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## CHARTER SCHOOL PRIMER: VARIETY OF OPTIONS CAN SERVE STUDENTS, EDUCATION

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### Executive Summary

*One of the most interesting and possibly useful education reforms of the last 15 years has been the charter school movement. Over 1 million students attend charter schools in 40 states, including Kansas. While some proposals for education reform have gotten caught in the crossfire of party politics, charter schools have enjoyed bipartisan support. This primer offers Kansans an introduction to the topic.*

*Contrary to the claims of some critics, charter schools are not private schools; they are in fact public schools. Public charter schools take all students as space allows. When there are more students interested than slots available, a lottery is used to select which students may attend. Charter public schools are subject to the same provisions of No Child Left Behind as traditional public schools and, unlike private schools, do not and cannot provide sectarian teaching.*

*The central concept of the public charter school is its governing document, the charter. By it, the school is freed from some bureaucratic rules. In return, it must achieve specific results. The charter school that does not meet the management and academic expectations of its contract is shut down. This is a significant difference from the traditional public school, where mismanagement and poor performance can linger for years, and end not with closure, but ever increasing amounts of funding.*

*While all charter schools are governed by some sort of contract, they vary in many ways, from state to state and within a state. Some follow a traditional curriculum while others use a more progressive approach. Some charter schools use a college preparatory approach, which is especially useful among the urban poor. Other charter schools emphasize a technical education.*

*Some states give charter schools a lot of freedom. Others, like Kansas, do not. The most restrictive states require charter schools to petition the local board of education, making the charter school less independent and more of an extension of the district. Some states allow for greater independence by letting public universities, a state board for charter schools, or the state board of education oversee charter schools. States with a wider range of authorizers tend to make more use of charter schools.*

*Due to the variety of charter schools, their performance is mixed. Yet it is clear that specific charter schools can and have been put to good use. Kansas can and should expand the use of charter schools as a way to promote the educational achievement of all children.*



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The U.S. General Accounting Office echoed the words of many people when it said that “charter schools, as a group, are of particular interest to policy makers because they hold promise as an education reform.”<sup>1</sup> Yet if charter school opponents have their way, they will be strangled before they mature. This is of particular concern in Kansas, where the laws governing charter schools are among the most restrictive in the nation.

This paper examines the charter school laws in Kansas, the variety of charter schools seen throughout the nation, and some myths and facts concerning charter schools. It concludes with recommendations for improving public education by making more room for the charter school model of governance by performance contract.

## What are Charter Schools?

Charter schools are public schools, meaning that they are open to all applicants, receive taxpayer support, do not charge tuition, and are not sectarian. Yet they differ from traditional public schools in significant ways. Those differences can make charter schools an important component of the public education system for those states that make the best use of them.

The traditional school district has its own governing board and taxing authority. Like units of state or local government, the school district also has an indefinite life. We can expect that whether the district is well run or poorly run, it will exist from year to year. The only exceptions to this rule are district consolidations, which are usually performed in hopes of saving money.

A charter school is different. Its administrators cannot expect that just because the school is here today, it will be here twenty years from now. It must earn the right to exist, rather than expect it as a right. The management of a charter school must abide by the terms of a contract, which is up for review on a regular basis. (The terms of a charter school contract typically range somewhere from three to ten years, with the majority being five years.) Parents provide another check on charter schools; if they withdraw their students, the school shuts down.

Like any contract, a charter school contract calls out the expectations of the people entering into it. In the charter, the managers of the charter school lay out their academic, administrative, financial, and other goals and plans. “This is what we want to do,” they say, “and this is how we will do it.” The organization that grants the charter, called the authorizing or chartering agency, is responsible for making sure that the school management lives up to its promises. The charter school, in other words, is held to a performance standard, overseen by the chartering authority. In addition, in most states, the state board of education, state department of education, or state superintendent of education provides an additional level of accountability.

There are two parties to a charter school contract: one organization receives the charter and operates the school; a second, the chartering authority, oversees the terms of the contract.

What kinds of organizations serve as charter school authorizers? State laws, which vary, define the possibilities.<sup>2</sup> The chartering authority can be a public college or university, the local board of education, the state board of education, a state board of education established specifically for charter schools, or even certain nongovernmental, nonprofit organizations. In some states, a public charter school must secure the authorization of two different agencies.



The groups that can petition to set up a charter school depend on state law, but they are usually established as nonprofit organizations or teachers' cooperatives. Across the country, most charter public schools are organized as nonprofit organizations; some states, notably Michigan, allow for subcontracting to a for-profit corporation.

The contract specifies goals for financial management and student achievement. If the school does not meet the goals called out in the contract, the charter is revoked and the school must close. In return for this form of accountability, a charter school receives some extra freedom in how it operates. It may, for example, offer a longer school day or school year, or offer additional non-academic services. KIPP Academies, for example, are open from 7:25 a.m. until 5:00 p.m., and teachers are available via cell phone at night.

