no. 1 (2011): 40-65.

⁵² Center for Research on Education Outcomes, *Multiple Choices: Charter school Performance in 16 states* (Stanford, CA: CREDO, Stanford University, 2009).

⁵³ It is important to remember, however, that none of the achievement studies to date control for incoming students' language skills. If charter schools tend to enroll ELL students with relatively advanced language skills (a plausible situation given that language is often a barrier to accessing choice schools), these estimates would overstate the effect of charter schools on ELL performance.

⁵⁴ R. J. Lake, ed., *Unique Schools Serving Unique Students: Charter Schools and Student with Special Needs* (Seattle, WA; Center on Reinventing Public Education, 2010), http://www.crpe.org/cs/crpe/view/csr_pubs/335.

Recognizing the complex policy issues around these issues, as well as the potential for charter schools to serve as exemplars for how to better serve students with special needs, many school districts are actively partnering with local charter schools to more appropriately fund students with special needs who attend charter schools, to help charter schools form special ed cooperatives and insurance risk pools, and to share best practices between district and charter schools.

Competitive effects: Charters are more likely to inspire partnerships with local school districts than produce competitive effects.

For many reasons, the competitive effect from charter schools has not materialized in the ways that early advocates had envisioned, but examples of cooperative district-charter partnerships such as those described above are on the rise. Early studies analyzing district actions in response to charter presence found that district leaders typically responded with largely superficial changes, such as by creating more theme-based schools by or asking schools to be friendlier to parents or to return phone calls more quickly. While these actions could be considered positive steps toward a more customer-friendly orientation, no one thought they were likely to produce major learning gains for students. Indeed, later studies⁵⁵ in several cities showed that charter schools did not seem to be causing scores to go up in their host districts.

Some theorized that there was such little response because of policies designed to protect school districts from feeling the pain of competition, such as statewide caps on charter school expansion and state funding formulas that provided “impact aid” to districts that lost funding to charters. However, even school districts that began to lose significant market share to charter schools without financial compensation also largely failed to respond.⁵⁶ The Dayton, Ohio school district, for example, lost 25 percent of its students to charter schools over a ten year period without making any significant effort to improve school performance.⁵⁷ A historical review showed that nobody should have been surprised: Dayton and many other big-city districts had been losing students to private and parochial school for decades without a response. Why would anyone expect charters to be different? Eventually, many reformers concluded that these district either lacked the incentive to improve or were incapable, due to restrictive contract rules and a change-resistant culture.

It was only recently, around 2008 to 2010, nearly 15 years after the first charter law passed, that urban districts started responding to charter schools. But the response was more about coopting and partnering than about competing. New York, New Orleans, Denver, Chicago, and more than 30 cities are now actively welcoming high-performing charter school providers.

These cities are using what is called a portfolio approach, which holds all schools, no matter how they are run, accountable for performance.⁵⁸ A portfolio district does not give preference to a certain education provider or organizational structure, but focuses on supplying excellent schools,

⁵⁵ See for example, P. Teske, M. Schneider, J. Buckley, and S. Clark. Does Charter School Competition Improve Traditional Public Schools? Manhattan Institute for Policy Research. 2000.

⁵⁶ C. Campbell and D. Warnock, “Life After Charters: School Districts and Charter School Growth,” in *Hopes, Fears, & Reality: A Balanced Look at American Charter Schools in 2006*, ed. R. J. Lake and P. Hill (Seattle, WA: Center on Reinventing Public Education, 2006).

⁵⁷ Ibid.

⁵⁸ Hill, P., Campbell, C., Menefee-Libey, D., Dusseault, B., DeArmond, M., Gross, B. (2009). P. 1

replicating best practices, and closing schools of any kind that fall below the mark. As Paul Hill, our colleague, long ago predicted in his book *Reinventing Public Education*, district leaders saw that giving charter schools full control over their staff and organizational decisions and a performance contract yields greater results and makes it easier to close them if they don't measure up.

IV. WHICH CHARTER SCHOOLS WORK BETTER THAN OTHERS?

Unearthing school-level practices that are associated with top-performing schools is a complex task. Some factors, such as extended school day or teacher pay related to performance, are easy to recognize. However, other sought-after characteristics, such as common purpose among staff or attention to minor student infractions, can be difficult to measure, interpret, and (perhaps most importantly) re-create, given their inherent range of meanings. Nebulous as they may be, however, a set of school-level characteristics associated with heightened student achievement has emerged from the thin layer of research that has been done on effective charter school-level attributes.

Although research on effective charter school-level characteristics associated with high levels of student performance is in its early stages, below is a summary of practices associated with student achievement from the recent studies that employ rigorous statistical methods.

Table 1: Charter School Characteristics Associated with Student Achievement

Focus on core subjects, including English and math (Hoxby et al., 2009; Angrist et al., 2011)
Strict policies focused on discipline and comportment (Hoxby et al., 2009; Angrist et al., 2011; Furgeson et al., 2011)
Increased instructional time (Angrist et al., 2011; Dobbie & Fryer ⁵⁹ , 2011; Hoxby et al., 2009)
A mission that emphasizes academic performance (Hoxby et al., 2009)
Intensive use of assessment and evaluation for students and teachers (Hoxby et al., 2009; Dobbie & Fryer, 2011)
Extensive teacher coaching/feedback (Furgeson., 2011; Dobbie & Fryer, 2011)
Small school size (Gleason et al., 2010)

⁵⁹ W. Dobbie and R. Fryer, *Getting beneath the veil of effective schools: Evidence from New York City*, NBER working paper No. 17632 (Cambridge, MA: National Bureau of Economic Research, 2011).

Use of ability grouping (Gleason et al., 2010)
High-dosage tutoring (Dobbie & Fryer, 2011)
Culture of high expectations (Dobbie & Fryer, 2011)

Some have referred to these characteristics as the “secret sauce” of high performing charter schools. Such attributes are not unique to charter schooling. In fact, many years of “effective school” research demonstrates similar characteristics. But lack of novelty should not be reason to dismiss or ignore. Indeed, it should give us pause as to why the traditional public school system has only been able to produce isolated examples of such breakthrough results and has rarely been able to replicate such schools or even sustain the isolated examples over time.

