



The State of the Charter Sector:

What You Need to Know About the Charter Sector Today

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Introduction and background

The purpose of this deck is to provide a **comprehensive overview** of the state of the charter sector, including **changes** in the sector **over time** and **current challenges**

This deck is the second of its kind.

In 2015, Bellwether Education Partners published [an analysis of the charter sector](#), intended to serve as a fact base that could cut through the rhetoric that often accompanies conversations about charter schools.

Charter schools are a topic of ongoing debate in education, and the current political climate is even less conducive to nuanced debates than it was in 2015. As such, this document is another effort to inject data and analysis into the conversation.


This document provides the latest available information on the charter sector, including updated data on growth, performance, and geographic trends. It also includes analyses of the challenges that charter schools face and how the sector is trying to address them.

Our goal is not to persuade but to inform. Rigorous debate — based on accurate information — is necessary for thoughtful policymaking and, ultimately, to ensuring all students have access to a high-quality education.

Executive summary: Just the facts


Introduction

Schools

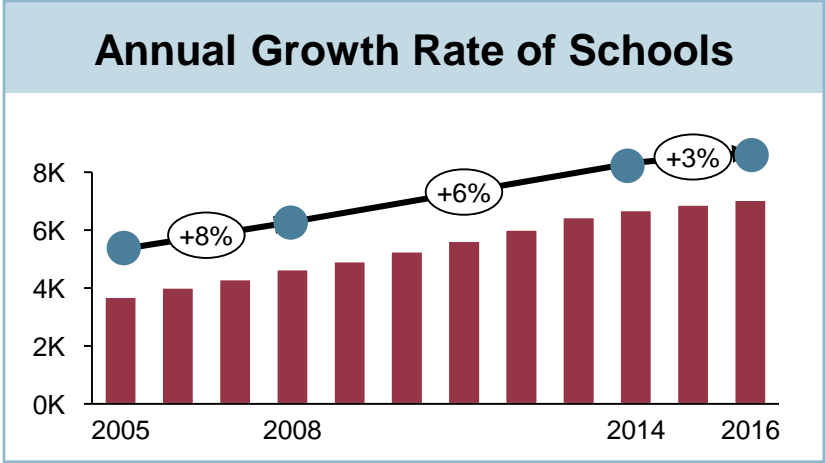


7,039
charter schools


Enrollment



3M
charter students



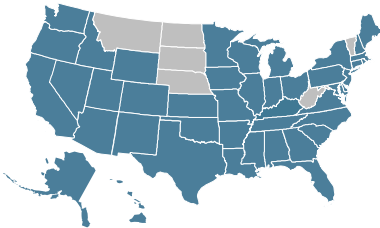
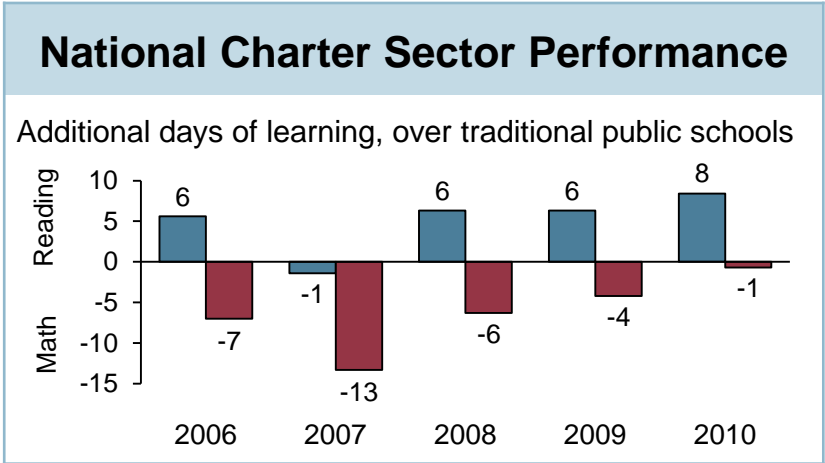
Enrollment Share



6%
of total public school enrollment

State Charter Laws

44 states and D.C.

Source: Data provided by NAPCS, 2005-2016, analysis by authors; CREDO 2006-2010.

Since their inception, charters have expanded nationally; there is evidence they can improve student outcomes ...



Growth

- **After years of rapid growth**, the number of charter schools and students is **starting to level off**, though **school closures** understate the pace of new school openings
- The **majority of schools** opened since 2005 are in **16 states**; **40 percent** of **all new school growth** during that time occurred in **California, Texas, and Florida**
- Growth in **high-performing CMOs** **far outpaces** overall sector growth



Performance

- The latest available research shows that, **nationally**, charters **outperform traditional public schools** in **reading** and **underperform** in **math**
- **National performance masks strong performance** across many **regions, locales, & student groups**
- Charter performance is **improving over time**
- **More recent sectorwide research** is necessary to understand charters' impact **nationally**

...but the charter sector continues to face challenges in seven key areas

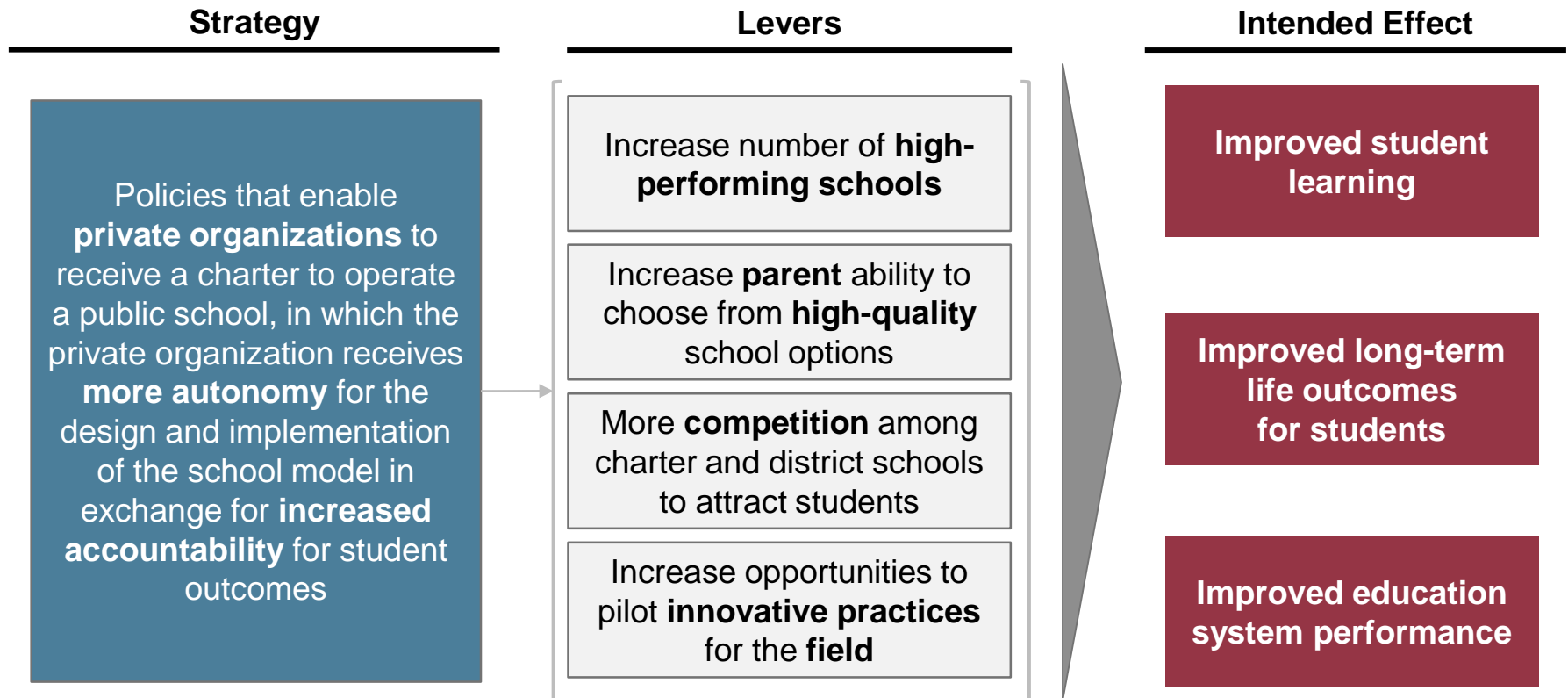


Challenges

- Charter schools face challenges in seven areas: **state policy, authorizers, facilities, human capital, funding, public opinion, and equity**
 1. **State laws** do not allow or set a cap on charters, restrict authorizers, and limit access to funding and facilities
 2. **Authorizers** are a key driver in charter performance, but there is wide variation in effectiveness
 3. Charters have limited access to appropriate **facilities**, but some state and federal policies help
 4. Charters face **human capital** issues, including shortages of teachers of color, unequal compensation, and low staff sustainability
 5. Charters receive 27 percent less in per-pupil **funding** than TPS
 6. **Public support** for charters has gone down in recent years
 7. Charters, like many TPS, struggle to ensure that all students have **equitable access** to high-quality schools and **experiences once enrolled**
- The sector has made **progress** on these challenges in recent years, but **none have been truly solved**

One charter school theory of action proposes that charters can improve outcomes for children in four ways

Introduction



The charter sector is **large** and **diverse**. Some stakeholders may ascribe to some but not all elements of this theory of action — or have entirely different theories of action

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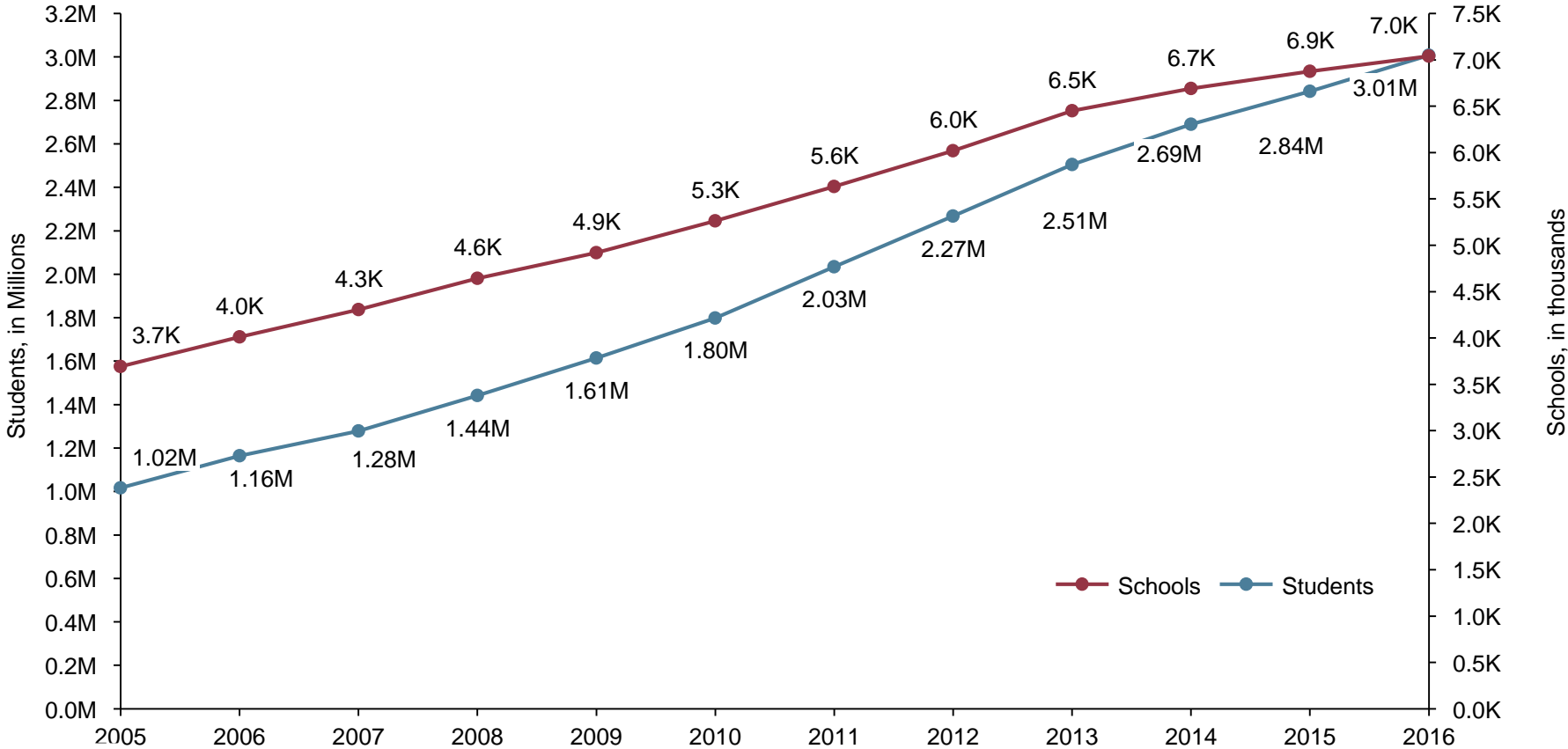
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After years of rapid growth, the number of charter schools and students appears to be leveling off

Growth

Number of Charter Schools and Student Enrollment

By year, 2005 to 2016



% of all students nationally	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
	2.1%	2.3%	2.6%	2.9%	3.2%	3.6%	4.1%	4.5%	4.9%	5.3%	5.6%	6.0%

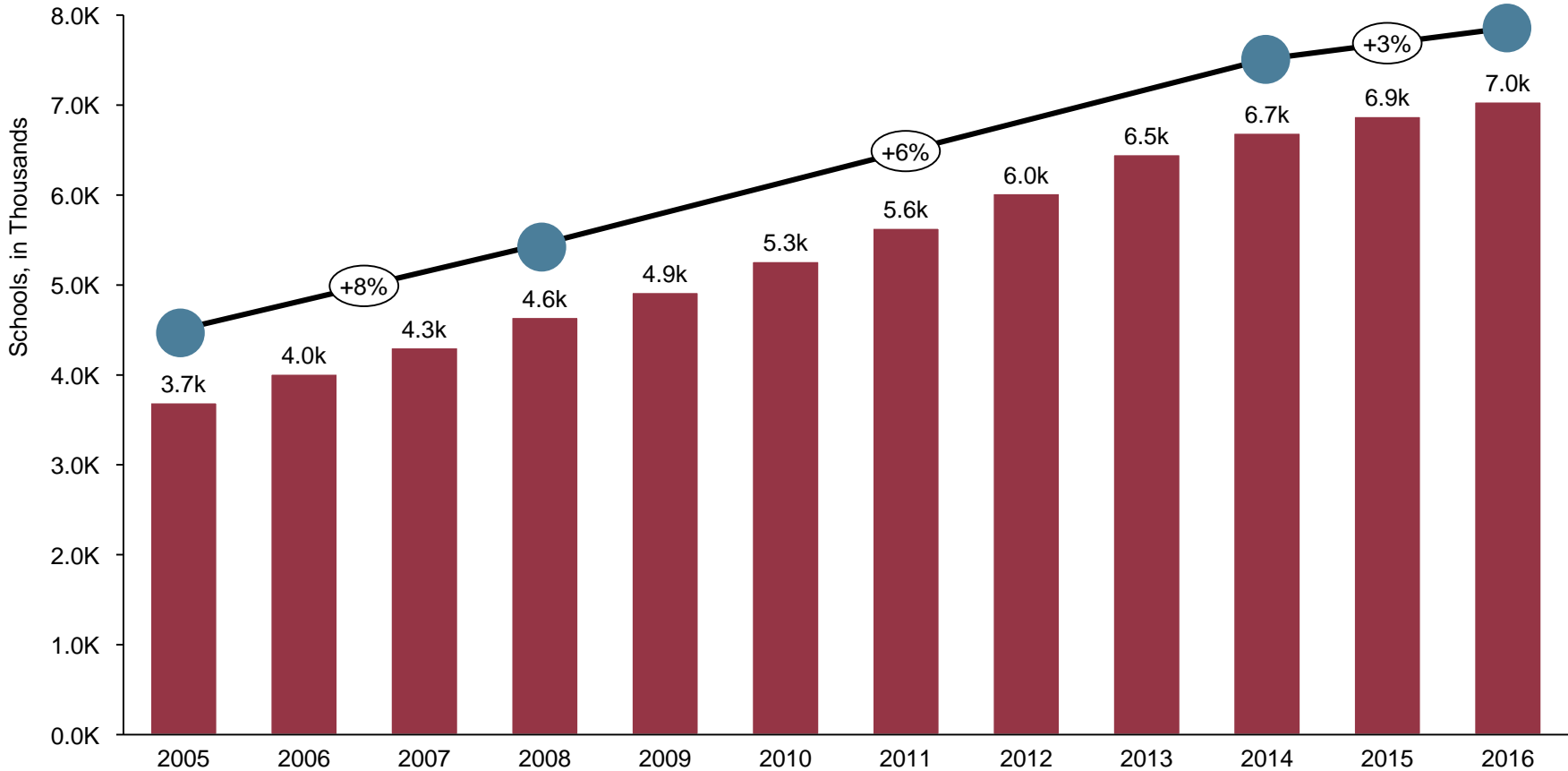
Source: Data provided by NAPCS, 2005-2016; analysis by authors.