A successful charter school requires not only a competent governing board, but an effective, competent, and helpful chartering agency. Unfortunately, there have been missteps along the way,<sup>3</sup> tainting the reputation of high-performing charter schools as well.

### **What Happens in a Charter School?**

Minnesota enacted the first charter public school law in 1991, with California following in 1992, and Michigan in 1993. There were 19 states with charter school laws in 1995, and the idea quickly spread to 40 states; as of October 2005, there were over 3,500 charter schools serving close to 1 million students.<sup>4</sup> In a national survey conducted by the Center for Education Reform, more than half of the schools said that they had waiting lists.<sup>5</sup> That means that parents see and want charter schools as an attractive option for their children. Since parents must actively choose to send their children to a charter school, these schools attract families who want alternatives to the traditional public school.

While charter schools accept all comers—the only allowable restrictions in most states are for lotteries and sibling preferences when there are more interested students than seats available—some actively recruit troubled students. By contrast, the traditional public school facing little competition from charter or private schools simply waits for students to enroll.

### Pedagogy and Curriculum

Charter public schools, by virtue of their innovative nature, are free to use their own pedagogical methods or specialized curriculums. Some offer a back-to-basics approach. Others offer a detailed, systematic, integrated curriculum such as the Core Knowledge program. Core Knowledge program takes the traditional approach to education, that of a teacher imparting a specific body of knowledge to students, to new levels.

On the other hand, some charter schools use a more constructivist or progressive approach. In this school of the thought, the teacher is not a “sage on the stage,” but a “guide on the side,” helping students explore knowledge at their own pace and on their own terms.

Some schools emphasize specific fields of study, such as the arts, business, or foreign languages. Others offer a general education.



## Expectations of and Goals for Students

While the idea that all students will attend college may be an American dream, some students live in neighborhoods where survival is an accomplishment and high school graduation is the exception. Some charter schools seek out those neighborhoods. The KIPP Academy Houston, for example, is “on a mission to level the playing field for students who live in neighborhoods troubled by illiteracy, drug abuse, broken homes, gangs, and juvenile crime.”<sup>6</sup>

Some charter public schools actively encourage their students to make plans for college. University Academy, for example, is a charter school in Kansas City, Missouri. It is a college prep school, taking in all students as space allows, but demanding that they work hard towards college entrance. It does not fit the stereotype of a school of students from wealthy, well-connected white families. Instead, the student body comes almost entirely from low-income black neighborhoods. In Boston, meanwhile, the Roxbury Preparatory Charter School offers a college prep curriculum; 100 percent of the students are minorities, and over half receive subsidized lunches. In Phoenix, the BASIS School combines European and American traditions with a liberal arts emphasis. Twelve of the school’s 19 teachers have either a master’s degree or doctorate in their subject matter. The school does this with only \$5,339 per pupil.<sup>7</sup>

Other charter schools take a vocational approach. For example, the Tesla charter school of Appleton, Wisconsin<sup>8</sup> prepares students for work in today’s manufacturing environment, which depends on math and science more than sheer physical endurance or power.

Many charter schools, however, serve as a place of refuge, a last stop in a troubled educational history. According to the Kansas State Department of Education (KSDE), 83 percent of charter schools in Kansas are alternative or credit recovery programs.<sup>9</sup> For their students, the alternative is not the traditional charter school, it’s dropping out of school altogether.

The examples from other states suggest that Kansas could make greater use of charter schools to expand educational opportunities and help better prepare students for the workforce and for college.

## Targeted Student Population

While charter public schools by law accept everyone (in some states, students must first reside in a specific district, such as Kansas City, Missouri), charter schools sometimes seek out specific groups of students. Some, for example, may actively seek out students from low-income minority families living in large urban districts. Families in this population are often unable to find a satisfactory option for their children. One urban charter school is the Community of Peace Academy of Saint Paul, Minnesota, which has an enrollment that is 70 percent Hmong. Not all charter schools target specific populations, however, and as public schools, charter schools must admit all students on a space-available basis.

## Urban or Rural?

The conventional wisdom says that charter public schools are urban. This is often the case, but not always. They can also be used in rural areas. That makes charters an option for much of Kansas. Due to financial and legal pressures as well as demographic trends, pressure to



consolidate rural districts is strong and may grow stronger in coming years. The charter school concept could be used by innovative groups of people in sparsely populated areas to offer expanded choices to students and deal with the difficulties of rural education.