It may be that the policy structure of charter schooling -one that gives schools the flexibility to solve problems creatively and strategically in exchange for accountability to families and government authorizers- is simply a structure that makes it much easier to harness the potential of mission-driven educators and entrepreneurial leaders, that allows schools to assemble teams of adults that are “on the same page”, and that encourages school teams to take ownership for solving problems on behalf of their students.

No-Excuses Schools

Upon reading the list of effective charter school characteristics, one begins to develop an image of a unique school model, tightly held together by strict student behavior policies, and a powerful commitment to academic achievement in core subjects. Indeed, a subset of charter schools that generally embodies these attributes has come to the forefront of the charter school movement. These schools have taken the informal title of no-excuses schools.

In a paper for the National Bureau of Economic Research on Massachusetts charter schools, Joshua Angrist and colleagues divided schools into those that identified as no-excuses schools and those that did not. Criteria for classification as a no-excuses school are vague in Angrist’s article, as they are in casual discourse. However, Angrist loosely describe no-excuses schools as schools that emphasize “instructional time, comportment, and (focus) on traditional math and reading skills.”⁶⁰ Using literature by Samuel Carter, Abigail and Stephan Thernstrom, and David Whitman⁶¹, Will Dobbie and Roland Fryer define no-excuses school by the following characteristics: “empowered principals, the use of interim assessments to measure student progress, frequent and effective

⁶⁰ J. Angrist, P. Pathak, and C. Walters. *Explaining Charter School Effectiveness*. National Bureau of Economic Research. 2011.

⁶¹ S. C. Carter, *No Excuses: Lessons from 21 high-performing, high-poverty schools* (Washington DC: The Heritage Foundation, 2000); A. Thernstrom and S. Thernstrom, *No Excuses: Closing the racial gap in learning* (New York: Simon & Schuster, 2003); D. Whitman, *Sweating the small stuff: Inner-city schools and the new paternalism* (Washington, DC: Thomas B. Fordham Institute Press, 2008).

professional development, aggressive parent outreach, and a relentless focus on achievement for all students regardless of background ... more instructional time, a zero tolerance disciplinary code, high academic expectations for all students, and an emphasis on teaching basic math and reading skills.”⁶²

Importantly, Angrist and colleagues found the no-excuses identification to have significant impacts on student achievement. Perhaps equally as important, however, is that Dobbie and Fryer find certain no-excuses-type practices—frequent teacher feedback, data to guide instruction, high-dosage tutoring, increased instructional time, and high expectations—to be predictive inputs across school models (no-excuses, Montessori, or arts-infused).⁶³ An index of the five practices listed above accounted for about 50 percent of variation in student performance. Moreover, the predictive power of this index was unaffected when controlling for 37 other school-level characteristics.⁶⁴ Considered in light of Dobbie and Fryer’s findings, no-excuses schools seem to simply be consistently implementing known best practices.

However, some worry about the scalability and sustainability of the no-excuses model. Many no-excuses schools have high rates of teacher and principal turnover and rely heavily on philanthropic funding. These concerns have prompted some charter operators to look for more efficient methods of operation.

Virtual and Hybrid Schools

Although the percent of charter schools that operate using virtual or hybrid (mixed virtual and face-to-face) instruction varies by state, virtual instruction has often entered the education arena by way of charter schooling. The effectiveness of virtual charter schools, however, is still unclear. A 2009 meta-analysis of cyber charter school outcomes reveals mixed outcomes⁶⁵, but because an atypical kind of student selects into virtual schooling, it is difficult to assess the impact of the instructional method. Moreover, 100 percent virtual education is not logistically feasible for large swaths of the student population whose parents work and who need supervision. Increasingly, charter schools are experimenting with hybrid instruction as a way of simultaneously improving instruction and efficiencies. Preliminary successes from charter management organizations (CMOs) such as Rocketship Education and Carpe Diem Schools are encouraging. However, there is currently limited research on general hybrid school outcomes.

For-Profit vs. Nonprofit

Some states permit for-profit organizations to manage charter schools directly and many others permit for-profits to contract with a nonprofit charter governing board. A 2009 study from

⁶²Dobbie and Fryer, *Getting beneath the veil of effective schools*, 6.

⁶³ Ibid.

⁶⁴ Ibid.

⁶⁵ C. Cavanaugh, “Effectiveness of cyber charter schools: A review of research on learnings,” *TechTrends* 53, no. 4 (2009): 28-31.

Michigan found that after controlling for student and district characteristics, there was no significant difference in student outcomes for student in charter schools operated by for-profit and nonprofit schools.⁶⁶ A 2006 study of Florida schools, which also controlled for student-level fixed effects, produced similar results.⁶⁷ However, for-profit schools tend to be politically contentious, and it appears that in recent years growth in the for-profit charter sector has been substantially slower than growth in the nonprofit sector. For-profit charter school companies, are now more commonly providing school support services rather than operating schools directly.⁶⁸

Conversion vs. Start-up

Charter schools may be granted to new schools (start-ups) or to existing schools. In the second case, the charter schools are frequently referred to as conversion schools. Much to the frustration of those who hoped to use charter schooling as a strategy for improving low-performing schools, performance and working conditions in conversion schools appears to be comparable to matched traditional public schools.⁶⁹ A more promising strategy is one that cities such as New York City and New Orleans are using: the district partners with a charter school or a CMO to close down a low-performing district school and replace it with a new charter school, preferably one run by a management organization with a proven track record.

V. SYSTEMIC STRATEGIES FOR BETTER OUTCOMES

In the past twenty years, charter schools have expanded to many corners of the United States. However, as legislation passed, states and authorizing bodies found themselves in unknown and highly political territory. Some states proceeded with caution, imposing strict caps on the numbers of charter schools that could legally exist, requiring charter applicants to get approval from local school boards who saw them as competitors, or by retaining collective bargaining requirements and allowing charter schools only minimal freedoms over their budgets and education programs. These states, considered “weak” by advocates, produced few schools and few examples of breakthrough academic results. Others environments put few structures in place to regulate the influx of schools and saw a burgeoning of charter schools of all shapes, sizes, missions, and outcomes.⁷⁰ Still others pursued a happy medium. Massachusetts, for example, created a strict limit of 25 charter schools but provided autonomy to the schools that could open. However, given that charters were a new phenomenon, no one knew which policies would breed optimal results in prompting innovation and re-creating the face of public education.