Slower growth rates are largely due to fewer charter schools opening in recent years

Growth

Number of Charter Schools and Compounded Annual Growth Rate (CAGR)

By year, 2009 to 2016



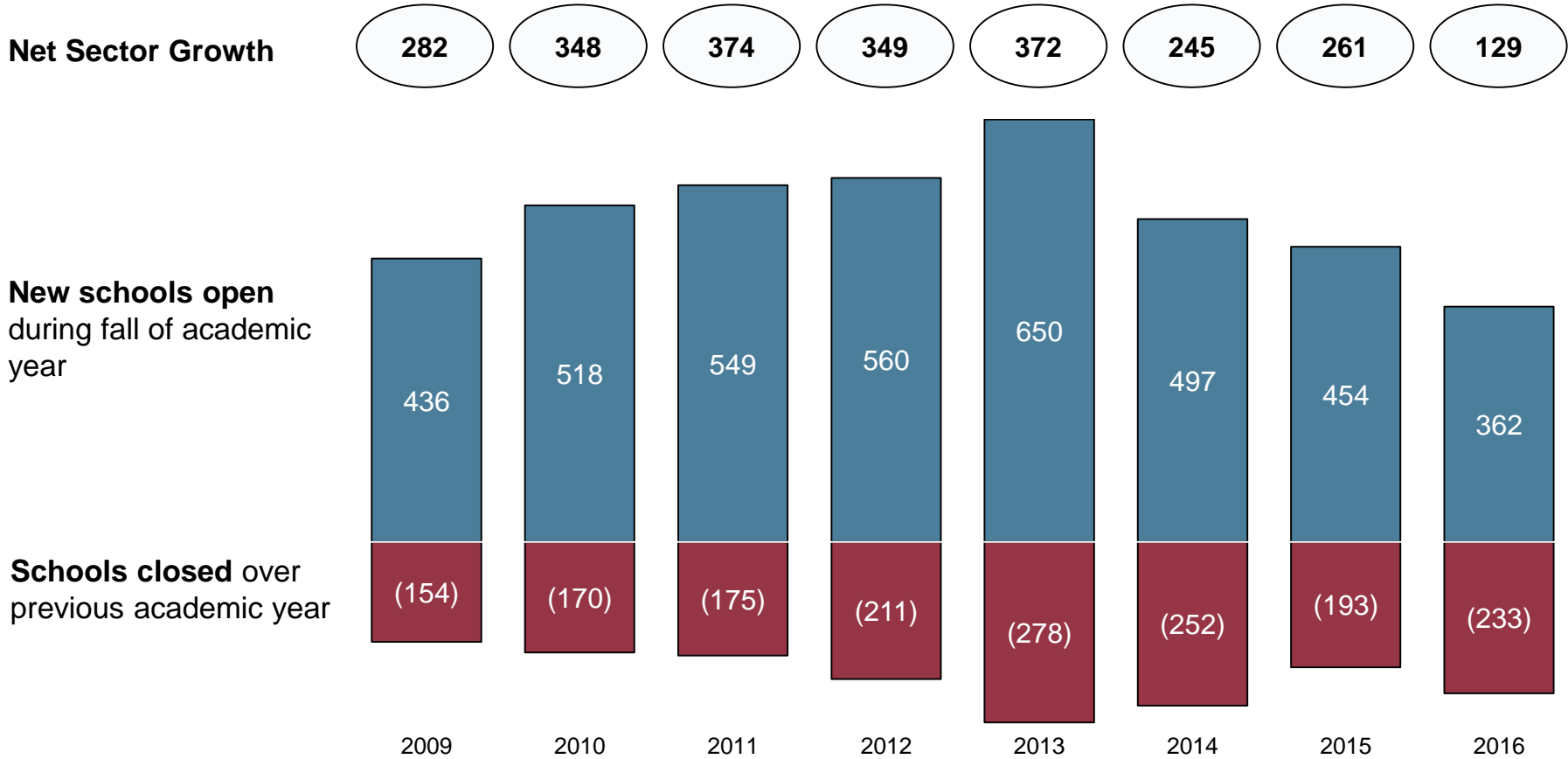
Source: Data provided by NAPCS, 2005-2016; analysis by authors.

Charter closures, which also affect pace of growth, have slowed over the past four years

Growth

Charter Sector Annual School Growth

By year, 2009 to 2016



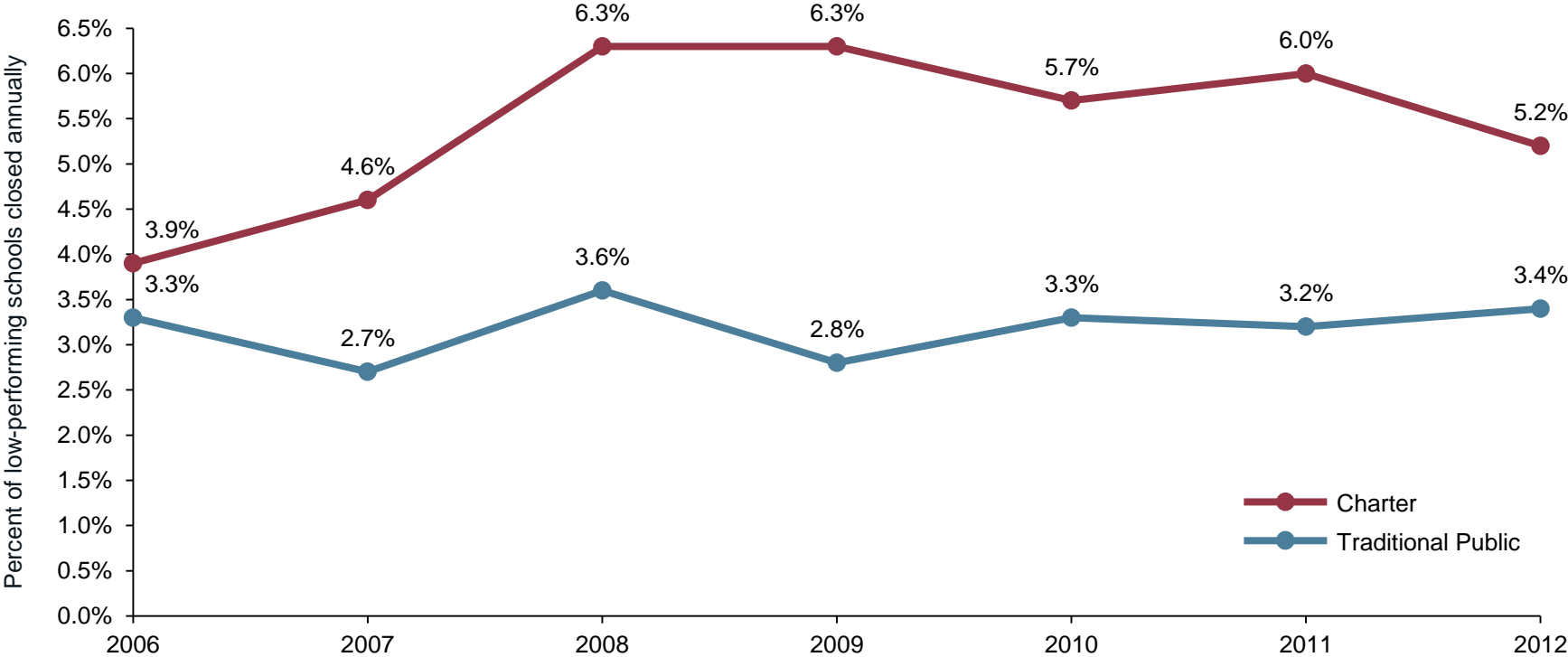
Source: Data provided by NAPCS, 2009-2016; analysis by authors. Note: In general: net sector growth = (new schools created – schools closed). Numbers do not sum exactly due to changes in data collection methods or how individual schools are counted from year to year.

A higher percentage of low-performing charter schools than traditional public schools have closed

Growth

Closure Rate of Low-Performing Schools

By charter school and TPS, 2006-2012



Closure patterns in charter schools and TPS are **similar** during this period of time; **only a small fraction of low-performing schools were closed in each sector**

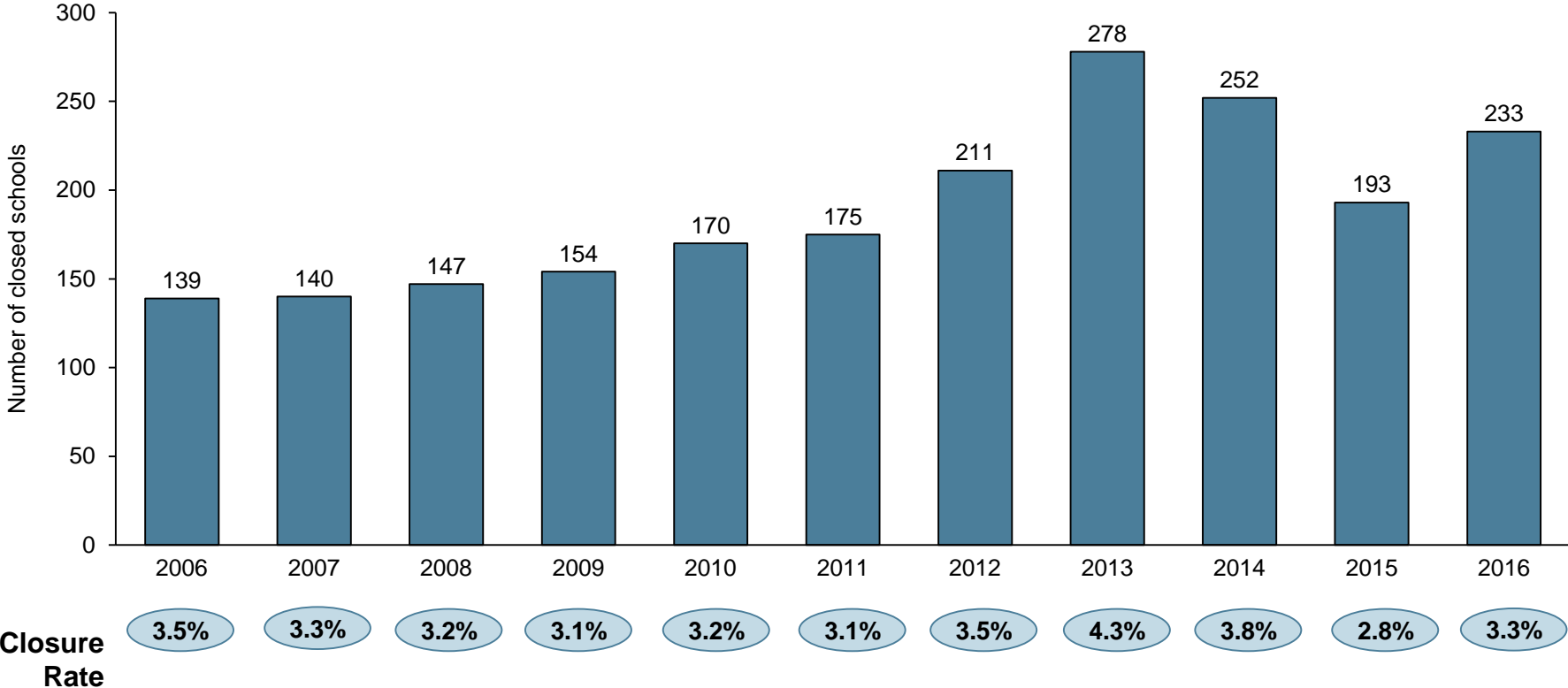
Source: CREDO, "Lights Off: Practice and Impact of Closing Low-Performing Charter Schools," 2017.

The number of charter closures has fluctuated over the past 10 years, but closure rates remained relatively steady

Growth

Number of Closed Charter Schools Nationwide

By year, 2006 to 2016



More than 2,000 charter schools closed in the past 10 years

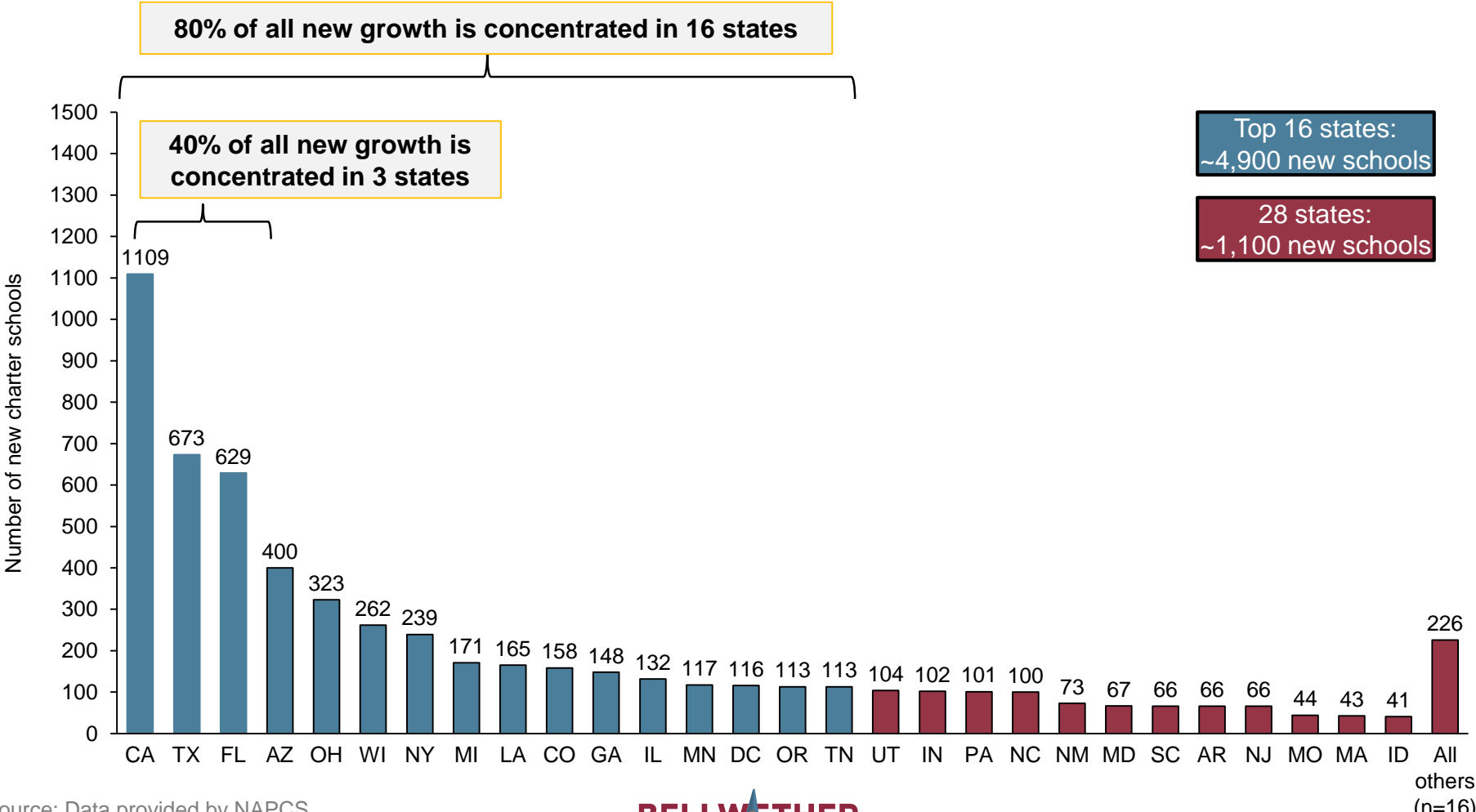
Source: Data provided by NAPCS, 2006-2016; analysis by authors. Schools typically closed during the summer after the school year indicated. Annual closure rate = (number of closed schools)/(number of total schools open).