While the Flint Hills Center for Public Policy has consistently argued that the goal of public education should be student education rather than the preservation of organizations, residents of thinly populated rural districts may find that converting a traditional public school to a charter school could produce significant financial and other benefits. In Colorado, some communities are turning to charter schools as a way of addressing declining population. According to one news report, the ten rural charter schools in the state “were created so that students wouldn't have to ride a bus for three hours every day.”<sup>10</sup>

### Virtual or Traditional?

Some charter schools make use of new technology to operate virtual schools. In all, there are 19 virtual schools in Kansas. The most prominent may be the Lawrence Virtual School,<sup>11</sup> which offers a new option to parents of children in grades K-12. The school, run by the USD 497 Lawrence, shows both the possibilities and the limitations of letting local school districts be the only public organizations to grant charter school contracts. For the 2004-05 school year, it drew five times as many students as anticipated. Said one board member, “This is phenomenal. I don't think any of us anticipated this type of reaction.” The school draws from students across the state, and for a while it actively made its presence known throughout Kansas. Yet not all school officials in the state support the move. In the words of the *Kansas City Star*, the Dodge City schools superintendent has “expressed concern ... that publicly funded alternatives to traditional schools [including a virtual charter school] would create unfair competition.”<sup>12</sup>

### **The State of Charter Schools in the State of Kansas**

Kansas has a fairly small number of students in charter schools, and a small number of charter schools—only 2,568 students are enrolled in 31 charter schools.<sup>13</sup> That's barely over one half of one percent of all students. This contrasts with 86,409 students in Arizona's charter public schools, making up nearly 9 percent of that state's enrollment. In Michigan, 4.6 percent of students are in charter schools, and 3.5 percent of students in Ohio attend charter schools.<sup>14</sup> The states that make more use of charter schools rank both above and below Kansas in national assessments. States that scored higher than Kansas on the 2005 National Assessment of Educational Progress include Colorado (5 percent of all students are in charter schools); Massachusetts (2 percent) and Minnesota (2 percent).<sup>15</sup>

Simply looking at the list of charter schools in Kansas reveals two facts. One, enrollment in charter schools in Kansas is insignificant. Two, charter schools in the state are captive to the local school district, not independent organizations.

In Kansas, charter schools are more akin to magnet schools (offering innovative curriculums) or alternative schools (serving educationally troubled youth), both of which are part of traditional school districts.



Kansas Charter School Enrollment		
<i>Chartering authority</i>	<i>Charter School Name</i>	<i>Enrollment</i>
USD 101 Erie-St Paul	Galesburg Charter School	130
USD 200 Greeley	Greeley County Junior High Charter School	72
USD 218 Elkhart	Point Rock Academy	111
USD 253 Emporia	Turning Point Learning Center	NA
USD 261 Haysville	Haysville Charter School	15
USD 263 Mulvane	Mulvane Academy	11
USD 267 Renwick	Colwich Grade School	329
USD 287 West Franklin	West Franklin HS Learning Center	NA
USD 308 Hutchinson	Hutchinson Cyber Charter School	6
USD 312 Haven	Pleasantview Elem/HS Charter	110
USD 312 Haven	Yoder Charter Elementary School	93
USD 315 Colby	Thomas County Academy	30
USD 321 Kaw Valley	Delia Charter School	22
USD 332 Cunningham	Zenda Grade School	24
USD 349 Stafford	Stafford Economic Development charter	5
USD 361 Anthony-Harper	Learning Center of Harper	22
USD 373 Newton	E3: Entrepreneurial Education Enterprise	42
USD 382 Pratt	Productivity Academy	38
USD 400 Smoky Valley	Smoky Valley Virtual Charter School	22
USD 424 Mullinville	21st Century Elem/HS Learning Academy	57
USD 465 Winfield	Community Learning Center	40
USD 490 El Dorado	E-CATS	16
USD 497 Lawrence	Lawrence Virtual School	167
USD 499 Galena	Cornerstone Alternative Charter High School	45
USD 501 Topeka	Hope Street Charter Academy	535
USD 501 Topeka	Hope Street Academy Charter Middle School	24
<i>State Total</i>		<i>1,966</i>

Source: Kansas Department of Education<sup>16</sup>

The fact that Kansas makes little use of charter schools is no accident. Even official publications regarding charter schools make it clear that they are instruments of local school boards, not truly independent organizations. For example, the portions of the KSDE web site that give information on starting a charter school are written with district officials in mind. Under “Reasons for Choosing to Charter,”<sup>17</sup> the Department says that “**Districts** have a wide variety of reasons for starting charter schools.”

Further, it suggests that opening a charter school may be “an opportunity for **the district** to attract new sources of revenue.” A number of charter school publications make clear the link between the district and the charter. The latest annual report for the Point Rock Academy says that information about the school will be disseminated via the district newsletter (USD 218 Elkhart). The Yoder Charter Academy follows the curriculum of USD 312 Haven, its host district. While there is nothing wrong in itself with a charter school drawing on the resources of a school



district, the fact is that in Kansas, unlike many states, charter schools do not have the freedom that they have mark the charter school movement.

