

CHARTER SCHOOLS

Charter school legislation was first adopted in California after the last update of LWVC Education position and was an area chosen to be addressed in this study by delegates at Convention 2003.

Since charter schools were first approved in California in 1992, there have been four state-sponsored evaluations. The first one was in 1997, conducted by SRI International under contract from the Legislative Analyst's Office (LAO), and the second by the Bureau of State Audits in 2002. The third was *Charter School Operations and Performance: Evidence from California*, a RAND study for the LAO, and the fourth, the LAO's digest of this report with recommendations. Unless otherwise indicated, all information here comes from the latter two reports.

In June 2004, EdSource published a report titled *Charter Schools in California: An Experiment Coming of Age*. With permission from EdSource, the report is included with this study guide as Appendix B.

History

Charter schools are a part of the larger education reform movement according to a brief history posted at www.USCharterschools.org. Like magnet schools and alternative schools, these are public schools, funded with public money. They are open to any who wish to attend them; however, due to size restrictions, sometimes enrollment must be decided by lottery.

California became the second state in the nation to approve charter schools when SB 1448 (Hart) was passed in 1992. Minnesota had approved charter schools a year earlier. Currently charter schools are allowed in 40 states, all with slightly different rules. When first approved, California law allowed for 100 charter schools statewide and no more than 10 in any one school district.

The law has been amended several times since then. Significant amendments adopted in 1998 raised the number of schools allowed statewide to 250, required core subject teachers to have credentials, and required districts to offer unused facilities at no cost. A 1999 law required charter schools offering independent studies to comply with state regulations regarding independent studies, including offering a minimum number of instructional minutes and maintenance of attendance records. The 1999 legislation also put these schools under the state testing rules. Another law passed in 1999 created a charter school funding model. A 2002 law, AB 1994, addressed many concerns, established geographic restraints (schools must be in the same county as, or adjoining counties, to the chartering agency) on charter schools and gave County Offices of Education (COEs) general authority for both fiscal and programmatic oversight of charter schools in their area. Two other bills and Proposition 47 (Education Bonds, approved by the voters in November 2002) provided more direction to local districts on providing space for charter schools.

The effects of AB 1994 are just becoming clear. According to an article in the *Los Angeles Times* on August 16, 2004, California's largest charter school operator, Victorville-based California Charter Academy, has had to shut down at least 60 campuses around the state, leaving nearly 10,000 students with no school just weeks before the new semester begins for most.

Organization and Governance

Each charter school must receive a charter (an operating contract) from a chartering agency, as reported in the **UScharterschools.org** section on California schools. In California this is most often a local school district. County boards of education can issue charters for schools that operate at various sites in the county. If refused at the local and county levels, a charter request may be appealed to the State Board of Education.

A charter is an operating agreement. It sets out the goals of the school, its organization, and the way these goals will be evaluated. In California a charter may be for no more than five years, although charters may be renewed many times. Evaluation is the responsibility of the chartering organization.

Charter schools can be categorized in several different ways, as discussed in the RAND report.

Independent and Dependent Charter Schools. While the terms may not be defined by law, common usage has defined dependent and independent charter schools. Independent charter schools are schools that, while under the oversight of a chartering agency, receive their funding directly from the state, do their own hiring, budgeting, bookkeeping, and staff development, and function as an independent agency. Oversight is often limited to an audit, checking that they comply with the charter agreement, and an annual site visit. Dependent charters rely much more on the chartering district for funding, staffing, payroll, etc. While there are degrees of difference, most function much like a local school except for a unique curriculum or program. Some dual-language immersion schools applied for charter status after the passage of Proposition 227 to protect their programs.

Conversion and Start Up Charter Schools. Conversion schools are regular public schools that convert to charter status, usually to protect a unique curriculum or program. Start-up charter schools are just that—a new idea that usually comes from parents that does not fit the standard guidelines. They apply to a district for charter school status. This kind of charter school may target a special population, may offer curriculum based around a special area such as music, a unique way of delivering curriculum or be a “home school” for those doing independent studies or home schooling. While four out of five charter schools in California are start up schools, 72 percent of the students attending charter schools are in conversion schools. While there is no reliable data on the reasons for this, common wisdom says it has something to do with space availability. Also, when parents at a conventional school agree they need to convert to charter status, there is a built-in enrollment. Start up schools usually start from a much smaller base.