The overwhelming majority of new charter schools opened since 2005 are concentrated in 16 states

Growth

Number of New Charter Schools Opened

By state, by year, 2005 to 2016



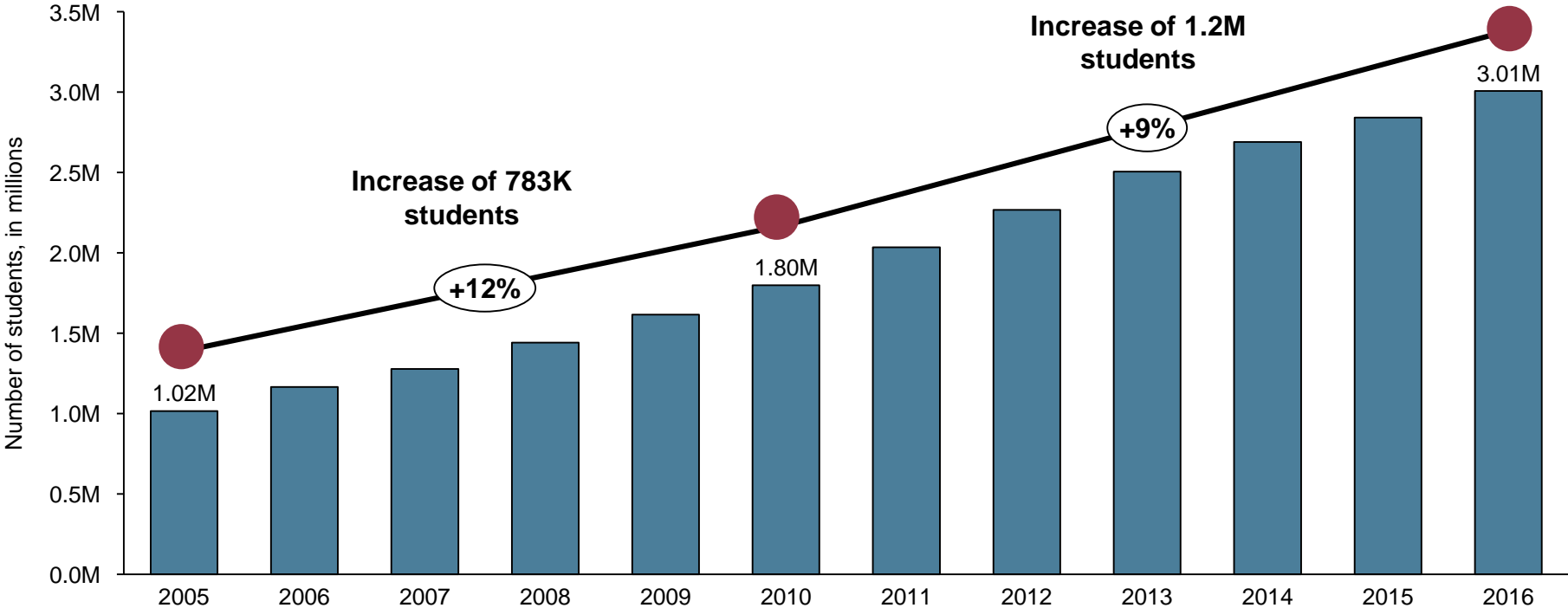
Source: Data provided by NAPCS, 2005-2016; analysis by authors.

Charter student enrollment has grown more rapidly than the number of charter schools

Growth

Total Charter Enrollment Nationwide

By year, 2005 to 2016



Growth in **student enrollment** has consistently remained **close to historical growth rates**, even as the pace of new school creation has slowed

Source: Data provided by NAPCS, 2005-2016; analysis by authors.

As charter school growth has slowed in recent years, the sector could continue to extend its impact in other ways

Growth

A series of **state** and **district** programs have sought to provide **traditional public schools** with **greater autonomy** in exchange for **greater accountability**, translating a **key principle** of the charter school model

For example:

- **Boston's Pilot Schools (est. 1994):** 21 schools
- **Los Angeles' Pilot Schools (est. 2007):** 46 schools
- **Colorado's Innovation Schools (est. 2008):** 98 schools
- **Massachusetts' Innovation Schools (est. 2010):** 35 schools
- **Shelby County (TN)'s Innovation Zone Schools (est. 2012):** 23 schools
- **Indianapolis' Innovation Network Schools (est. 2014):** 8 schools
- **Springfield (MA)'s Empowerment Zone (est. 2017):** 10 schools

The **design**, **size**, and **growth** of these programs vary considerably but give some indication of how the charter school model could **influence traditional public schools**

Sources: [Boston Public Schools](#), [Los Angeles Unified School District](#), [Colorado Department of Education](#), [Massachusetts Department of Education](#), [Shelby County Schools](#), [Indianapolis Public Schools](#), [Springfield Empowerment Zone Partnership](#).

Note: Indianapolis often includes charter schools as Innovation Network Schools, but they are excluded here.

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Charter schools serve higher percentages of low-income, black, and Latinx students than traditional public schools

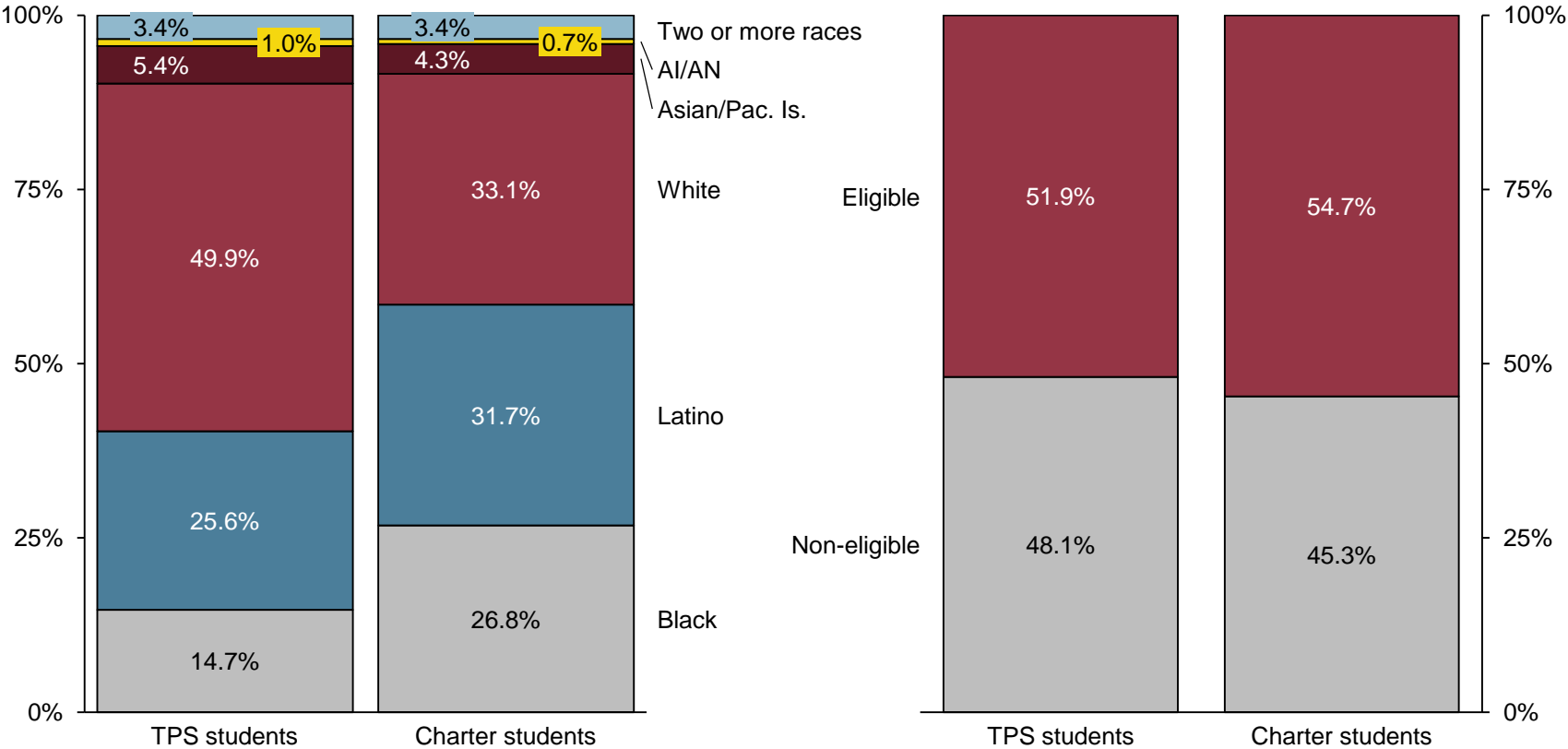
Students

Student Racial/Ethnic Demographics

By charter school and TPS enrollment, 2015-16

Percentage of Students Eligible for FRPL

By charter school and TPS enrollment, 2014-15



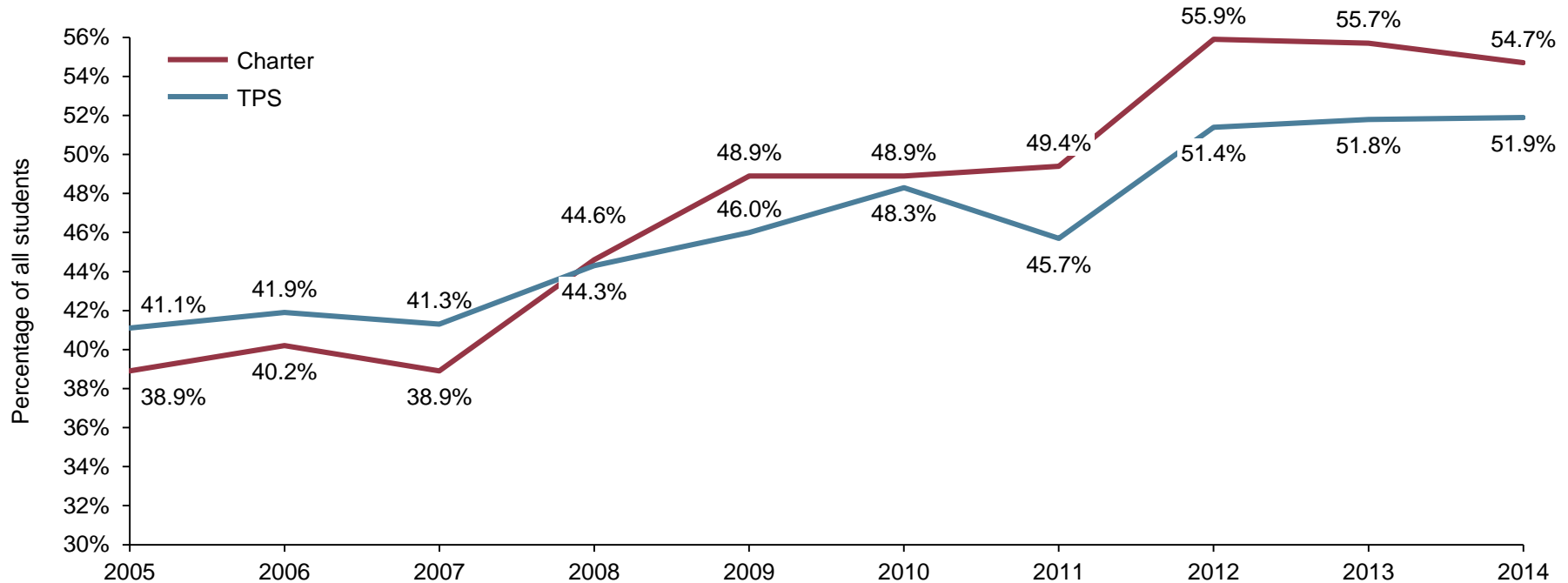
Sources: [NCES](#), table 216.30, 2015-16; Common Core of Data (CCD) and National Alliance Directory & Enrollment Database via NAPCS data request. FRPL = free and reduced-price lunch.

Over time, the percentage of students eligible for FRPL has generally increased across both sectors

Students

Percentage of Students Eligible for Free and Reduced-Price Lunch

By charter school and TPS enrollment, 2005-14



While charter schools **initially served a lower percentage** of FRPL students than TPS, they have served **higher percentages** since 2008

Sources: NAPCS; Common Core of Data (CCD) and National Alliance Directory & Enrollment Database, 2018. Historical data may not accurately reflect students' income status; it is possible that schools did not have the capacity to administer lunch programs and did not collect data correctly.