**How Does Kansas Charter School Law Compare to That of Other States?**

While all charter public schools differ from all traditional public schools in that they are governed by a contract, the laws governing who may operate a charter school and under what conditions make a tremendous impact on how, and how much, charter schools are used in a particular state. Those laws, in turn, drive the use of charter schools in the state.

While Kansas is among the 40 states that do have some form of law allowing charter schools, its laws are among the most restrictive in the nation. The Center for Education Reform, a nonpartisan reform association favoring charter schools, gives Kansas a “D” for its charter school law, an assessment noted by the planning and research division of the KSDE.<sup>18</sup> The center reviewed laws in all the states and based its evaluation on a number of factors, including how difficult it is to start a charter school, how much fiscal and legal independence a charter school has from the local district, and how its funding is distributed.

The Thomas B. Fordham Institute examined the effectiveness of charter school authorizers in various states. In its report, the Institute did not even mention the state of Kansas. Why? The authors specifically mention that they included only those states whose laws give charter schools “some minimum level of legal or fiscal autonomy.”<sup>19</sup> Kansas did not make the cut.

The Education Commission of the States (ECS), meanwhile, offers a 50-state database that compares the states on their policies governing charter schools.<sup>20</sup> While the ECS does not grade the states, a review of its information confirms that Kansas takes a more restrictive approach to charter schools than the average state.<sup>21</sup>

To review, one way to differentiate one state’s laws from another is how difficult it is to start a charter school.

<b>Ease or Difficulty in Starting a Charter School <i>Kansas compared with other states</i></b>		
	<b><i>Kansas</i></b>	<b><i>Other states</i></b>
Is there a numeric cap on the number of charter schools?	No	26 states have caps.
Who may approve a charter school?	Local school district <b>and</b> state board of education	8 states require both; 7 are local-only; 25 allow one or more alternatives.
Must all charter schools receive approval from the local district?	Yes	23 states allow other authorities, in varying degrees, to authorize a charter school.
Do charter applicants have a right to appeal a denial, or appeal to another authority?	No	29 states allow applicants to appeal to the state board, another public entity, or to binding arbitration.



A charter school must actively be granted permission to operate. While at some level this requirement can be justified on several grounds—concerns for the spending of public money, student safety, management oversight, and so forth—an overly restrictive regulatory environment can squash the development of charter schools in a state.

Some states cap the number of charter schools. Next to that, the most severe limit lies with who can approve a charter school application. Some states, including Arizona, Michigan, and Minnesota, allow a variety of organizations to oversee a charter school. Public universities, non-profit foundations, mayor’s offices, and a separate state board for charter schools are among the authorities that some states entrust with charter oversight. In most states, a local school district also has authority to approve charter school applications, though few give it a veto.

Several states, including Kansas, stipulate that charter school operators must in all cases get permission from the local school board of the geographic area in which it will be based. This requirement places an undue burden on charter school applicants. Public school boards, quite naturally, jealously guard the financial interests of the organizations they oversee, for when a student leaves the district for a charter school, so does the state share of education spending for that student. It is no surprise, then, that states that require local district approval also tend to have the fewest charter schools. In the words of one education researcher who has written critically of the charter school movement, limiting the list of authorizing agencies to local school districts restricts the growth of charter schools. “In states where the only authorizers are local school boards, these boards may be hesitant to sign off on their own competition.”<sup>22</sup>

Kansas law puts a financial squeeze on would-be charter petitioners

Harsh financial restraints also limit the use of charter schools. As with any organization, a charter school requires funding to get started. Planning for a charter school—in Kansas law, creating a petition for a charter school—is a time-consuming and expensive process. The states vary in the extent to which they financially support efforts to start charter schools. Kansas has been near the bottom. The recently awarded \$10 million in grant money from the federal government will help,<sup>23</sup> but there is more that Kansas itself should do.

It is one thing to gain approval for a charter school; it is another thing to be able to pull together the financial, legal, managerial, and other resources and tasks that are required. Some states provide start-up assistance to charter schools. Kansas is not one of them.

<b>Startup Expenses and Facilities</b>		
<b><i>Kind of support</i></b>	<b><i>Kansas</i></b>	<b><i>Other states</i></b>
Does the state provide loans grants, advances or other aid for start-up costs?	No (modest federal grants awarded starting in late 2006).	12 states do.
Does the state have laws that help charters find facilities?	No.	25 states provide funds or require “best available terms” leasing from districts.



Kansas law limits the regulatory advantage of charter schools

Next to using a contract to ensure accountability, the most important feature of a charter school is its operational flexibility. This is the regulatory advantage that charter schools have over traditional public schools. The states that most fully use the charter model specify in law a number of bureaucratic rules and laws that are automatically waived for charters. (Health and safety rules are not waived, nor are federal requirements.) A more restrictive approach requires a charter school applicant to gain permission from the authorizer for each deviation from standard rules. In the case of Kansas, the petitioner must seek the approval for each deviation from the very school districts that might fear the competition that charter schools can bring.