⁶⁶ C. Hill and D. Welsch, “For-profit versus not-for-profit charter school: An examination of Michigan student test scores,” *Education Economics*. 17, no. 2 (2009): 147-166.

⁶⁷ T. R. Sass, “Charter schools and student achievement in Florida,” *Education Finance and Policy* 1, no. 1 (2006): 91-122.

⁶⁸ G. Miron, J. L. Urschel, M. A. Yat Aguilar, and B. Dailey, *Profiles of for-profit and nonprofit education management organizations*, Thirteenth annual report 2010-2011 (Boulder, CO: National Education Policy Center, 2012).

⁶⁹ R. Buddin and R. Zimmer, “Student achievement in charter schools: A complex picture,” *Journal of Policy Analysis and Management* 24, no. 2 (2005): 351-371; J. R. Betts and P. T. Hill, eds., *Taking measure of charter schools: Better assessments, better policymaking, better schools* (Lanham, MD: Rowman & Littlefield Education, 2010).

⁷⁰ C. Finn, B. Manno, and G. Vanourek, *Charter Schools in Action* (Princeton, NJ: Princeton University Press, 2000), 129. This quote refers specifically to Arizona, which has a particularly liberal charter school policy.

Researchers are really only beginning to study the effectiveness of various policies related to virtually every level of charter schooling, but variation between states and adjustments in practice suggest that certain legal frameworks and practices seem to prompt more success than others. In response to amassing experience and information about best practices, many states have amended their charter school laws to create conditions that encourage the creation of quality charter schools.

Despite limited research based on which policies contribute to strong charter outcomes, a number of factors, described below, are emerging from research and professional judgment. There is good reason to believe that strong public oversight, technical support organizations and school incubators, equitable funding, effective school governing boards, and charter school networks or management organizations all contribute to producing large numbers of high-quality charter schools. Recent years have seen a push for “smart cap” policies that make it easier for providers with a proven track record to replicate high-quality schools, as well as policies that implement more quality control mechanisms to monitor and close low-performing charter schools.

Strong Public Oversight

The structures and practices of charter school authorizers are particularly important considerations that received surprisingly little attention in the early years of charter schooling. Charter advocates largely assumed that authorizers would take accountability seriously and close low-performing schools. It turned out, however, that many authorizers either lacked the capacity or will to hold charter schools accountable. As a result, many charter schools opened without convincing plans for improving student achievement or without the expertise to manage the fiscal or operational side of running a school. In many cases, local school boards granted charters to vocal parents or community groups simply because it was easier to give those groups a school than to deal with the political fallout of refusing them.

There is little academic research on how authorizing regimes affect student achievement in charter schools, but an increasing number of policy reports have come out on the topic, noting practices that are regarded in the field as more or less successful. The National Association for Charter School Authorizers, a professional association, has, over the years, promoted standards for charter authorizing, including clear criteria, timelines, and parameters. Unclear guidelines and negligence in enforcing contracts allowed many low-performing charter schools to remain open in the early years of charter schooling.⁷¹

Although authorizing agencies are powerful players in the charter school movement, they have often been allocated minimal resources and have been slow to develop systems for setting clear expectations, gathering information about charter school practices, assessing those practices, and

⁷¹ National Association of Charter School Authorizers, *The State of Charter School Authorizing* (Chicago: Author, 2011), http://www.qualitycharters.org/images/stories/pdfs/publications/nacsa2011_state_of_charter_school_authorizing.pdf (accessed June 3, 2012).

taking appropriate steps to renew charters or deny charter renewal.⁷² According to survey results printed in 2002, “only 27 percent of the chartering agencies surveyed reported having written accountability standards, and an additional 4 percent said these were under development. Similarly, only 38 percent of the agencies surveyed had a formal renewal process. Another 6 percent were developing such a process at the time of our survey.”⁷³ At the advent of charter schooling, states and authorizing agencies had little idea of how to best support and monitor the successful implementation of charter schools; in 2003, authorizing agencies reported “receiving inadequate funding to support their essential responsibilities.”⁷⁴

Researchers’ knowledge of the nuanced and highly differentiated charter landscape is far from complete. Still, practical experience and recent research has moved us closer to an understanding of what factors likely contribute to increased student performance, and we are beginning to see the charter sector respond accordingly. The *2010 Principles and Standards for Quality Charter School Authorizing*, published by the National Association of Charter School Authorizers (NACSA), stresses that authorizers should encourage the “expansion and replication of charter schools demonstrating success and capacity for growth,” while also focusing on measurable outcomes and closing “schools that fail to meet standards and targets set forth in law and by contract.”⁷⁵ Individual states are also beginning to make the chartering process more streamlined for schools that have track records of student achievement and push for the tighter regulation and closure of charters that are not meeting their academic goals.

Authorizers also play an important role in the dissemination of information. Parents have frequently had trouble accessing information about their options in a format that is useful for them.⁷⁶ Therefore, districts like Hartford and New York City are experimenting with various methods of conveying information to families.

Finally, authorizers must be clear and be ever-vigilant to ensure that schools that receive public school students and public resources are playing by the rules, serving students equitably, and maintaining high-quality standards for our students. Doing so involves screening intensively when granting charters and closing low-performing schools.

Fewer authorizers make for better authorizers. In recent years, however, some new evidence can inform the mysteries about best practices in charter authorizing. Cross-state analyses of authorizing practices have repeatedly shown that there are advantages to limiting

⁷² B. Hassel and M. Batdorff, *High-stakes: Findings from a national study of life-or-death decisions by charter school authorizers* (Chapel Hill, NC: Public Impact, 2004).

⁷³ P. Hill, R. J. Lake, and M. B. Celio, *Charter schools and accountability in public education* (Washington DC: The Brookings Institution, 2002), 50.

⁷⁴ B. P. Palmer and R. Gau, “Charter school authorizing: Policy implications from a national study,” *Phi Delta Kappan* 86, 5 (2005): 352-357.

⁷⁵ National Association of Charter School Authorizers, *Principles and standards for quality charter school authorizing* (Chicago, IL: NACSA, 2010), <http://www.qualitycharters.org/publications-resources/principles-standards>, 12, 7.