Classroom-Based Instruction and Nonclassroom-Based Instruction. Classroom-based instruction is when 80 percent or more of a student’s instruction is classroom-based. Nonclassroom charters are those which are structured so that more than 20 percent of the student’s instruction is outside the classroom. This includes independent study, home study, distance study, computer-based study and work-study. Approximately one-third of charter school students are enrolled in the nonclassroom-based programs. They are also much more likely to be in start up than conversion schools. The State Board of Education (SBE) has guidelines for these schools, including guidelines in the areas of teacher credentialing and attendance tracking. Students might only come to the school site to pick up text books, take state mandated tests and create their learning plan.

Funding

The intent, both legally and in theory, is to have charter schools funded at the same level as traditional public schools. This goal has only been partially met, according to the RAND report. Charter schools receive revenue limit funding equal to that of traditional public schools. As with other public schools, revenue limit funding is general purpose funding that can be spent as needed.

Categorical funding is allocated differently. California has more than 100 categorical funding areas (see section on funding, pages 52, 57-59) At the present time 30 of these programs are folded into a categorical block grant for charter schools. This money can be spent as general fund revenue, i.e., any way the school decides. For many of the larger categorical funding programs, such as class size reduction, special education, and transportation, charter schools must apply individually. All federally-funded programs, such as Title I, require an individual application. The RAND report indicates that the larger charter schools and the conversion schools are much more likely to tap into these resources.

Students Served

The Rand study indicates that while charter schools are more likely than conventional public schools to target a population, the target population is as diverse as the population of our public schools. There are charter schools to serve special education students, language minority students, and underachieving students, as well as charter schools that offer college preparatory programs. Some of the latter are designed to serve those who might otherwise not be college bound.

According to the RAND study, there is no indication of “creaming” the best students for charter schools. Enrollment is strongest among white and African American populations, with less among Hispanic and Asian populations. There is no data to indicate if this is because of targeted populations, school location, comfort levels with going outside the traditional system, or other factors.

Achievement Level

According to the RAND study, there is little difference in academic achievement of students in traditional public schools and those in charter schools. Researchers paired charter schools with traditional public schools in the same areas and with similar populations. The charter schools used less categorical funding, but had more private funding, especially for start up schools. Many of these schools are too new to know whether this funding will continue. As they gain experience they may apply for more categorical funding. When similar populations were compared, there was little difference in achievement gains.

Current Status

At the present time, one out of every 20 schools in California (about 471 schools) is a charter school (5 percent) as reported in the **USCharterschools.org** section on California. However, only 2 percent of California students are enrolled in charter schools.

On June 29, 2004 California received a \$75 million federal grant to be used in the development of up to 254 new charter schools by 2007. The first installment of this grant, \$24.7 million, was received at that time. Ten percent of the grant “will help the states share with other public schools their innovative ideas, programs and strategies that have helped children succeed academically,” according to a June 29, 2004

press release from the California Department of Education. The department created the first-ever Charter School Division last year within the CDE to put an even greater emphasis on the role of charter schools in the state. More information is available at <http://www.cde.ca.gov/sp/ca/>.

Issues

While not reported in published studies, anecdotal data from schools across the state, administrators we interviewed, and articles in the press, seem to indicate that some small school districts are being negatively impacted by charter schools within their districts. Because a district must provide space for a charter school if space is available, declining-enrollment districts that have closed schools have in some instances seen those vacated schools claimed by charter schools, which have basically the same students who were previously in attendance at the site. These schools have been formed by parents who want to keep their neighborhood school. This kind of loss of ADA funding makes it more difficult for these districts to continue to provide the services needed at their other schools. A June 24, 2004 article in the *Christian Science Monitor* discussed issues similar to these in Minneapolis, so this is not unique to California.

Public education policy for many years has said that choice within public schools is good and has advocated for magnet schools, charter schools, and intra- and inter- district transfer policies. The question is not just one of choice, but one of every child being able to access a quality public education program. Advocates for these programs say parents will vote with their feet, put their children in the program that is best for them. Competition will force underperforming schools to close or change. Parents will make the best choice. The government's goal in establishing charter schools, as indicated in the press release and the US Charter Schools Web site, is to explore new ways of presenting curriculum, establish best practices, and share them with other schools.