<b>Regulation of Operations</b>		
<b><i>Regulatory flexibility in law</i></b>	<b><i>Kansas</i></b>	<b><i>Other states</i></b>
Are charter schools automatically bound by the collective bargaining agreements (CBA) of a local district?	No (but the charter petition must be approved by local districts, which may impose CBAs).	28 states do not automatically impose CBAs, including union states Michigan and Pennsylvania.
Must all teachers in a charter school be certified?	Yes.	22 states allow non-certified teachers, including Michigan, Minnesota, and New York.

Many states allow charter schools to expand the hiring pool by employing non-certified mid-career professionals. Kansas is not one of them. The difficulty of attracting mid-career American citizens to teaching contributes to a shortage of math and science teachers, which is driving Wichita and other districts to recruit from the Philippines. Though the transplanted teachers must go through a certification process, the increased standard of living they can enjoy by a move to the United States makes the trouble worthwhile.

Many states allow for increased managerial flexibility by not requiring charter public schools to automatically adopt the collective bargaining agreement of the district in which the charter school is physically located. Kansas does not explicitly require the use of collective bargaining agreements. But since all charter school proposals must be approved by local boards of education—who in turn deal with members of a teachers union—Kansas policy tilts toward labor rigidity, not flexibility.

On a day-to-day basis, the most important factor determining the viability of a charter school is whether its financial support is called out in law, or left to the discretion of the authorizing agency. A law that would establish an equal financial footing between the charter school and the district school would specify that charter public schools receive the same per-pupil funding as traditional public schools. A law that gives an advantage to the traditional school leaves the entire amount to the discretion of the authorizing agency. That is the law that Kansas has.



Ongoing Finances		
Question	Kansas	Other states
How is funding for a charter school determined?	It is at the discretion of the local school district.	Nearly every other state provides some guaranteed revenue, based on formulas or other factors.

In Kansas, not only must a charter school petition be approved by the local school board, but the local board also decides how much money the charter school will receive. By not establishing a charter school funding requirement in law, Kansas indeed makes charter schools a creation of and captive to the local school district. Since the charter school movement started in part as a way to offer alternatives to established bureaucracies, Kansas law operates far from the spirit of the charter school idea.

### Myths and Facts Concerning Charter Schools

Kansas’s approach of severely limiting the growth of public charter schools by limiting authorizers to local school districts shows no signs of ending anytime soon. The resistance to charter schools rests in part on several misunderstandings of what charter schools are and what they do. Kansans who look at the facts about charter schools may conclude, after they have a better understanding of them, that these innovative additions to the public school system are worth expanding.

#### Myth: Charter Schools are Private Schools

Perhaps the most common objection to public charter schools is the belief that they are actually *private* schools. The influential *New York Times* articulated this comment in a recent editorial calling for a clampdown on charters, saying they “are basically private schools.”<sup>24</sup>

There are a few things wrong with this advice, starting with the fact that charter schools are not private schools. By design, legal standing, and fact, they are public schools. They are accountable to public entities, and accept all comers. A private school has the discretion to exclude some students. (Some exercise it, some do not.) Charter public schools do not.

#### Myth: Charter School Performance is Poor

One widely held belief about public charter schools is that they are inferior to traditional public schools. Before we accept that claim, we should consider that 75 percent of public charter school students are, in the definition of the education industry, “at risk,” and roughly 60 percent are minority.<sup>25</sup> Charter schools, then, start at an academic disadvantage.

The question then becomes “How well do charter schools do, compared with regular public schools in boosting the achievement of comparable student populations?” And the answer is “pretty well, all things considered.”

Dueling surveys, studies, and interpretations thereof have muddled the debate. The American Federation of Teachers (a teachers union) argued in 2004 that traditional public schools



outperformed charter schools across the board, and in center cities as well. It further argued that even charter schools in states that gave them more leeway underperformed traditional public schools.<sup>26</sup>

In its editorial, the *New York Times* cited the work of a team at Western Michigan University that produced two reports that alternately say that Michigan charter schools score worse than their comparable districts, and that student achievement is a source of strength for charter schools.<sup>27</sup>

On the other hand, a report from the Brookings Institution<sup>28</sup> says that charter schools are improving each year. The test scores of schools chartered in 2000 and operating for at least three years were “rising sharply,” and made gains that exceeded those of other public schools.

Scholars at Harvard and the Columbia Business School<sup>29</sup> used a randomized process to look at the effects of charter school enrollment in three low-income minority neighborhoods in Chicago. Their conclusion? Charter schools can deliver gains in student achievement.

“Our results demonstrate,” the two said, that for students who enter a charter school in kindergarten through fifth grade, “attending a charter school improves reading and math scores by an amount that is both statistically and substantively significant.” Though they caution that research on charter schools is still limited, they add that “we believe that these results can safely be extrapolated to similar schools that serve similar students.”