⁷⁶ A. J. Rotherham, *Smart Charter School Caps* (Washington DC: Education Sector, 2007).

the number of authorizing options in a state. Upon finding that states that permit multiple authorizers observe significantly less academic growth in charter school students than their traditional public school counterparts, authors of a study from the Center for Research on Education Outcomes hypothesized that having a large number of authorizers may allow charter applicants to seek out the “easiest” authorizer.⁷⁷

In addition, the presence of many authorizers means that, as in California, there are often a number of authorizers with oversight over only a small number of charter schools. When authorizers only work with one or two charter schools, as is the case with many district authorizers, they may not see authorizing as part of their central mission or take steps to expand their capacity in accordance with their new authorizing responsibilities.⁷⁸ Limiting the number of authorizers in a state allows each agency to work with a greater number of charter schools, resulting in expertise and economies of scale in authorizing practices.⁷⁹ Developing authorizing expertise is especially important when charter schooling is new to a setting and there may be significant confusion and misunderstanding about chartering processes and authorizing responsibilities.

Some charter school advocates continue to argue that more than one authorizer in a setting helps to increase diversity and stimulate innovation. However, it has become clear that the more important consideration is that effective authorizers view authorizing as a key part of their mission and have sufficient resources and capacity to provide high-quality oversight for schools they authorize.

To facilitate strong authorizing, the National Association of Charter School Authorizers (NACSA) has developed a detailed set of principles and standards based on professional consensus about best practices for soliciting, screening, monitoring, and renewing or closing charter schools.⁸⁰

Local school boards tend to be low-quality authorizers. In addition to limiting the number of authorizing agencies, related literature has consistently found that local school boards tend to be lower-quality authorizers than other agencies; such as universities; state charter boards; city or mayor’s offices; or county, regional or intermediate districts.⁸¹ Districts are often under-resourced and do not have the capacity or expertise to grant charters, monitor

⁷⁷ CREDO, *Multiple Choice: Charter School Performance in 16 States*, 40.

⁷⁸ A. J. Rotherham, “The pros & cons of charter school closures,” in *Hopes, Fears, & Reality: A balanced look at American charter schools in 2005*, eds. R. J. Lake and P. Hill (Seattle, WA: Center on Reinventing Public Education, 2005).

⁷⁹ Palmer and Gau, *Charter School Authorizing*, 354; S. Mead and A. J. Rotherham, *A Sum Greater than Its Parts: What States Can Teach Each Other About Charter Schooling* (Washington, DC: Education Sector, 2007), <http://www.educationsector.org/sites/default/files/publications/CharterSchoolSummary.pdf>.

⁸⁰ The NACSA standards and other authorizing resources can be found at <http://www.qualitycharters.org/authorizer-quality/overview>

⁸¹ Palmer and Gau, *Charter School Authorizing*, 354.

charter school practices, and, if necessary, take steps to revoke a charter.⁸² In addition, local anti-charter political actors also often hinder local school boards' work as authorizers.⁸³

There are important exceptions to this trend, however. A number of local school boards who started out hostile to charter schools over time have become extremely thoughtful, even enthusiastic, charter authorizers. In some cases (e.g., New York City and Chicago), districts leaders came to see the value of partnering with charter schools to replace their lowest-performing schools. In other instances (e.g., Oakland, California, and Hartford, Connecticut), officials changed their view of charters after conducting authorizer site visits and realizing that the quality of instruction they saw was something they needed to try to learn from. Although these examples are still more exceptions than rules and took time to materialize, they are extremely promising developments and speak to the importance of encouraging local boards to find ways to use charter schools as a reform tool and to learn how to become managers of performance, not just enforcers of compliance.

Closing low-performing schools has proved harder than anticipated. The substantial politics around school closures affects authorizers of all kinds. Market theory predicts that the “worst” schools will be unable to attract students and will therefore close in the same way that unsuccessful businesses do. However, the factors that parents and the government value appear to be somewhat divergent. Some parents, believing that charter schools are serving their children better than traditional education options in terms of safety or other measures, have vehemently protested the closing of underperforming charter schools.⁸⁴ Many authorizers have avoided that political battle and the challenge of finding new schools for the displaced students by allowing charter schools with sufficient enrollment to remain in operation, even if the school was showing unacceptable levels of student performance.

Increasingly, however, there has been a political push for charter authorizers to be held accountable and to close down underperforming schools.⁸⁵ One example of a state that has taken action in the face of such pressure is Ohio, which recently restricted the bottom 20 percent of authorizing agencies from granting new charters.⁸⁶

Charter School Support Organizations and Incubators

Because starting a charter school requires a specialized set of skills, including creating budgets, raising start-up funding, finding key personnel, and developing effective teaching and learning programs, most states have developed support organizations to increase the odds that new charter schools will be successful. These organizations, such as the California Charter Schools Association

⁸² Ibid, 354.

⁸³ Ibid, 354.

⁸⁴ Rotherham, “The pros & cons of charter school closures.”

⁸⁵ E. Gray and T. Ryan, *Better choices: Charter incubation as a strategy for improving the charter school sector*, Policy Brief (Chapel Hill, NC: Public Impact, 2011), 15.

⁸⁶ Ibid.

or the New York Charter Schools Association, frequently help new school operators navigate the charter application, audit, and renewal processes.⁸⁷ Support organizations and associations also help charter schools with political lobbying, information sharing, governing board training, and other needs. They also frequently support charter school authorizers, which often have little experience in their roles.⁸⁸

In addition, national advocacy and support organizations, such as the National Alliance for Public Charter Schools, National Association of Charter Schools Authorizers, and Center for Education Reform collect data and produce policy reports on charter schools and authorizers, which helps develop transparency in the charter school sector. Charter advocacy groups also provide support for the sector by lobbying for various policy changes, often including increased charter school funding, better access to facilities, and increased charter school caps. These groups serve as a political counterweight to powerful teachers unions, which generally oppose the expansion of charter schooling.⁸⁹

Recently, philanthropic funding has supported the emergence of charter school incubators, which act as a recruitment and support mechanism for leaders who show promise in establishing excellent educational institutions.⁹⁰ As identified by a 2011 study by the National Charter School Resource Center, four focus areas for charter incubators are:

- Attracting and developing effective leaders of schools or charter management organizations (CMOs)
- Partnering strategically to help leaders open and operate high-quality charter schools and CMOs
- Championing school leaders in the community
- Coordinating advocacy to support new charter leaders⁹¹

Incubators aim to increase quality control and stability in the charter sector by competitively screening potential school leaders. By selectively choosing and supporting the most highly qualified candidates to lead schools, incubators expect to prompt quality expansion within the charter sector.⁹² Incubators hope to eventually procure public operating funds to increase sustainability and growth potential.