Charters serve relatively fewer students with disabilities than traditional public schools, but in more inclusive settings

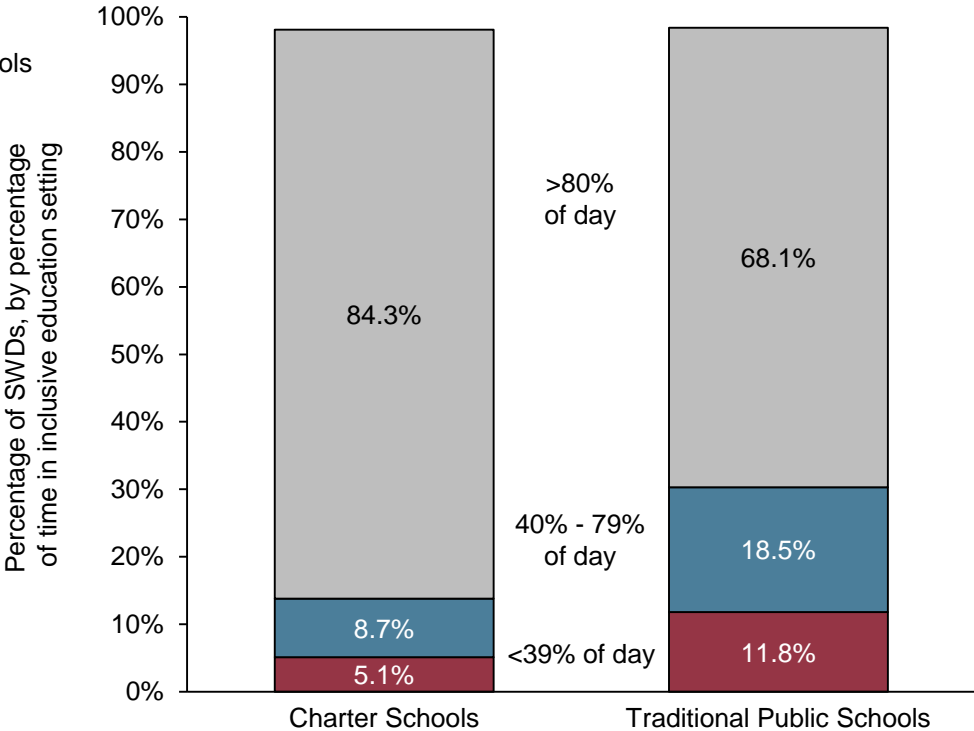
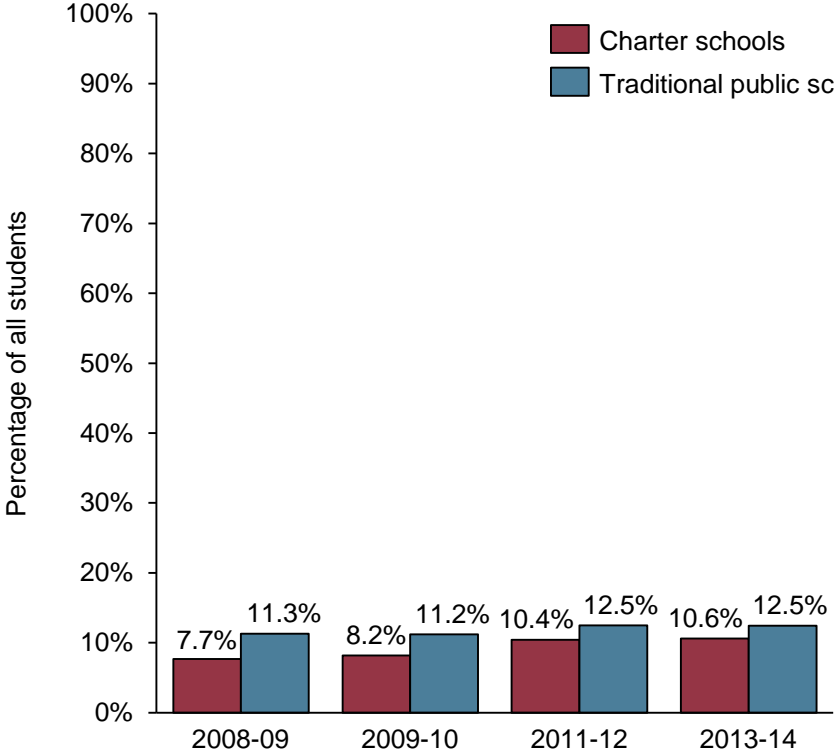
Students

Overall Enrollment of Students With Disabilities

By charter school and TPS percentage, 2008-14

Students With Disabilities by Educational Setting

By charter school and TPS percentage, 2013-14



Over time, charters are **gradually** serving higher rates of students with disabilities

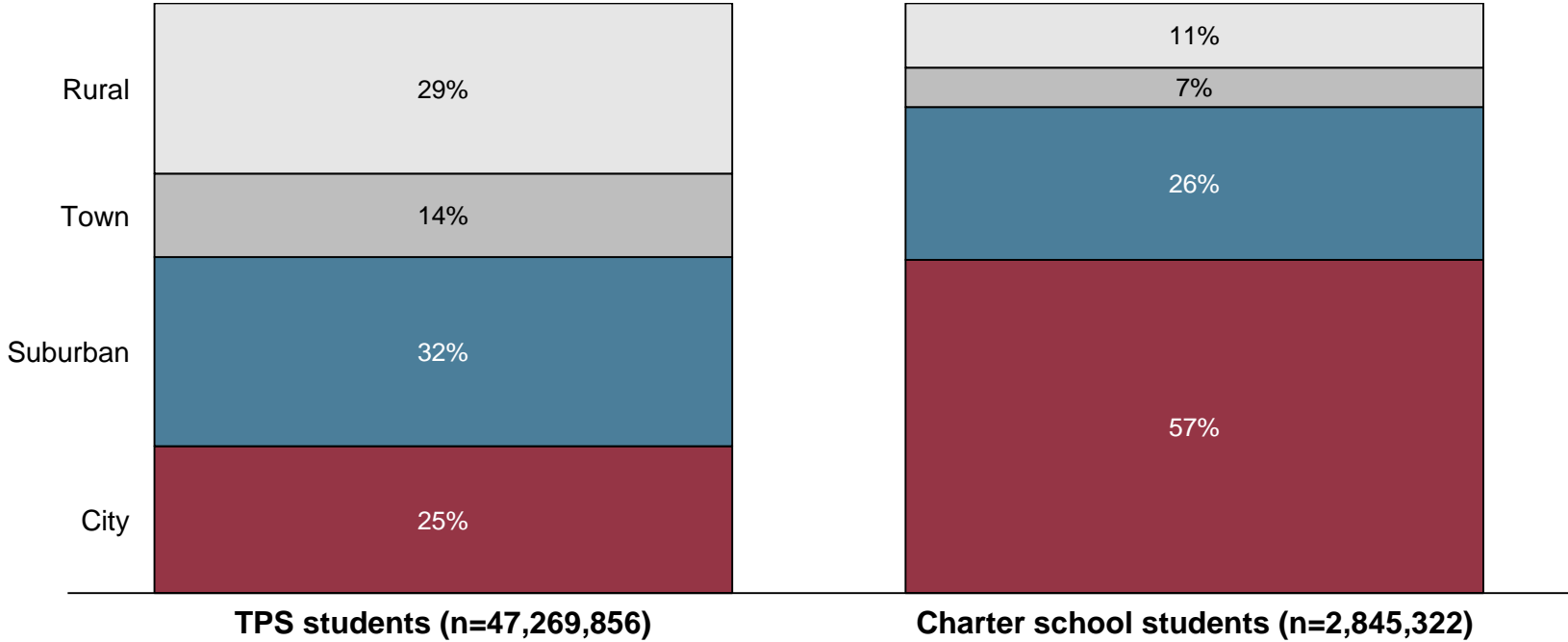
Source: [National Center for Special Education in Charter Schools](#), 2018.

While most TPS students live in suburban and rural areas, most charter school students live in cities

Students

Student Enrollment

By charter and TPS students, by locale, 2015-16



A much higher share of charter school students live in cities compared to their traditional public school peers

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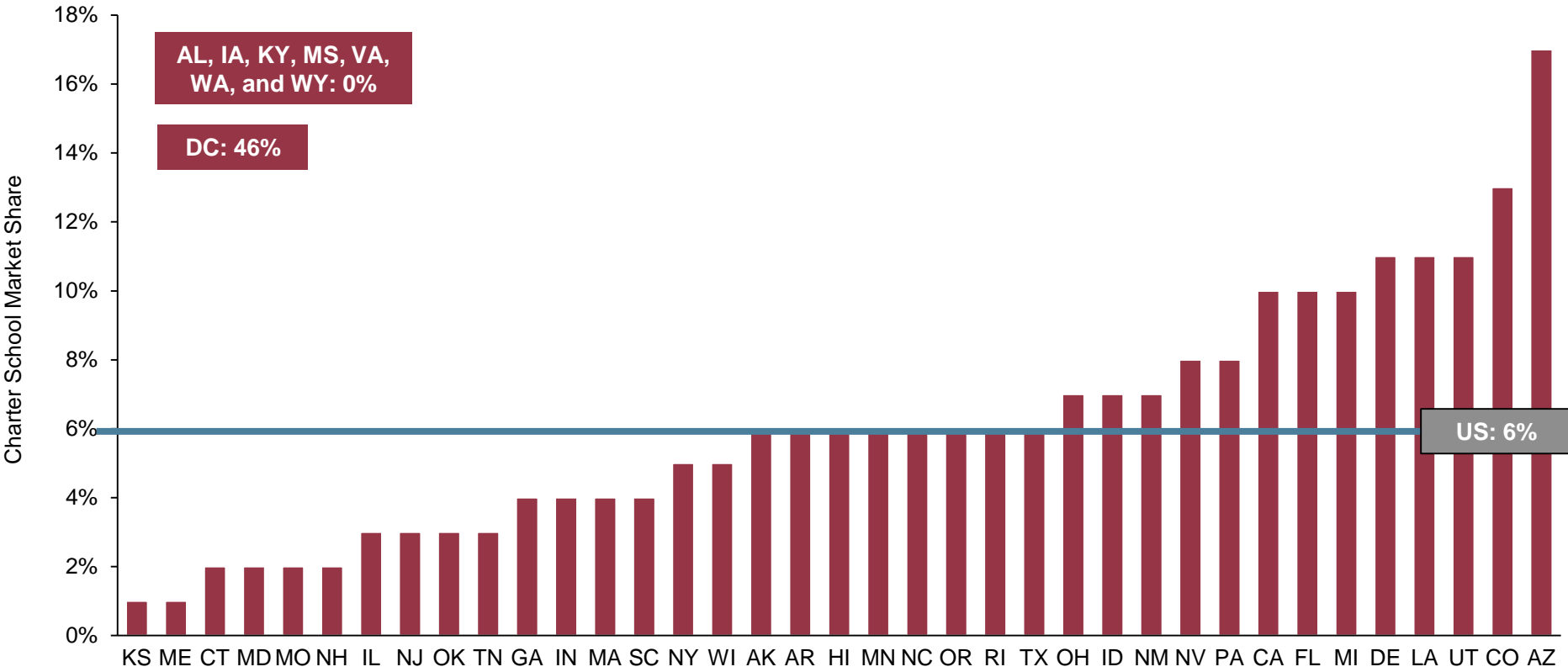
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Nationally, 6 percent of students attend charter schools, but market share varies across states

Charter School Market Share

By state, 2016-17

Geographic Trends



In 13 states and D.C., charter schools have a market share above the national average

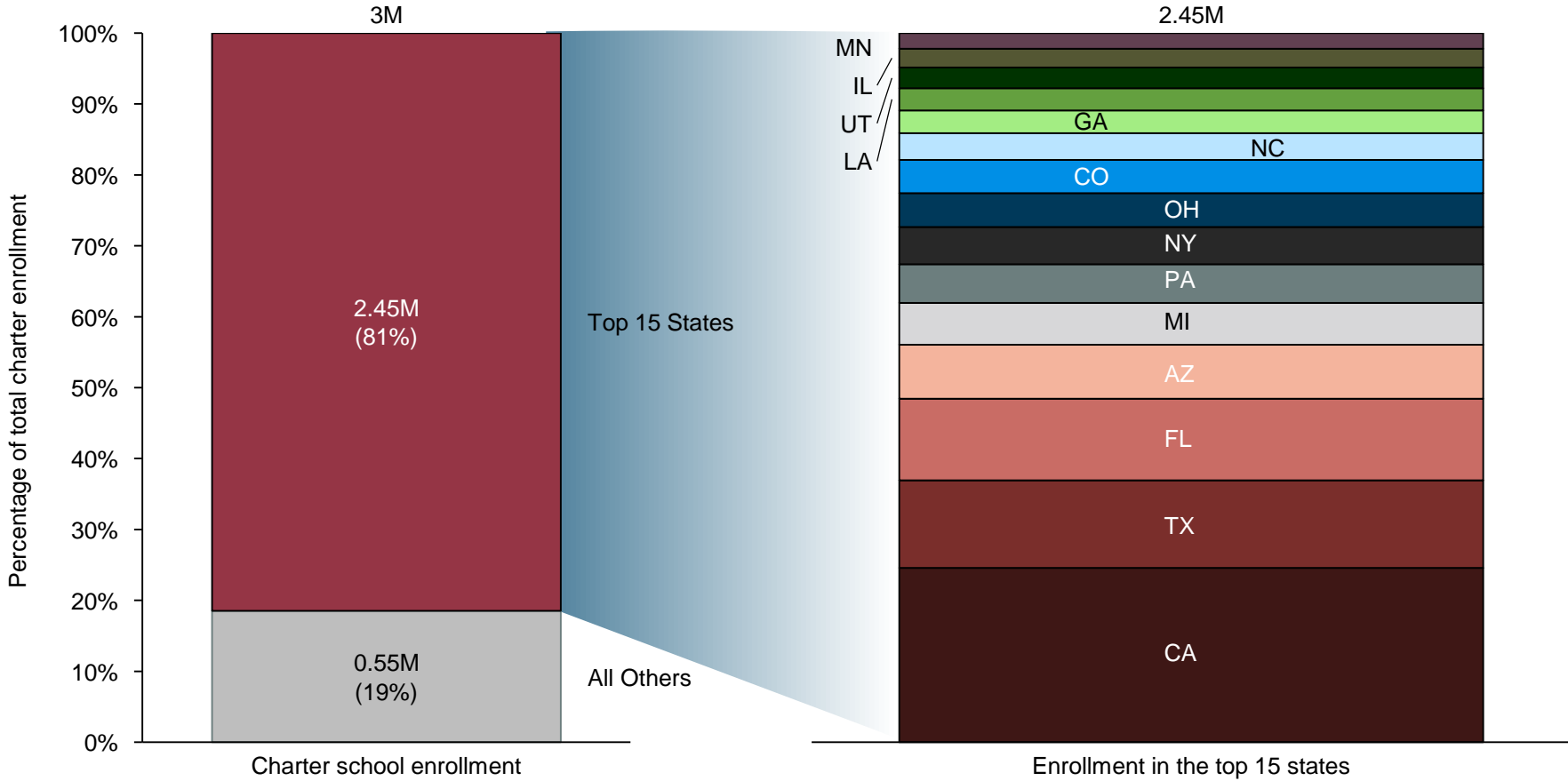
Source: [NAPCS](#), "A Growing Movement," 2017.