An analysis conducted in North Carolina found that the introduction of charter schools brought improvements throughout the state: “The introduction of charter school competition causes an approximate one percent increase in the score, which constitutes about one quarter of the average yearly growth.”<sup>30</sup> In still other parts of the country, charter public schools in Buffalo, Indianapolis, and New York have outperformed traditional schools.<sup>31</sup>

Despite the promises suggested by these studies, there are still limits to the research. The National Charter School Research Project performed an analysis of 40 studies conducted from 2000 to 2005. It concluded that national studies conducted to date were fraught with methodological problems, and that differences in state laws made generalizing from state-specific studies problematic.<sup>32</sup> Many studies take a snapshot in time, and do not track student gains. Even student gain models lose some of their explanatory power when used to study students who do not switch between charter and traditional schools. They also are limited when the test instrument frequently changes. The Project concludes that researchers need to conduct national and regional as well as local studies.

Given the positive but not ironclad verdict of studies, we can look at one more test. What do parents of charter school students think? Every student in a charter school is there because of the freely chosen decision of a parent who is looking for an alternative to the default option.

#### Myth: Charter Schools Are Costly Diversions from Public Education

Some skeptics of charter schools, especially though not only district administrators and school board members, argue that charter public schools take money away from public schools. This adds a financial angle to the argument that charter schools are private schools.



While it is true that some funds follow students to charter public schools, this is not the whole story. Each student leaving a district school is one less student on whom the district must spend money for instruction, supplies, and other costs. So their per-pupil funding goes up. Charter schools also benefit the public by operating with lower costs. They are eligible for some start-up funds from the federal government, but once they are going, they often operate without taxpayer support for capital costs. Charter schools often produce results similar (or superior) to those of traditional schools at less cost. Successful public charter schools in Chicago, for example, receive only 75 percent of the per-pupil funding of Chicago Public Schools.<sup>33</sup>

Nationally, the median per-pupil revenue for regular school districts in 2003 was \$8,881; by contrast, even in 2005, the median per-pupil revenue for charter schools was only \$6,000. In other words, charter schools received two dollars for every three that regular schools received.<sup>34</sup> A less comprehensive study conducted by the Thomas B. Fordham Foundation found that charter schools get four dollars for every five dollar that regular public schools receive.<sup>35</sup> Rather than diverting funding from public education, then, charter schools make it more efficient.

#### Myth: Charter Schools Are Out of Control

Another myth concerning charter schools is that they are as a group overrun with management problems, and even fraud. (Management problems are not unknown in traditional public school districts, of course.) In its complaint against charter schools, the *New York Times* says that “Some states have opened so many charter programs so quickly that they can barely count them”—hyperbole, to be sure—“let alone monitor student performance.”

In Kansas, a member of the *Wichita Eagle* editorial board advised residents to “listen to the Times,”<sup>36</sup> which argued that the problem with charter schools “has turned out to be too little state oversight, not too much.”<sup>37</sup>

“Sloppily administered charter programs,” the *Times* continues, “can harm students and undermine faith in both the chartering process and public education in general.” All true statements. But “faith in ... public education” was already strained by unacceptable drop-out rates, low achievement rates, and stagnant achievement gains in an era of increased funding. It is hardly fair to blame charter schools, which still serve a relatively small number of students, for the problems afflicting public education as a whole.

If the complaints of the critics are true, the implication is that states should make sure that authorizers are doing their job. It does not mean that states should stop issuing charters. Neither does it mean that states should subject charters to the same rules as regular public schools—in other words, destroying their essential qualities.

#### Myth: Charter Schools are an Untested, Risky Experiment

Far from being an untested experiment, public charter schools are growing in strength every year. Since the first charter school opened in 1991, enrollment has steadily risen, with over 1 million students now enrolled in charter schools in 40 states. They are no longer novel. While caution in developing new programs and approaches has some merit, charter schools are far from being an untested, risky scheme. Should Kansas expand its use of charter schools, it will gain from the experience of other states that have a larger charter school population.



### Myth: Charter Schools are the Idea of Political Extremists

Given the political battles of Kansas during the last decade, it would be easy to think of charter schools as simply the tool of a few people who wish to abolish public education entirely. Remarkably, an editorial in *Johnson County Sun* even went so far as to imply that advocates of charter schools are no different from Islamic theocrats in Iran, suggesting that both want to turn the public schools into an instrument of institutional, religious indoctrination.<sup>38</sup>

But the charter school movement is a broad one, of course, encompassing supporters from across the political spectrum. Minnesota, which started charter schools, is predominantly left-of-center. So are Michigan and Massachusetts. Arizona, another leader in the charter school movement, is a state of divided loyalties, and a recently re-elected Democratic governor. Charter public schools have enjoyed the support not only of the current Republican president, but of his Democratic predecessor. In 1997, President Bill Clinton called for 3,000 charter schools within five years.<sup>39</sup>

In other words, support for charter schools is entirely compatible with American democracy—no extremism required.