⁸⁷ New York Charter Schools Association, *Who we are*, <http://www.nycsa.org/aboutus.aspx> (accessed on June 4, 2012); California Charter School Association, <http://www.calcharters.org/> (accessed on June 4, 2012).

⁸⁸ Mead and Rotherham, *A Sum Greater than Its parts*, 16.

⁸⁹ Ibid.

⁹⁰ Gray and Ryan, *Better choices: Charter incubation*.

⁹¹ J. Ableidinger and L. Steiner, *Incubating high-quality charter schools: Innovations in city-based organizations* (Washington, DC: National Charter School Resource Center, 2011); Gray and Ryan, *Better choices: Charter incubation*, 8.

⁹² Gray and Ryan, *Better choices: Charter incubation*.

When a balanced portfolio of schools does not naturally occur through the charter application process or already exist in the district schools, authorizers and districts may need to seek or cultivate leaders for the desired programs. For example, the nonprofit New Schools for New Orleans has played a crucial role in recruiting talent for the city's schools and helping to launch new charter schools for the city, even though it is not affiliated with the Recovery School District.¹

A key function of charter support organizations has been attracting and developing human capital. Most charter schools say that the most important hiring criterion is "fit" with the school's mission and particular approach to instruction. Traditional teacher and principal preparation programs do not always provide the preparation needed to excel in high-performing charter schools. For that reason, many charter schools hire a large portion of their teaching staffs from Teach for America- a group of teachers that, on average, have graduated from more prestigious colleges but have less formal background in education than the traditional teacher labor force⁹³.

Some charter schools are establishing their own teacher education programs. The Relay Graduate School of Education, for example, was established by three high performing charter management organizations (KIPP, Uncommon Schools and Achievement First) and has organized coursework and program advancement more around student outcomes than most traditional programs.⁹⁴ High Tech High and YES Prep have also established teacher preparation and credentialing programs for teachers in their schools.⁹⁵ In addition to training teachers, high performing charter schools have developed their own leadership pipelines and preparation programs. YES Prep, Green Dot, Rocketship, and KIPP all have residency or fellowship programs for future school leaders.⁹⁶

Adequate, equitable funding

Most charter schools that have closed have done so for financial reasons.⁹⁷ Some school leaders have rushed into charter schooling ill prepared for the administrative demands, but financial arrangements for charter schools have also made fiscal sustainability a difficult task in many locations.

The details on charter funding differ in every state, but in most cases charter schools are provided something near the state's per pupil allocation and have the same access to federal funds as district

⁹³ Steven Glazerman, Daniel Mayer, Paul Decker. (2006). Alternative routes to teaching: The impacts of Teach for America on student achievement and other outcomes. *Journal of Policy Analysis and Management*. 25(1) 75-96.

⁹⁴ Relay Graduate School of Education. Retrieved from <http://www.relayschool.org/history/> on August 7, 2012.

⁹⁵ http://yesprep.org/WorkAtYes/topic/teaching_excellence/;

http://www.hightechhigh.org/about/educator_training.php

⁹⁶ Chadwick, C. & Kowal, J. (2011). *Preparing for growth: Human capital innovations in charter public schools*. Center for American Progress & Public Impact. p. 19-20.

⁹⁷ L. B. Palmer and R. Gau, "Charter school authorizing: Policy implications from a national study," *Phi Delta Kappan* 86, no. 5 (2005): 352-357; Consoletti, *The state of charter schools*.

schools. Unlike district schools, however, charter schools typically have limited or no access to locally raised revenue and have limited or no access to facilities funding or existing facilities.⁹⁸

Consequently, a 2010 study found that charter schools on average receive about \$2,247 (or 19 percent) less per pupil than district schools to educate comparable students. Disparities vary considerably between states: Indiana charter schools, for example, receive \$504 (5 percent) less than their district counterparts, whereas charter schools in New Jersey⁹⁹ received \$7,395 (37 percent) less than their district counterparts.¹⁰⁰ With few exceptions,¹⁰¹ the authors attribute the bulk of this disparity to charter schools' limited access to local funding.¹⁰²

Proving the complex nature of this issue, a separate research team analyzing charter school funding also found disparities but concluded that they could be justified by the differences in services provided by charter and district schools.¹⁰³ Charter schools have, however, used various supports to pay their bills. Among external funding sources are government programs aimed at the expansion of charter schools and philanthropies, which have played a major role in the development of the charter school movement.

Investments by the U.S. government and private philanthropies have tried to address some of these funding gaps, particularly by providing start-up funding, facilities finance loans, and supports for replication of promising schools.

Competent Governing Boards

Legal requirements for charter school governing boards vary by state, but most charter schools are required to form an oversight board¹⁰⁴, which typically is composed of community members who supervise various aspects of charter school operations.¹⁰⁵ The way in which states support and manage charter schools in the creation of excellent governing boards varies. Some states require that board members meet minimum requirements, others help schools to find highly qualified board

⁹⁸ See Table 6 in M. Batdorff, L. Maloney, and J. May with D. Doyle and B. Hassel, *Charter School Funding: Inequity Persists* (Muncie, IN: Ball State University, 2010) for a detailed list of states and funding access to charter schools.

⁹⁹ The authors note that at the time of the study the disparity in Louisiana exceeded that seen in New Jersey, but this is largely due to the unusual circumstances surrounding the opening of schools after Hurricane Katrina and likely not indicative of long-term funding trends. The authors also identified large disparities in the District of Columbia.

¹⁰⁰ Batdorff et al., *Charter School Funding: Inequity Persists*.

¹⁰¹ Charters receive more local funding than do their district counterparts in three states: California, Indiana, and Pennsylvania.

¹⁰² Batdorff et al., *Charter School Funding: Inequity Persists*.