More than 80 percent of current charter students are in 15 states

Percentage and Absolute Charter School Enrollment

Geographic Trends

For top 15 states, by state, by proportion of total enrollment, 2016-17



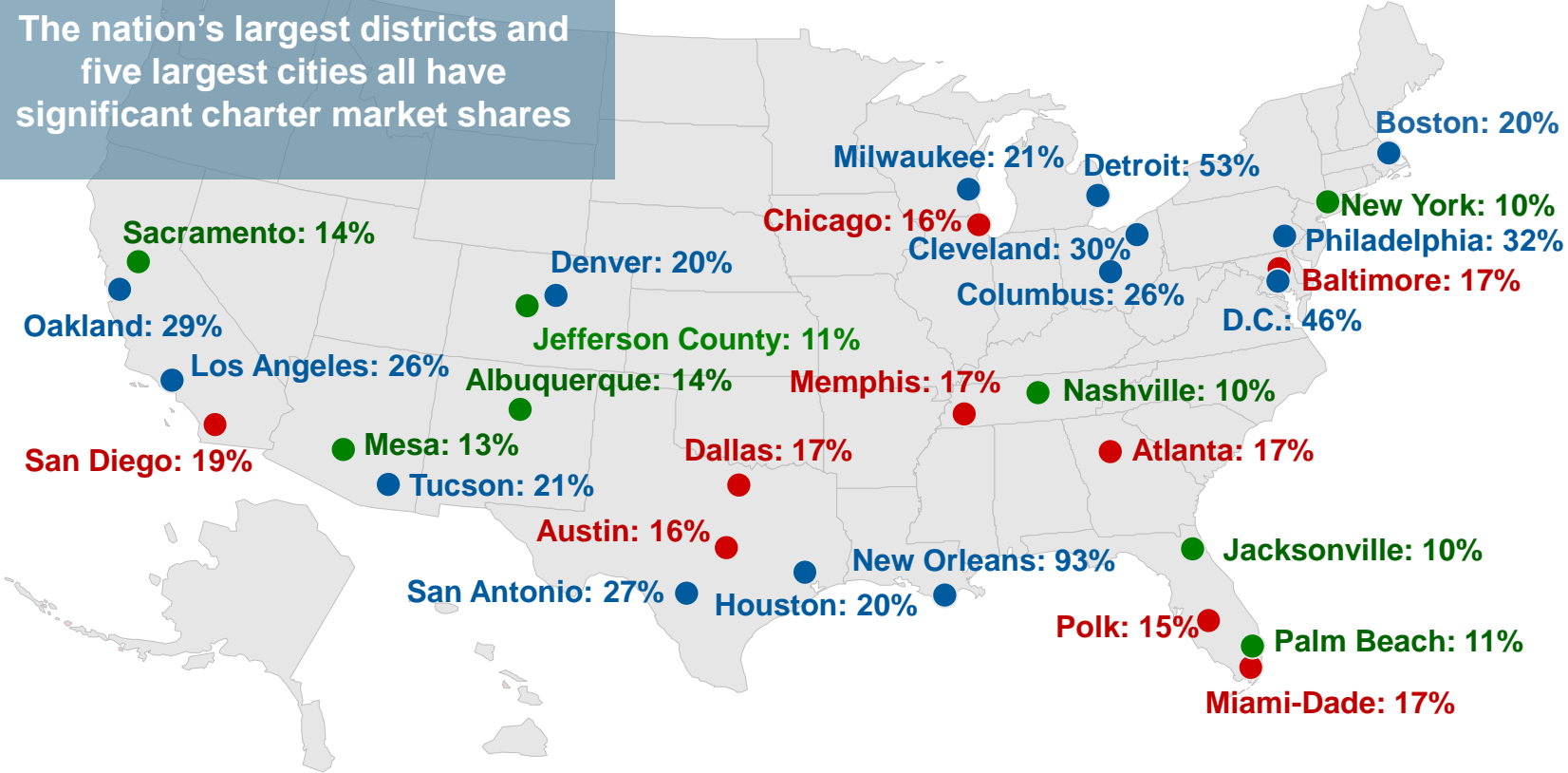
Source: [NAPCS](#), "A Growing Movement," 2017.

Despite low market share nationally, charter schools have achieved significant market share in major cities

Charter School Market Share By city, 2016-17

Geographic Trends

The nation's largest districts and five largest cities all have significant charter market shares



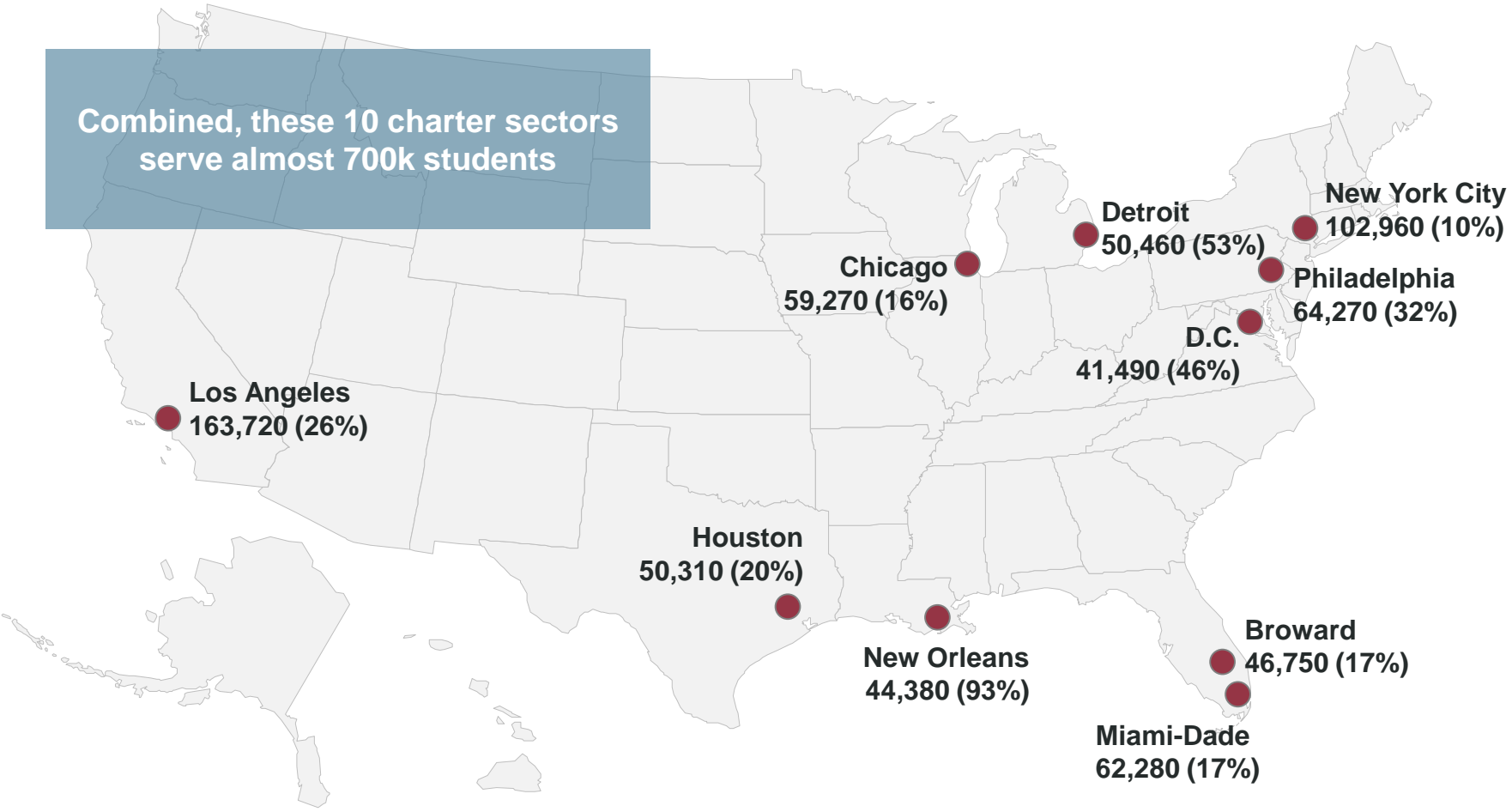
- Market share of 20% and above
- Market share of 15-19%
- Market share of 10-14%

Source: [NAPCS](#), "A Growing Movement," 2017.
Note: Percentages represent market share of local districts.

The cities with the largest charter enrollments are not limited to the nation's largest cities

Cities With Largest Charter Enrollments

By student count and market share percentage, 2016-17



Source: [NAPCS](#), "A Growing Movement," 2017.
Note: Percentages represent market share of local districts.

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Charter schools are managed by a variety of different organizations and entities

School Type

The **types of organizations** that manage charters schools are often **defined in different ways** by different **analysts**

The National Alliance for Public Charter Schools has used **three groups**

The Center for Research on Education Outcomes has used **four groups**

Charter management organization (CMO)	Nonprofit organization that operates multiple charter schools; often provides back-office functions to schools
Education management organization (EMO)	For-profit organization that operates multiple charter schools; often provides back-office functions to schools
Independent school	A standalone charter operator; not part of a larger organization



Charter management organization (CMO)	For- or nonprofit organization that operates and holds the charter for multiple charter schools
Vender-operated school (VOS)	For- or nonprofit organization that provides services to multiple charters but does not hold the charter for any
Hybrid school	For- or nonprofit organization with CMO and VOS aspects
Independent school	A standalone charter operator; not part of a larger organization

Networks of charter schools that leverage **efficiencies** are a **key strategy** for growth; understanding the distinctions is crucial for interpreting **patterns in the sector**

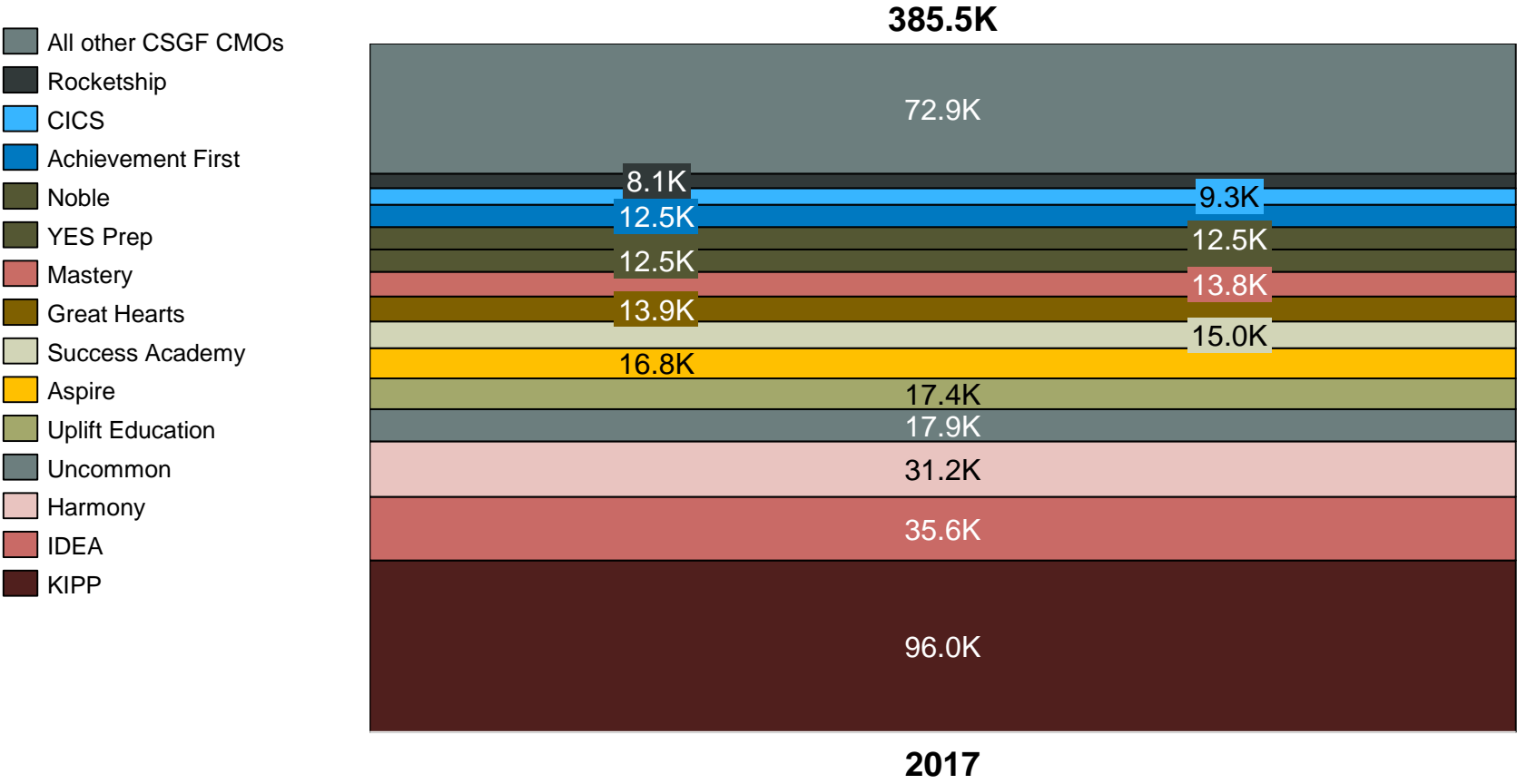
Sources: [NAPCS](#), "National Charter School Management Overview," 2018; [CREDO](#), "Charter Management Organizations," 2017.

High-performing, nationally recognized CMOs serve about 13 percent of all charter school students

Total Student Enrollment in High-Performing CMOs*

By CMO, by year, 2016-17

School Type



Taken together, these CMOs serve more than 350,000 students

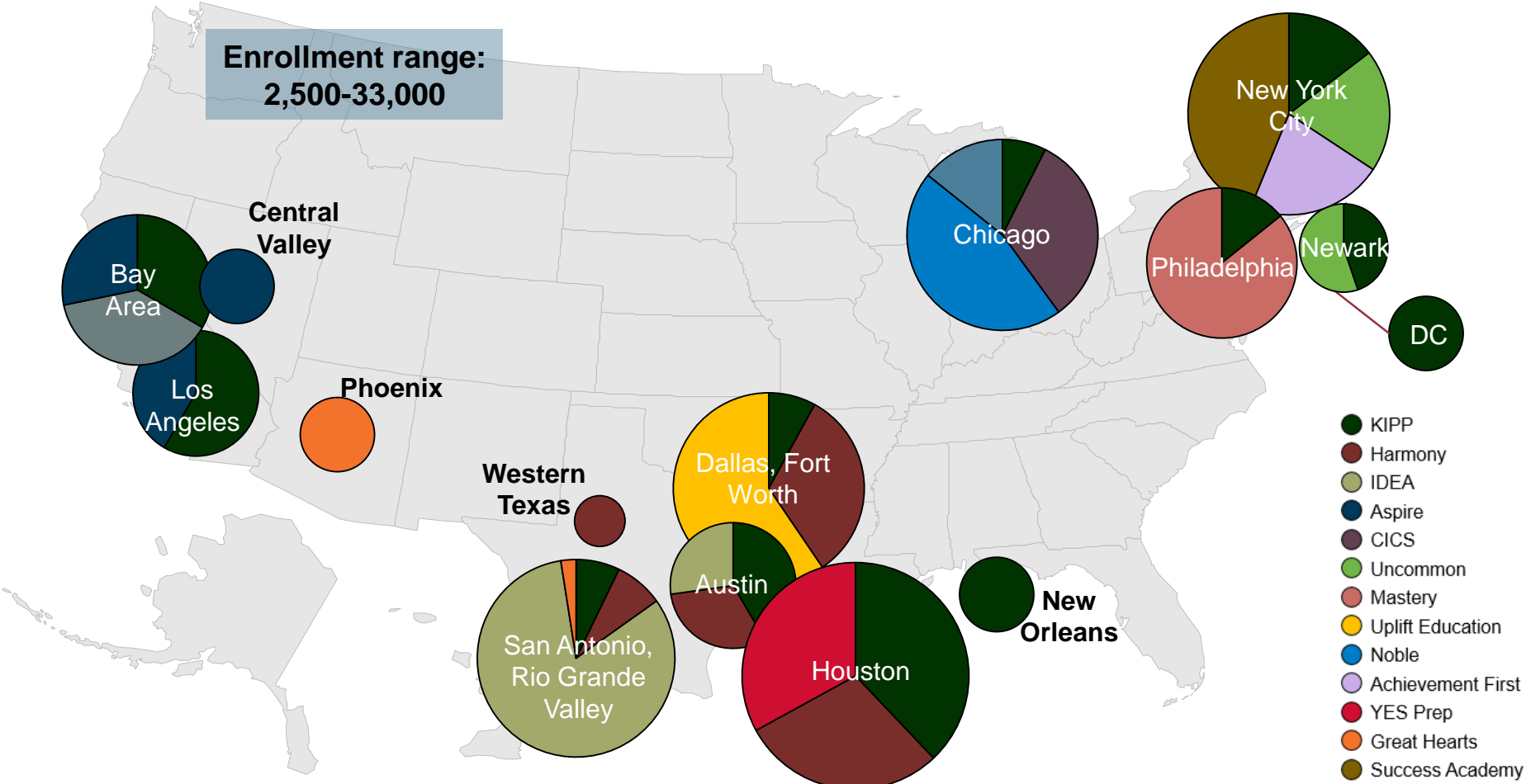
Source: [CSGF](#); [KIPP](#); [Harmony](#). Note: *Includes all CMOs in Charter School Growth Fund (CSGF) national portfolio, KIPP, and Harmony Schools. Using the NAPCS definition of CMO, we define high-performing CMOs as those included in the CSFG Portfolio, KIPP, and Harmony but recognize there are other high-performing CMOs outside of this list.