While prudent policymakers do not govern simply by consulting poll numbers, they may be encouraged to know that public charter schools do have public support. Nationally, three out of four voters support expanding the use of charter schools.<sup>40</sup> In a statewide survey conducted in January 2006, nearly two out of three Kansans polled favored, either “somewhat” or “strongly,” the creation of public charter schools. Nearly four out of ten supported the idea “strongly.” Even greater numbers supported charter schools for special needs or at-risk students.<sup>41</sup>

### **Recommendations**

Charter public schools came into being because of frustration with the slow pace of school reform. Given that per-pupil, inflation-adjusted spending doubled in the U.S. between 1972 and 2002 without an appreciable gain in student test scores, charter schools should be a welcome contribution to the effort to produce an educated population. Unlike most reform efforts, the charter movement is based not on more spending, as is the case with class-size reduction or across-the-board pay raises. Nor does it depend on changes to curriculum, or new accountability standards such as No Child Left Behind. Instead, the charter public school movement promotes a new approach to governing. If the charter school fails to perform up to expectations, it doesn't receive more funding. Instead, it is closed down. This idea deserves a wider hearing.

Unfortunately, the charter school idea operates in a “can't win” political environment. If some schools are closed by their authorizers because they don't keep up their end of the contract, opponents will seize on that as proof that charter schools don't work. If on the other hand very few charter schools are closed, opponents will cite that as evidence that charter school accountability is toothless.

Is it possible to get charter school legislation and policies wrong? Obviously; both are products of human effort. States should insist that charter schools operate under definable, transparent



terms of a contract. It is possible to draw up a poor contract, and with thousands of charter schools in existence, there is little doubt that has happened.

That is no reason, however, to call for turning public charter schools into regular public schools. It is also no reason to limit the universe of authorizing agencies to local school districts. Kansas should learn from the example of states that have multiple chartering authorities.

The *New York Times*, perhaps speaking for other critics, says that charter schools are “not a magical solution to the achievement problem.” They are not “magical,” and few observers of schooling would suggest that they are the only solution. The limits and failings of the regular public schools have been in the making for decades, though, and education reform proceeds best with several tools.

If Kansas legislators wish to make the most of charter schools, they should look at several defects in the current law.

***Learn from other states that have made the most extensive use of charter schools.***

Arizona, Michigan, and Minnesota are three states that have made the greatest use of charter schools. The political, legal, and economic climate of each state varies, so Kansans who wish to use charter schools should learn from and adapt best practices from these states.

***Create alternative authorizing agencies.*** In its review of charter school authorizers, the Thomas B. Fordham Institute examined the use of charter schools in 23 states, plus the District of Columbia. It reviewed not only the climate in the state towards charter schools, but also the quality of the authorizer’s practices. It found that “local school boards generally do not make good authorizers.” In particular, smaller districts may have difficulty acquiring and deploying the necessary infrastructure to provide proper oversight. That is one argument for using public universities or a statewide board to serve as a chartering agency.

The Fordham authors suggested that “one or more non-local board authorizers must be directly available to potential applicants.” The best situation, they say, would be to have more than one authorizing agency. Having a number of authorizers should both encourage multiple avenues to creating a charter school, and the development of a critical mass within each authorizer to allow it to develop sufficient staff and budget to oversee its charges.<sup>42</sup>

Kansas law uses only authorizer, the local school district, with the state department of education giving a second approval. But there are other possibilities. Instead of requiring both local and state approval, for example, charter applicants could seek the approval of only one.

Or Kansas could rely on other institutions.<sup>43</sup> Arizona has created the Arizona State Board for Charter Schools.<sup>44</sup> In Michigan, public universities also serve as charter authorizers. Central Michigan University, in particular, is active in overseeing public charter schools.<sup>45</sup> Other states use the board of regents. In Indiana, the mayor of Indianapolis can authorize a charter school. There is a wide range of options for Kansans to consider.

***Specify in state law how much public funding should be extended to students in charter schools.*** Currently, all funding for charter schools passes through local districts, and is distributed to charter schools solely at the discretion of the district. This is a deterrent to the



creation of charter schools. People who go to the trouble of starting a charter school should receive a predictable per-pupil funding amount.

***Help charter school start-ups develop by extending financial aid.*** There are a number of possibilities for doing this. At the less generous end, some states let charter start-ups use public bonding authority with which they can obtain more favorable financing. Others operate a revolving loan fund, or even extend state grants. Kansas should supplement federal grants, which are currently the only significant source of start-up help for charter schools.