¹⁰³ G. Miron and J. L. Urschel, *Equal or fair? A study of revenues and expenditure in American charter schools* (Boulder and Tempe: Education and the Public Interest Center & Education Policy Research Unit, 2010), <http://nepc.colorado.edu/publication/charter-school-finance> (accessed February 15, 2012).

¹⁰⁴ P. Hill, R. J. Lake, and M. B. Celio, *Charter schools and accountability in public education* (Washington, DC: Brookings Institution Press, 2002), 31-34.

¹⁰⁵ J. Smith, P. Wohlstetter, and D. J. Brewer, "Under new management: Are charter schools making the most of new governance options?" in *Hopes, Fears, & Reality: A balanced look at American charter schools in 2007*, ed. R. J. Lake (Seattle, WA: Center on Reinventing Public Education, 2007).

members, and still other states require authorizing agencies to appoint or approve board members.¹⁰⁶

Multiple authors have noted the critical role of the board in school operations. Boards typically hire the school principal, oversee school policies and finances, and help to direct and preserve the school's mission.¹⁰⁷ When organized as not-for-profit, tax-exempt entities, as many charter laws require, governing boards have a clearly defined set of legal and fiduciary responsibilities.

Charter school governing boards have had a rocky history. In many cases, community-based boards failed to provide adequate oversight. More commonly, board members, who are often parents or teachers in the school, have become too entwined with the school, micromanaging or second-guessing school administrators' decisions. These disputes can become extremely disruptive to the school and, in extreme cases, can quickly destroy an otherwise healthy school culture. To avoid such common governance problems, board and management roles and responsibilities must clear from the school's inception.¹⁰⁸ In addition, board training can help board members to understand their expected contributions and increase their effectiveness.¹⁰⁹

School Networks and Management Organizations

Subsets of charter schools that have attracted significant attention are nonprofit charter management organizations and for-profit education management organizations (EMOs), which are networks of charter schools run by a parent organization. CMOs and EMOs typically exist in urban areas and have attempted to scale up school-level successes, particularly among students from low-income families.¹¹⁰ Commonly lauded CMOs such as KIPP, Aspire Public Schools, YES Prep Public Schools, and Uncommon Schools have received significant philanthropic funding to scale their practices.

Among the most well-known and most studied CMOs are the KIPP schools. As described in earlier sections, KIPP has produced impressive results and although KIPP schools vary from school to school, KIPP's overarching operating principles, or "pillars" (high expectations, choice and commitment, more time, power to lead, focus on results)¹¹¹ align in many ways with characteristics of effective schools as determined by decades of research.

¹⁰⁶ National Resource Center on Charter School Finance and Governance, *Creating and sustaining high-quality charter school governing boards: A guide for state policymakers*, 2008, http://www.charterresource.org/files/Governing_Board_v3.pdf.

¹⁰⁷ Smith, Wohlstetter, and Brewer, "Under new management," 21.

¹⁰⁸ Smith, Wohlstetter, and Brewer, "Under new management."

¹⁰⁹ National Resource Center on Charter School Finance and Governance, *Creating and sustaining high-quality charter school governing boards: A guide for state policymakers*, 2008, http://www.charterresource.org/files/Governing_Board_v3.pdf, 18.

¹¹⁰ R. Lake, B. Dusseault, M. Bowen, A. Demeritt, and P. Hill, *The national study of Charter management organization (CMO) effectiveness, Executive Summary* (Seattle, WA: Mathematica Policy Research and Center on Reinventing Education, 2011), 1, 4.

¹¹¹ KIPP schools, February 2012, <http://www.kipp.org/schools>.

The number of KIPP schools is expanding rapidly (reaching a total of 109 at the outset of the 2011-12 school year)¹¹², as is the number of schools associated with other lower-profile CMOs and EMOs. CMOs and EMOs operated about 6 percent of the charter population in 2000 and 17 percent in 2009.¹¹³ CMO growth, however, has not been uniform. Schools operated by charter networks are even more geographically concentrated than charter schools in general. While about 40 percent of all charter schools are located in Texas, California, Arizona, and Ohio, about 80 percent of CMO-operated schools are located in those states, where charter laws grant above-average autonomy.¹¹⁴

Given CMOs' missions of scaling effective schools and school practices, one might expect them to consistently outperform their neighborhood public schools. However, not all CMOs are equally effective. About half of CMO-operated middle schools produce positive academic gains in both math and reading, while the other half do not.¹¹⁵ This finding is critical to authorizing agencies and charter school incubators, who might be inclined to give CMO affiliated schools preferential treatment without deeply examining their past performance and organizational plans.

Many centrally-managed school operators have also struggled with financial sustainability, quality control, and high teacher turnover¹¹⁶ leading some to suggest that while management organizations offer an important structure for replicating high-performing charter schools, philanthropic and public investment should also support the growth of community-based charter schools.¹¹⁷

Caps in Charter School Legislation

One of the most debated aspects of charter school policy has been the existence of legislatively mandated caps on the number of charter schools that may exist in a given state. At the birth of the charter school movement, caps may have been perceived as a prudent measure in the face of an unknown phenomenon. In many cases, cap requirements were a function of political compromises with teachers unions and school districts who lobbied to limit charter school expansion. However, after more than twenty years of national experience with charter schools, state-level charter school caps appear to be much less powerful a driver of quality than strong authorizing. Much evidence suggests that caps are simply an arbitrary way of limiting growth in the sector.¹¹⁸ One study actually found that caps are negatively associated with charter quality.¹¹⁹

¹¹² KIPP schools, November 2011, accessed from <http://www.kipp.org/schools>.

¹¹³ G. Miron and J. L. Urschel, *Profiles of nonprofit education management organizations: 2009- 2010* (Boulder, CO: National Education Policy Center, 2010) (accessed 10/14/11). <http://nepc.colorado.edu/publication/EMO-NP-09-10>; Lake et al., *The national study of CMO effectiveness, Executive Summary*, 1.

¹¹⁴ Miron and Urschel, *Profiles of nonprofit education management organizations*; Lake et al., *The national study of CMO effectiveness*, 3.

¹¹⁵ Lake et al., *The national study of CMO effectiveness*, 10-11.

¹¹⁶ Lake et al., *The national study of CMO effectiveness*, 49-59.

¹¹⁷ Lake et al., *The national study of CMO effectiveness*, 63-67.