High-performing CMOs are concentrated in certain cities and regions

Concentration of High-Performing CMOs*

By CMO, by metropolitan area, 2016-17

School Type



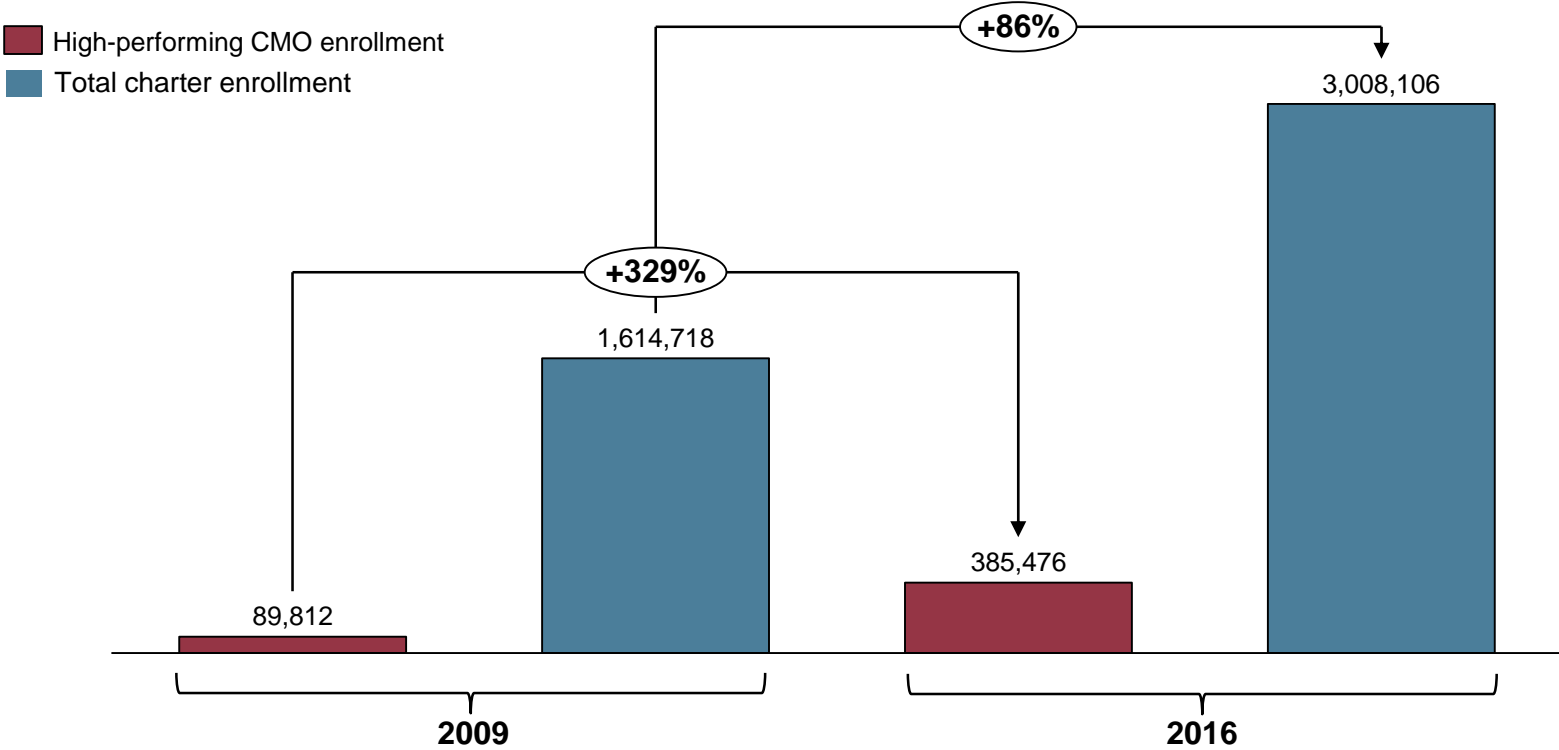
Sources: [CSGF](#), CMO Annual Reports, website data. *Includes all CMOs in Charter School Growth Fund (CSGF) national portfolio, KIPP, and Harmony Schools. Using the NAPCS definition of CMO, we define high-performing CMOs as those included in the CSFG Portfolio, KIPP, and Harmony but recognize there are other high-performing CMOs outside of this list.

Growth in this set of high-performing CMOs has far outpaced national enrollment growth between 2009 and 2016

School Type

Total Student Enrollment

In high-performing, nationally recognized CMOs and in all charter schools, nationally, 2009-2016*



Enrollment in high-performing CMOs has grown at nearly quadruple the rate of the sector overall

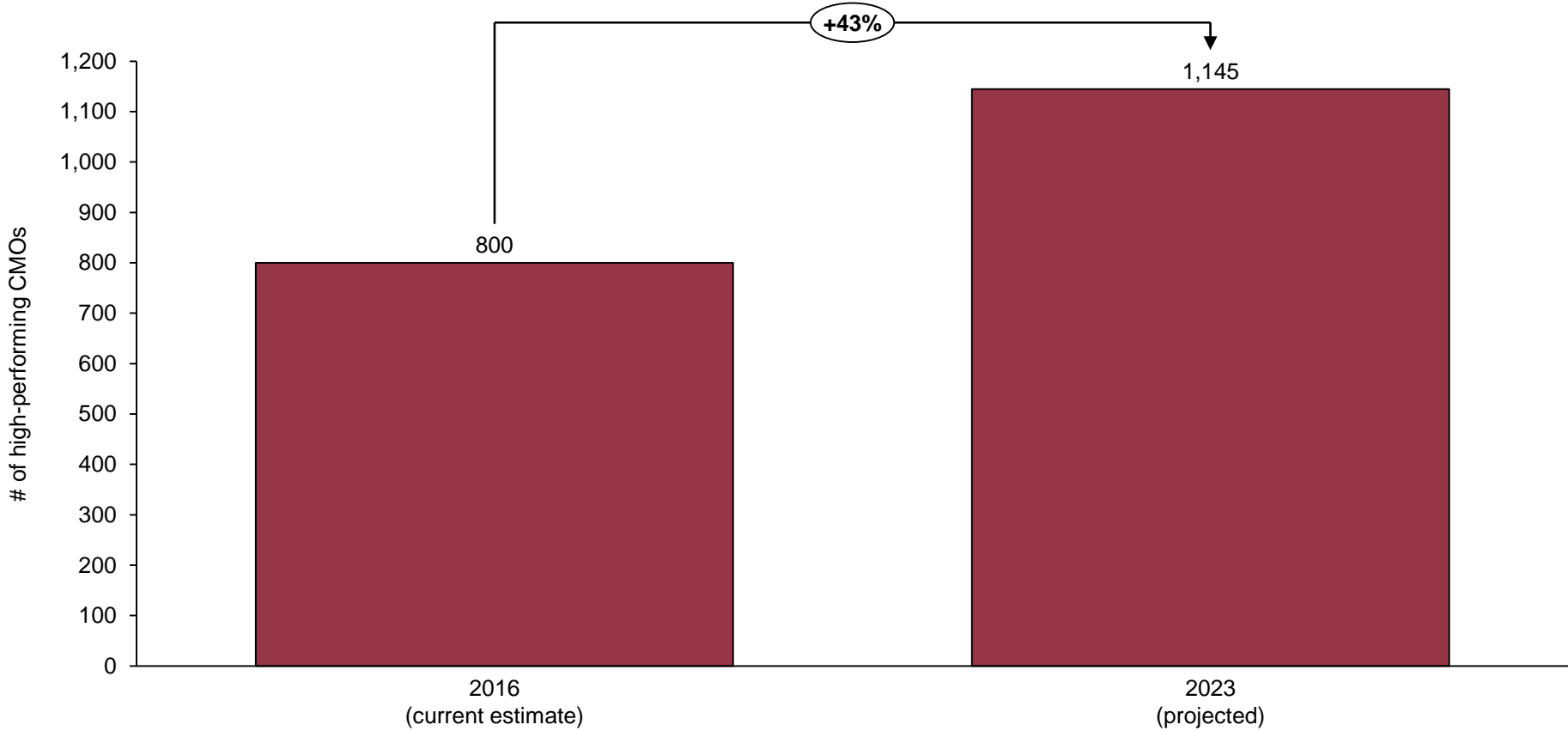
Source: [CSGF](#); [KIPP](#); [Harmony](#); [NAPCS](#) national data. Note: *Includes all CMOs in Charter School Growth Fund (CSGF) national portfolio, KIPP, and Harmony Schools. Using the NAPCS definition of CMO, we define high-performing CMOs as those included in the CSFG Portfolio, KIPP, and Harmony but recognize there are other high-performing CMOs outside of this list.

The number of new high-performing CMOs is expected to grow by more than 40 percent over the next 5 years

School Type

Current and Projected Number of High-Performing CMOs*

By year, 2016 and 2023



Source: [CSGF](#). Growth rate is compound annual growth rate (CAGR). Growth projection calculated using growth/seats projections for CSGF portfolio. CSGF growth projections include both existing portfolio of schools and future additions to portfolio, some of which may not yet be CMOs.

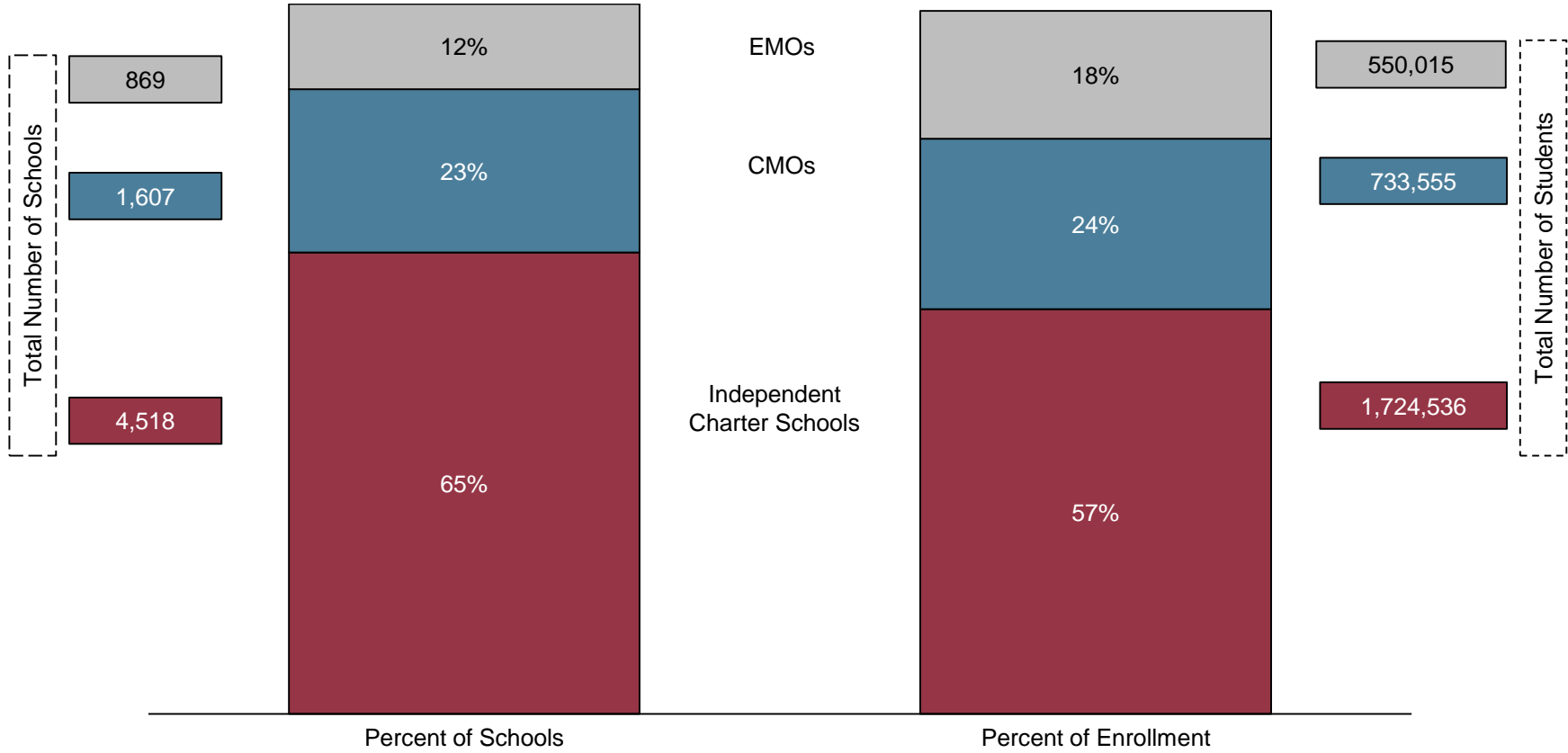
Note: *Includes all CMOs in CSGF national portfolio, KIPP, and Harmony Schools. We define high-performing CMOs as those included in the CSGF Portfolio, KIPP, and Harmony but recognize there are other high-performing CMOs outside of this list.

Most charters are independently managed and not affiliated with a large network or management organization

School Type

Number and Percent of Charter Schools and Student Enrollment

By management type, 2016



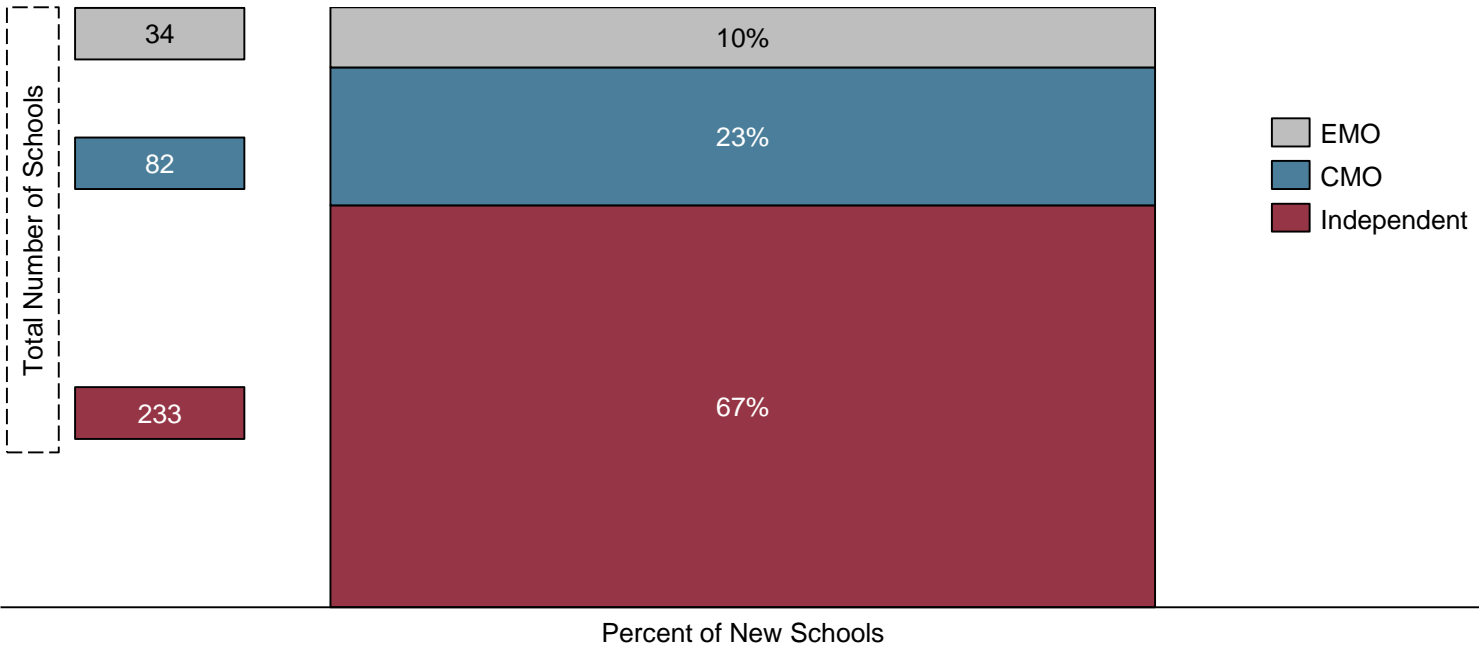
Source: [NAPCS](#). This analysis uses the traditional EMO/CMO/independent breakdown of charter operators. See slide 28 for definitions.