## Conclusion

Some Kansans believe that charter schools, at least those not authorized by school districts, are incompatible with local control. Others hold that charter schools will weaken public education. Yet both objections overlook some fundamental truths. There is no control more local than the parent who chooses for his or her child which school to attend. Making greater use of charter schools increases the control of the parent. Local control can also mean a group of citizens banding together, with the educational professionals of their choice, to try something different, something that appeals to the vocational or pedagogical needs of their children. To a limited extent, magnet schools serve this function. Charter schools expand on the idea.

It is true that citizens should take note of the school district in which they live. Districts are the means of spending several billions of dollars a year, and the means by which most students learn. Yet concern for these entities should not blind us to the fact that the system should exist to meet the needs of the student, not the other way around. The current law in Kansas privileges school district administrators and teacher union officials, not to mention school boards, by giving them a veto power over the charter school application. In some cases, the interests of those parties coincide with those of parents and students; in other cases, parents and students would be best served through other means.

Opening up the charter law to chartering authorities besides the local school district may encourage other groups to develop proposals that will work for local residents who are currently shut out by state law. For example, the school board in Neosho County closed a school in Thayer. Parents sought to put a charter school in its place. The school board rebuffed their efforts, and the parents were left with no alternative.<sup>46</sup>

The inability of charter school petitioners (such as those in Neosho) to appeal to another authority is a hindrance to the development of charter schools. So is the fact that charter schools in Kansas have no legal or financial independence. The furtherance of education would be served by Kansas looking to other states, such as Arizona, Michigan, and Minnesota, for guidance on how to make greater use of charter schools, and giving them more independence.



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## Notes

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<sup>2</sup> See, for example, "Charter Schools Information Brief," Minnesota House of Representatives, available online at <http://www.house.leg.state.mn.us/hrd/pubs/chrtschl.pdf>.

<sup>3</sup> See, for example, Sarah Mead, *Maintenance Required: Charter Schooling in Michigan*, Education Sector, October 2006, available online at [http://www.educationsector.org/research/research\\_show.htm?doc\\_id=414679](http://www.educationsector.org/research/research_show.htm?doc_id=414679).

<sup>4</sup> Education Commission on the States, "Quick Facts," <http://www.ecs.org/ecsmain.asp?page=/html/issuesK12.asp>.

<sup>5</sup> Center for Education Reform, "America's Charter Schools: 2005 Data," p. 3. [http://www.edreform.com/upload/cer\\_charter\\_survey.pdf](http://www.edreform.com/upload/cer_charter_survey.pdf).

<sup>6</sup> U.S. Charter Schools, [http://www.uscharterschools.org/pub/uscs\\_docs/scs/full.htm?page=3#second](http://www.uscharterschools.org/pub/uscs_docs/scs/full.htm?page=3#second).

<sup>7</sup> U.S. Charter Schools, "Charter School Profiles," [http://www.uscharterschools.org/pub/uscs\\_docs/scs/full.htm?page=3#second](http://www.uscharterschools.org/pub/uscs_docs/scs/full.htm?page=3#second), accessed November 15, 2006.

<sup>8</sup> The school's web site is <http://www.aasd.k12.wi.us/Tesla/cim.htm>.

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<sup>11</sup> See the school's web site at <http://lawrence.ks.schoolwebpages.com/education/school/school.php?sectionid=2>.

<sup>12</sup> Alicia Henrikson, "Virtual School Enrolls 165," *Lawrence Journal-World*, August 24, 2004, <http://www.ljworld.com/section/schools/story/179373>; Hendrickson, "Virtual School Expenses OK'd," August 27, 2004, <http://www.ljworld.com/section/schools/story/179663>; Hendrickson, "Virtual school recruiting students from across state," February 7, 2005, <http://www.ljworld.com/section/schools/story/195559>; *Kansas City Star*, November 16, 2005, "Education Commissioner Tours Western Kansas."

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<sup>14</sup> Ohio's charter schools recently survived a constitutional challenge. See *State ex rel. Ohio Congress of Parents and Teachers v. State Bd. of Edn.*, 2006-Ohio-5512 (Oct. 25, 2006).

<sup>15</sup> Statistics on charter school enrollment come from U.S. Charter Schools, "State by State #s," <http://www.uscharterschools.org/cs/sp/query/q/1595?x-order=state>, accessed on November 15, 2006. National Assessment of Educational Progress data is available online from the U.S. Department of Education at <http://nces.ed.gov/nationsreportcard>.



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<sup>38</sup> "Pres. Ahmadinejad, meet Sen. O'Connor," *Johnson County Sun*, September 21, 2006, [http://www.zwire.com/site/news.cfm?BRD=1459&dept\\_id=155743&newsid=17225785&PAG=461&rfi=9](http://www.zwire.com/site/news.cfm?BRD=1459&dept_id=155743&newsid=17225785&PAG=461&rfi=9).

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