¹¹⁸ T. Ziebarth, *Measuring up to the model: A ranking of state charter school laws* (Washington, DC: National Alliance for Public Charter Schools, 2011),

Recently states have enacted “smart caps,” or charter school caps that focus on quality, rather than quantity, of charter schools.¹²⁰ These caps discriminate by a charter school network’s, and sometimes an authorizer’s, record of success and encourage the rapid expansion of proven models and practices, while continuing to exercise prudence for schools and authorizers with nonexistent or unimpressive track records. One example of a state that has used smart caps is Connecticut, which recently passed legislation that allows high-performing charter schools to apply for waivers that would exclude them from the charter school caps.¹²¹ Ohio, Michigan, Texas, and Arkansas are also among the states that have smart cap policies.¹²²

Authorizer and school accountability measures

Because, as discussed above, many charter authorizers have failed to close failing charter schools and families often continue to enroll in low-performing charter schools, some states have turned to more direct accountability measures to ensure that the lowest-performing charter schools are closed down. Recently, the California Charter School Association, out of concern that low performers were affecting public perception of the sector overall, lobbied for an automatic shut-down provision in state law for charter schools not meeting certain academic performance goals. Other states have focused on accountability for authorizing agencies to ensure that they perform adequate performance oversight. Portfolio districts, which are dedicated to only operating the highest performing schools, have also assumed responsibility for closing unsuccessful charter schools.

Although some of the factors described in this section, such as funding amounts and types of authorizing agencies, are defined in law, a significant set of supports and activities, such as technical assistance supports and creating high capacity and accountable public oversight agencies, are a matter of implementation after a charter law is enacted. In fact, there is no evidence that legal frameworks alone are critical drivers of quality. One rigorous study of charter school effects in middle schools found “little evidence that the policy environment in which study charter schools operated was related to the schools’ impacts on achievement.” The study considered indexes of autonomy or accountability, type of authorizer, and whether the charter school was operated by a private organization.¹²³

http://www.publiccharters.org/data/files/Publication_docs/NAPCS_LawRankings_V12_Full.pdf_20110330T165043.pdf

¹¹⁹ CREDO, *Multiple Choice: Charter School Performance in 16 States*.

¹²⁰ Rotherham, *Smart Charter School Caps*. Among the states (and DC) that have legislated some form of “smart caps” are: Ohio, Connecticut, Arkansas, Texas, and Michigan.

¹²¹ Ziebarth, *Measuring up to the model*, 2.

¹²² Rotherham, *Smart Charter School Caps*.

¹²³ P. Gleason, M. Clark, C. C. Tuttle, and E. Dwyer, *The Evaluation of Charter School Impacts: Executive Summary*, NCEE 2010-4030 (Washington, DC: National Center for Education Evaluation and Regional Assistance, Institute of Education Sciences, U.S. Department of Education, 2010).

Overall, the best results likely start with a law that lays out a legal framework to allow schools real autonomy over educational plans, staffing, and budgets and then holds them accountable for performance. Implementation of the law then must go hand in hand with a commitment to invest in building the capacity of new schools and public oversight agencies. The following section summarizes the lessons learned from the U.S. charter experience, as well as some key missteps and potential missed opportunities that South African policymakers and civic leaders can learn from.

VI. IMPLICATIONS AND RECOMMENDATIONS

The establishment of charter schools can be an important tool for serving previously underserved students and injecting new talent and ideas into the school system. At their heart, charter schools are a research and development sector for public education systems that have become moribund in regulation and passivity. They offer proof points to show what's possible when government agencies responsibly unleash innovative ideas, entrepreneurial leadership, and mission-driven staff to create better outcomes for students. They offer a mechanism to start new schools quickly and an organizational structure that is designed to solve learning problems quickly and creatively.

These policies, however, do not run on autopilot. They are not vehicles for governments to abdicate public management. Successful choice programs require thoughtful public oversight. Agencies hoping to build high-quality public school choice need to design the programs to target the students with the greatest need, build screens and accountability systems that allow for diverse school options but filter out low-quality schools, actively build the supply of schools when needed, create the information and support systems that families need to make good choices, and invest in the transportation systems that allow them to access these choices.

The good news is that cities and states that commit to designing and implementing charter school policies with an eye toward quality and equity are likely to see strong results for students. The following list summarizes guiding principles that come directly out of the U.S. charter school experience:

- **Charter initiatives must be, from the start, laser-focused on quality.**

It took U.S. charter advocates, funders and policy supporters at least ten years to really come to some sort of consensus about the fundamental goals of the charter movement. Those who originated the idea argued for its potential for change and innovation without much attention to the desired end of all that innovation.¹²⁴ Highly uneven quality eventually forced a serious discussion about the need to focus on quality and led philanthropies and policymakers to reshape their strategies to focus on replicating high-quality schools and closing low performers. Autonomy can easily be viewed as an entitlement for community groups or parents to create their dream schools if it is not made clear from the start that

¹²⁴ See for example, J. Nathan, Charter Schools, Creating Hope and Opportunity for American Education. Jossey Bass Publishers. 1998.

innovation must produce better results quickly. Improving student achievement must be the unapologetic goal at the forefront of all discussions and legal frameworks.

- **Provide strong autonomy *and* accountability.**

In the early days of charter schooling, advocates considered a strong charter school law to be one that made it very easy for anyone to open a charter school and then set very minimal accountability requirements. Most advocates now understand that a strong charter law is one that promotes both strong autonomy and strong accountability. Do not bother to create charter schools with very limited autonomy, as very little will change in these schools. But balance that freedom with no-nonsense accountability that screens carefully to assess the likelihood that school founders will successfully improve student achievement, that carefully oversees the school to ensure it is complying with applicable laws and is on a path to success, and that creates clear and objective requirements for a charter school's renewal.

- **Strong authorizing is key to quality.**

Strong public oversight is a powerful lever for creating a strong supply of quality schools. Weak or negligent authorizing leads to many low-performing schools. It is clear from the U.S. experience that local school districts should not be the only authorizer, as they have every incentive to fight competition. On the other hand, too many authorizers can be problematic too, as authorizers need to build specialized expertise. Professional standards and supports for high-quality oversight are essential, as are clarity and accountability regarding authorizer roles and responsibilities.