New charter openings also continue to heavily favor free-standing schools

School Type

Number and Percent of New Charter Schools

By management type, 2016



While some stakeholders and funders have signaled a commitment to focus their support on the replication and expansion of successful charter school networks, **independent charter schools continue to be the majority of new charters schools**

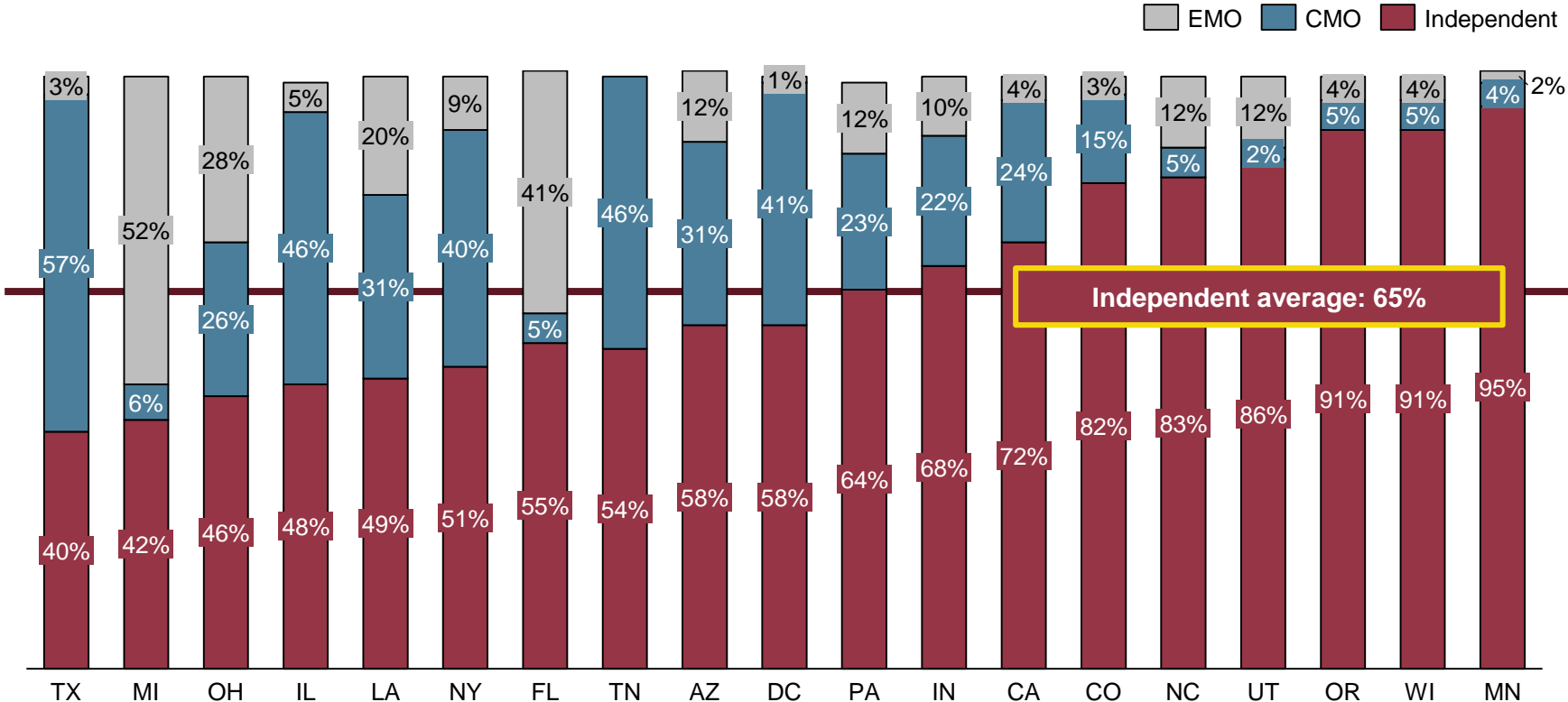
Source: [NAPCS](#), "National Charter School Management Overview," 2017.

At the state level, there is wide variation in the distribution of charter management types

School Type

Distribution of Charter Management Structure

By state, in states operating more than 100 charter schools, 2016-17



In states with more than 100 charter schools, an average of 65 percent of schools are managed independently; but eight states have much larger percentages

Source: NAPCS, "National Charter School Management Overview," 2017.

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Past research shows charters produce greater gains than TPS; recent research corroborates that finding

Performance

Taken together, a growing body of rigorous studies supports several conclusions about charter performance

- **The latest analyses of national charter performance** are from 2008-2011; they suggest charters produce **larger effects in reading** and **smaller effects in math** compared to TPS
- There have been **more recent analyses** on **city, state, and operator performance**, which **overall** show that charter schools **outperform traditional public schools**
- **Both older and more recent** analyses demonstrate **wide variation** in performance based on **region, locale, and student group**, specifically:
 - **Positive effects:** Many historically underserved subgroups, urban areas, 13 states, 24 cities
 - **Negative effects:** White students, online charters, 7 states, 11 cities

More **research and analysis** is required to **better understand** performance of the **overall charter sector** as well as the **variation in performance** among **subsets of schools** masked by **sector averages**

Research on charter performance includes overall sector analyses as well as more focused studies

Performance

Much of what we know about **overall charter sector** performance is from three types of **older studies**: analyses of sector, based on aggregate performance data of **state** and **urban** schools; **variation** in **school-level** performance; and performance **over time**

The next section will review **each type** of analyses of the **overall charter sector**

Analyses from **recent years** focus on specific **subsets of schools**, revealing **insight** into the **differences within the sector** that wasn't previously emphasized. Data from these studies is in the following section

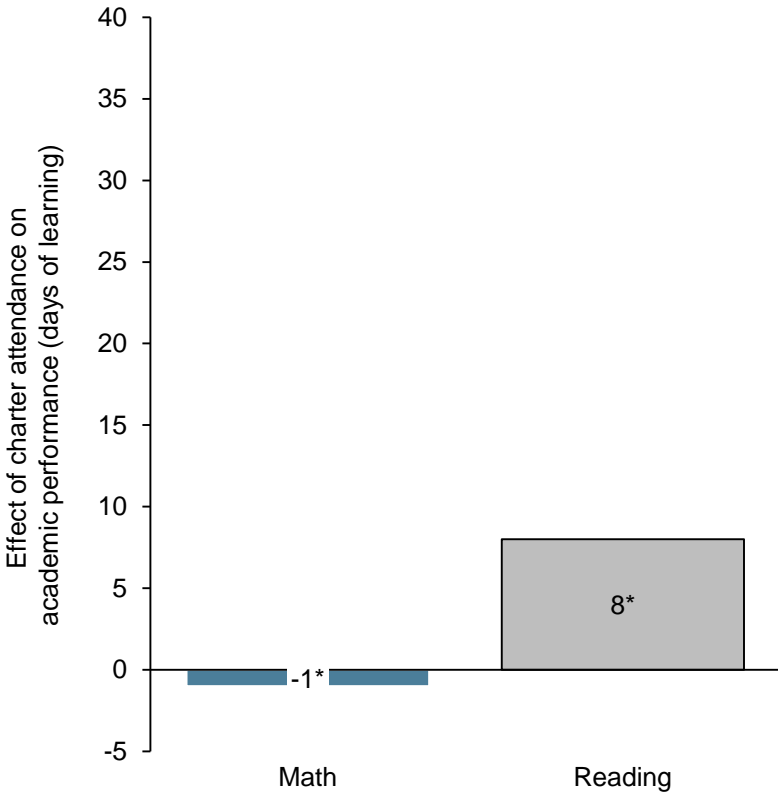
State analyses reveal a picture of sector performance: On average, charters outperform TPS in reading, but not math

Performance — Sector

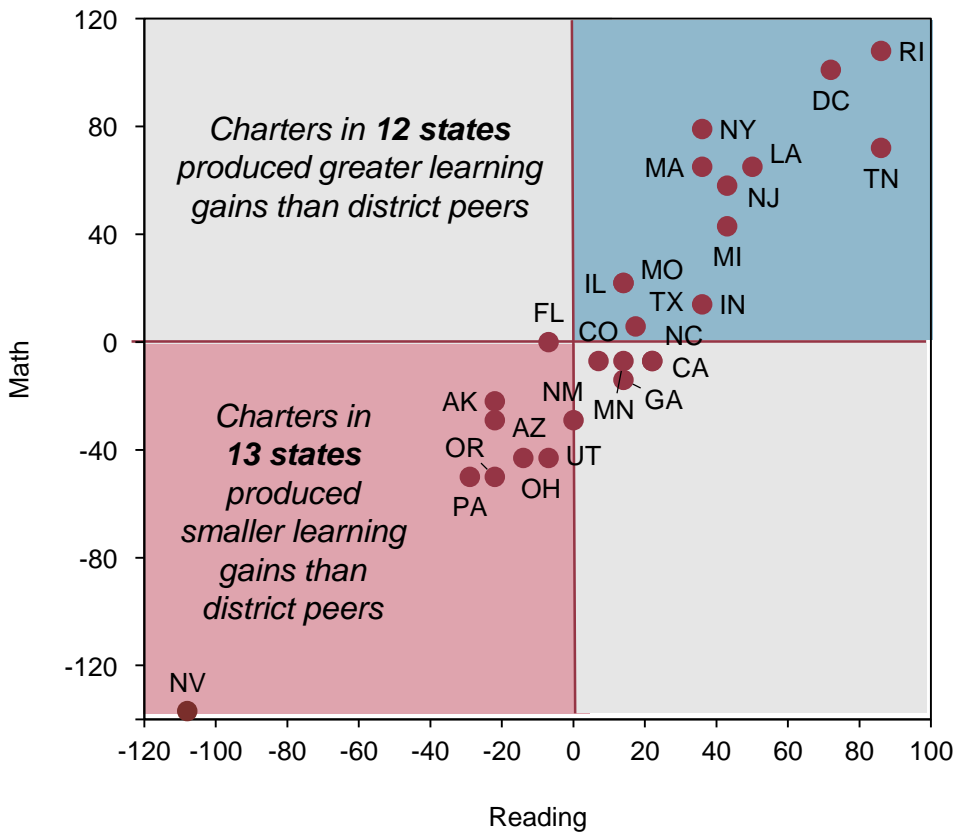
Effect of Charter Attendance on Academic Performance

By subject, by city, measured in days of learning, compared to TPS students, 2010-2011 and 2008-2011, 2011-2014

National



States



* significant at p ≤ 0.01

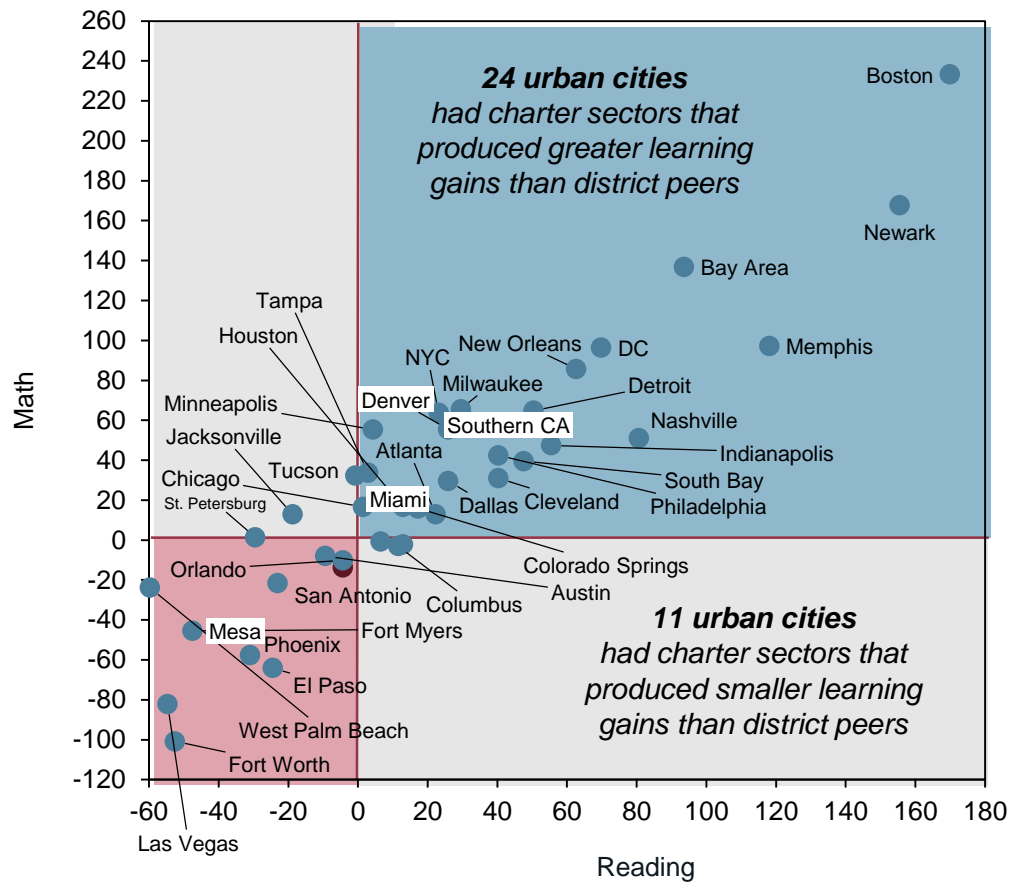
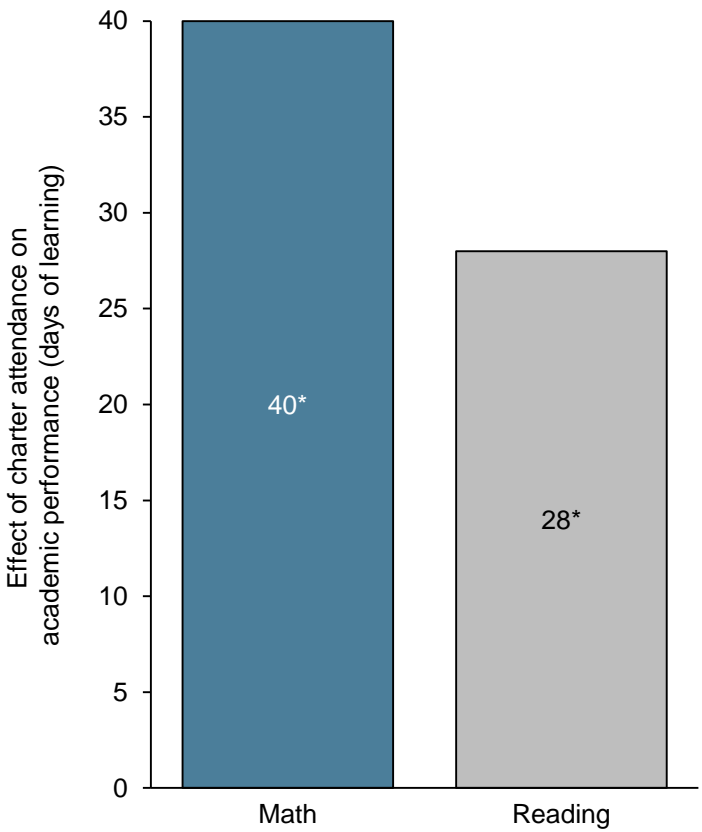
Source: CREDO, "National Charter School Study," 2013, across 27 states. Left chart data show impact over 2010-2011 school year. Right chart data show average annual impact using data from school years 2008-2011; [Texas data on that same chart are from a 2017 CREDO](#) state-level report using 2011-2014 data. The conversion from standard deviations to days of learning in the Texas study is slightly lower than the 2013 national study (5.8 vs. 7 days of learning per .01 standard deviation).