- **You cannot get good schools without paying for them.**

If charter schools are expected to accept equal responsibility for serving all students and getting improved results, it's reasonable for charter providers to also expect they will receive equal access to resources and facilities. A predictable cash flow of government funding is also important so that charter schools can maintain fiscal health.

- **Clear language, oversight, and adequate funding are the best guarantees for equal student access to charters.**

Policymakers should avoid creating quotas or other rigid input requirements as a way to ensure that schools do not discriminate against students with special needs. Instead, charter policy should work to create the right incentives, supports, and accountability structures so that there are many high-quality school choice options available to families with unique needs. Funding designated for students with special needs should follow students to ensure that schools can adequately serve all students' needs. Insurance risk pools and cooperatives should be developed so that an individual school need not bear the sole risk of providing for students with very intense needs.

To ensure that poor or otherwise disadvantaged families are served equitably by charter schools, policies can give preference to school providers who intend to serve disadvantaged students, and authorizers can work with charter schools to provide effective parent information and transportation systems.

- **Good schools can and should be replicated.**

Policymakers should consider ways to develop and attract high-quality school providers, such as charter management organizations. This requires cities to create start-up infrastructures, including investments in start-up funding, school incubators, a supply of talented teachers and principals to work in the schools,

and growth-friendly policies, such as allowing one governing board to run multiple schools or a fast-tracked application processes for proven school designs.

- **Time and investment ease start-up pains.**

New school developers run into predictable problems. To ease those challenges, which can prevent a school from opening and can also prevent a school from having an impact for several years, there must be public or private investment in planning and start-up via direct grants or through school incubators or other mechanisms. Proposal and review cycles must also allow adequate time for planning, so that school developers are not forced to rush through a quick planning cycle that prevents them from developing a solid plan.

- **Do not expect to get everything right the first time.** Great systems of charter schools evolve over time as oversight agencies learn to oversee performance effectively, technical assistance providers learn how to incubate schools, and policies are adjusted to meet community needs. As with all innovations, there will be many failures along with tremendous successes. Prepare the public in advance about reasonable expectations for success and failure rates and try to build public support in advance for the inevitable need to close low-performing schools.

- **Be intentional about research and development.** As the U.S. charter sector has shown, innovation does not always occur and spread spontaneously. Those promoting public charter schools should be intentional about the intended role of innovation in charter schools. Oversight agencies should be clear about what problems they hope to solve with experimentation in charter schools and actively seek proposals from providers with new ideas for solving that problem. They should use research to intentionally develop and test potentially promising innovations, such as new uses of technology, and then actively disseminate information about what works.

- **Do not expect the law alone to take care of quality.** The legal framework for a charter policy is an important foundation for quality, but implementation is critical. Policymakers should not promote charter laws if they are not prepared to make investments in building capacity and if they are not willing to make the difficult decisions to enforce high standards for performance-based accountability.

Other policy design considerations

In addition to learning from what has been tried in the U.S. charter sector, South Africa would do well to consider ways to improve on the American charter experience. For example, although for-profit charter schools have not gained a strong foothold in the United States or performed markedly better than not-for-profits, some have argued that the charter policies as designed prevent for-profits from being successful.¹²⁵ Scholars cite, for example, the requirement in most states that for-profit school management companies must operate on contract with a nonprofit governing board. Such arrangements can lead to confused accountability arrangements, disputes between the nonprofit and for-profit boards about decision-making authority, and other problems that can create prohibitive

¹²⁵ S. Wilson: Learning on the Job: When Business Takes on Public Schools. Hoover Institute Press. 2006. J. Chubb. Should Charter Schools Be a Cottage Industry? In P. Hill Charter Schools Against the Odds. Hoover Press. 2010.

risk and costs for for-profits. For these reasons, some have argued that states should allow authorizers to contract directly with for-profits.

Further, by not allowing charter schools to charge tuition in addition to government funding, policymakers hoped to ensure that all students would have equal access to charter schools. John Merrifield has argued that this prohibition on tuition has limited the scope of private providers to those with low-cost models. An alternative funding model would allow charter schools to charge tuition, possibly on a sliding fee scale, but still require open admissions and other public accountability measures.

Most of these issues are secondary to providing equitable per student public funding to charter schools and some of the other barriers discussed above. Nonetheless, it's worth pointing out that some of the fundamental assumptions early charter advocates made about how to assure equity and accountability may have unnecessarily limited the supply of high-quality private providers.

Finally, it is important to note that although high quality authorizing provides some quality control, charter schooling is bound to produce political conflict. Allegiance to the existing structure and teachers unions will produce a distrust and distaste of any model that challenges that system. Charter schools' freedom to experiment can result in substantial breakthroughs but if schools are granted appropriate amounts of autonomy there are sure to be some models that do not succeed. Skeptics will likely point to low-performing or closed schools as evidence of the policy's failure. Public confidence may increase over time with a relentless focus on scaling quality and closing low-performing schools, but any system adopting a charter-like reform will almost certainly face some social and political tension.

VII. CONCLUSION

Despite obvious cultural and political differences, South Africans interested in creating public charter schools have much to learn from the U.S. experience, now more than 20 years in the making. As the various approaches to state charter laws show, political compromises and areas of wishful thinking or naiveté drove much of the American charter school legal frameworks that exist today. Some of those are simply unavoidable in order to get laws passed, but some are easily avoidable given hindsight.

Student outcomes vary greatly depending on the types of policies chosen and commitment to implementing them, but there are clear pathways to success. Most importantly, policymakers and advocates must make sure the purpose of charter schools is clearly defined around expectations of improved student learning; provide equitable resources as well as technical assistance; and commit to strong data analysis and oversight.

Before diving into large-scale third sector schooling in South Africa, policymakers should carefully consider the social and political resources available to support the quality development of third sector schools. The presence of committed government officials, a quality teacher and leadership

force (or training programs to develop such a labor force), and nongovernment supports all may be necessary foundational elements to the development of third sector schools. Without these supports in place, opening up schools to third party managers may lead to the wide variety of outcomes, including large quantities of unstructured and low performing schools.

Still, with thoughtful legal drafting, careful political engagement, and investment in implementation and infrastructure, there is no reason why a charter school policy in South Africa can't produce strong results on behalf of students who are in dire need of new solutions.