Aggregate urban data further our understanding of sector performance: Urban sectors far outperform TPS peers

Performance — Sector

Effect of Charter School on Student Academic Performance

By subject, by city, compared to TPS, measured in days of learning, 2008-12, 2011-15



* significant at p ≤ 0.01

Source: CREDO, "Urban Charter School Study," 2015, across 41 urban areas for time period. *Study sample includes data from school years 2008-2012. These are the latest available urban data. NYC data are from a 2017 CREDO city-level report using 2011-2015 data. The conversion from standard deviations to days of learning in the NYC study is slightly lower than the 2015 urban study (5.8 vs. 7 days of learning per .01 standard deviation).

These analyses also show that, between 2006 and 2010, the overall charter sector performance improved

Performance — Sector

Effect of Charter Attendance on Academic Performance

By subject, by number of growth periods, measured in days of learning, compared to TPS students, 2006-2010



Source: [CREDO](#), "National Charter School Study, Supplementary Findings Appendix," 2013. Impact over one year using data from each school year.

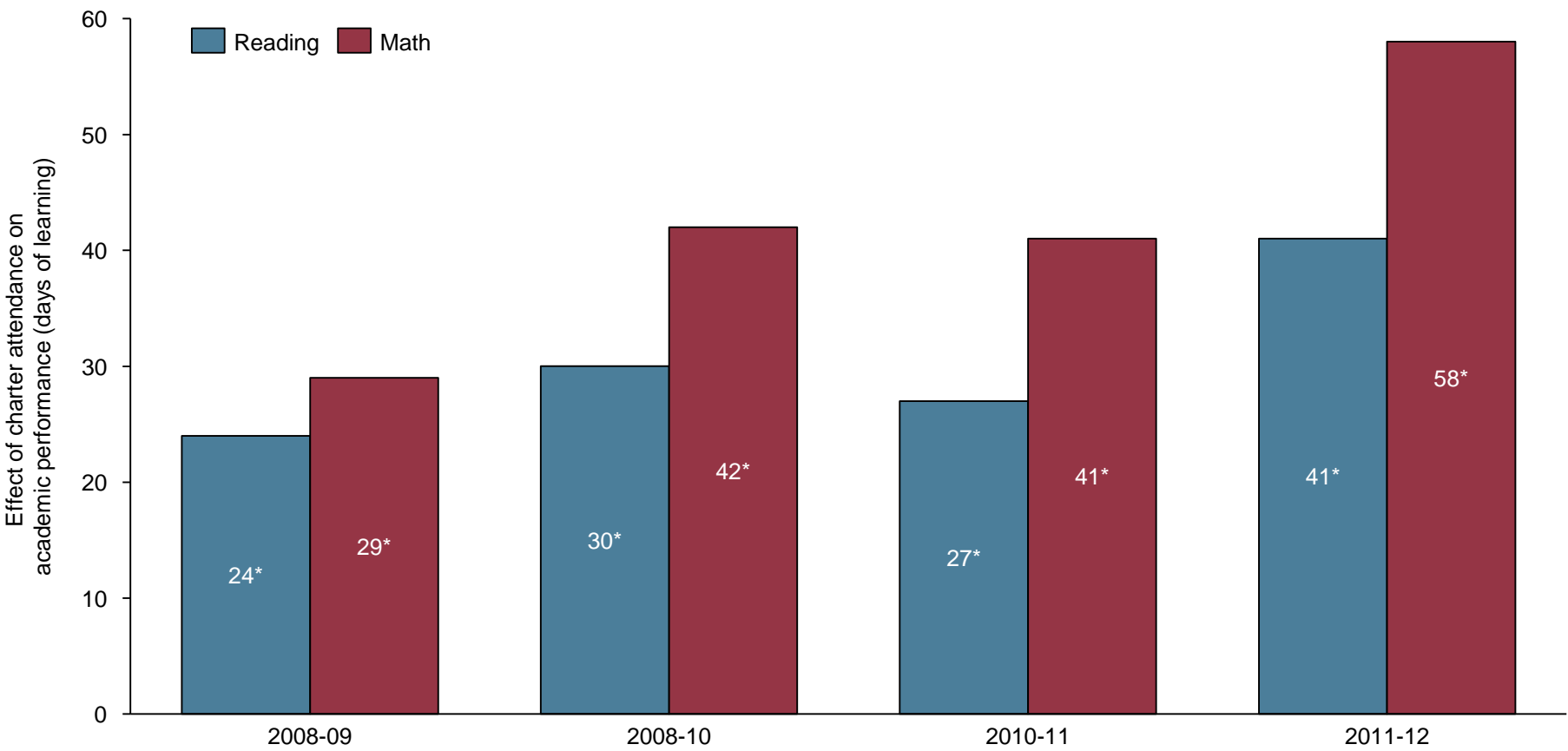
* significant at p ≤ 0.01
** significant at p ≤ 0.05

Performance of students attending urban charter schools has also improved over time

Performance — Sector

Effect of Charter School on Student Academic Performance

For students in urban charter schools, by subject, compared to TPS, measured in days of learning, 2008-11



Source: [CREDO](#). "Urban Charter School Study," 2015.

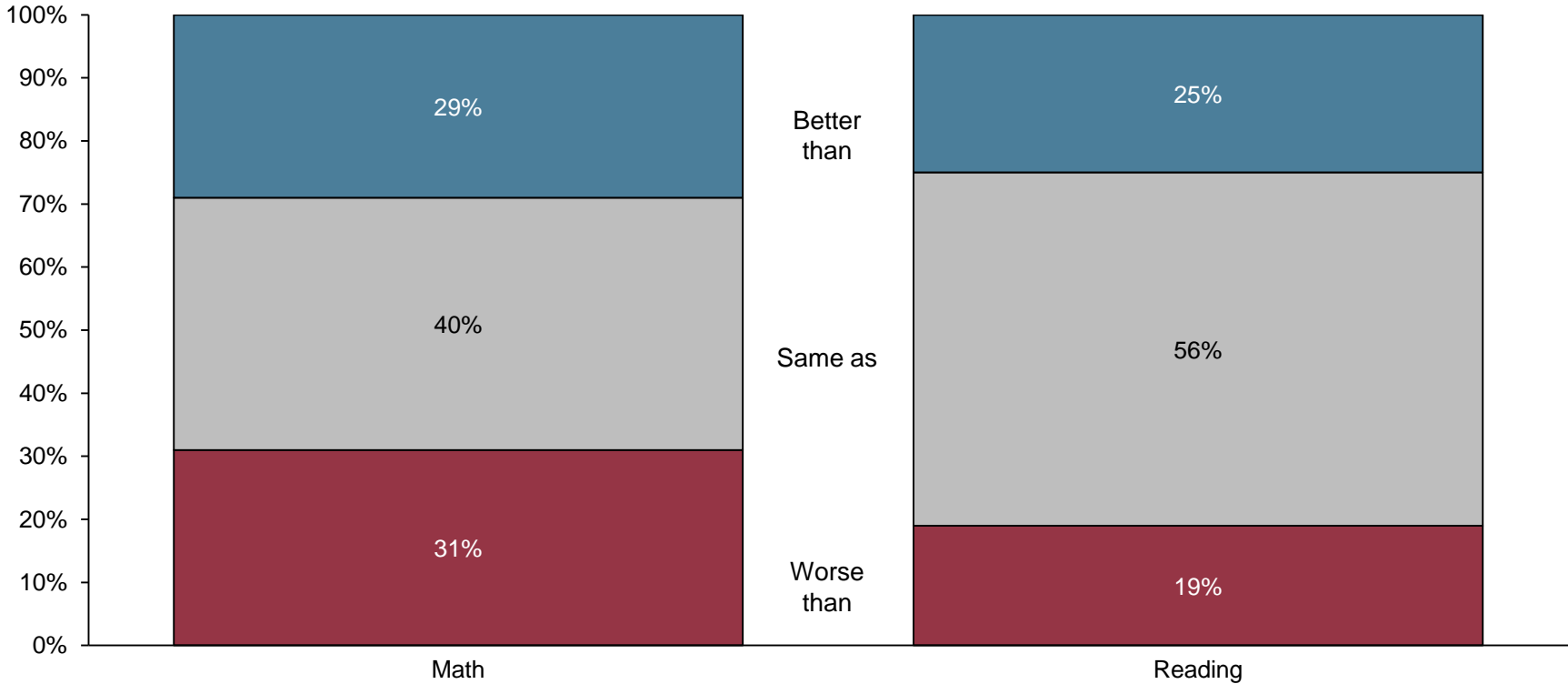
* significant at p ≤ 0.01

Overall sector performance trends, however, mask wide variation in school-level performance

Performance — Sector

Percentage of All Charter Schools That Perform Better, Worse, or Similar to TPS

By subject, 2008-2011



National averages suggest that charters perform **as well as** or **slightly better than** TPS, but **at least a quarter** of all charter schools perform **better than** TPS

Source: [CREDO](#), "National Charter School Study," 2013.

Overall sector performance trends also mask variation in subgroup academic performance

Performance — Sector

Effect of Charter School on Student Academic Performance

For all students and urban students, by subject, compared to TPS, measured in days of learning, 2006-2012

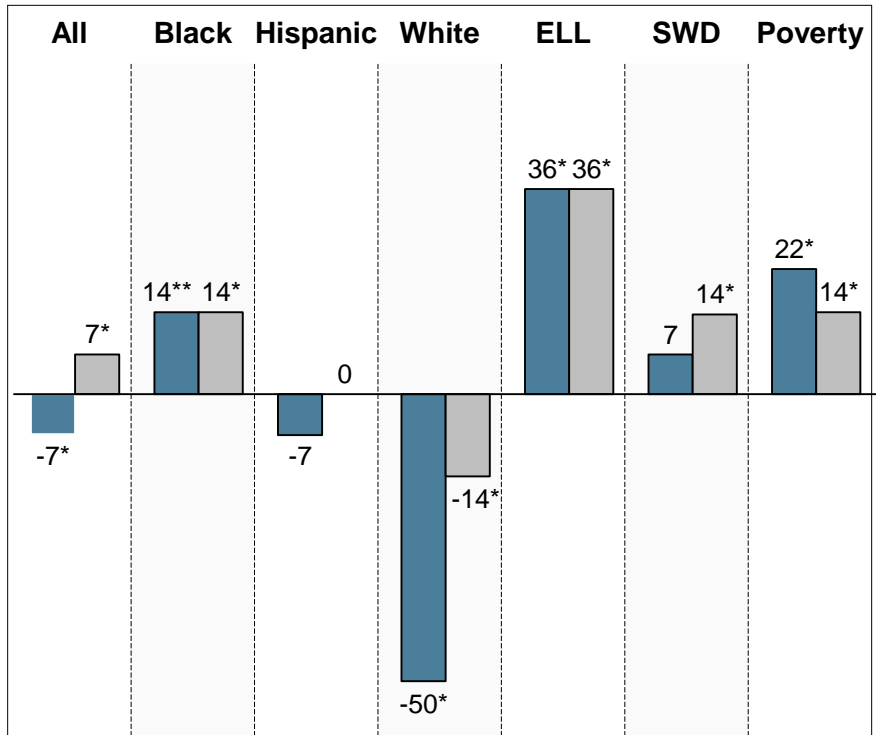
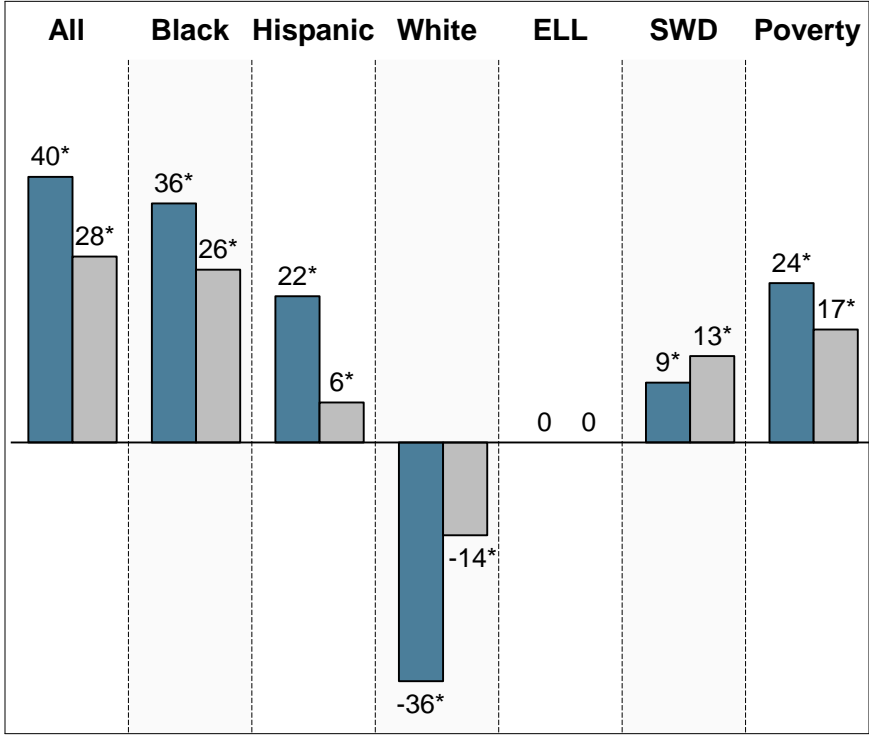
days of learning

Urban

National

Mathematics Reading

Mathematics Reading



* significant at p ≤ 0.01
** significant at p ≤ 0.05

Source: CREDO, "National Charter School Study," 2013; CREDO, "Urban Charter School Study," 2015.

Note: ELL: English language learners. SWD: Students with disabilities. Poverty: Students who are eligible for free and reduced-price meals.

In addition to analyses of the overall charter sector, recent studies analyze specific subsets of schools

Performance — Subsets

There are **three types of studies** included in this section with different **sources** and **years of analysis**

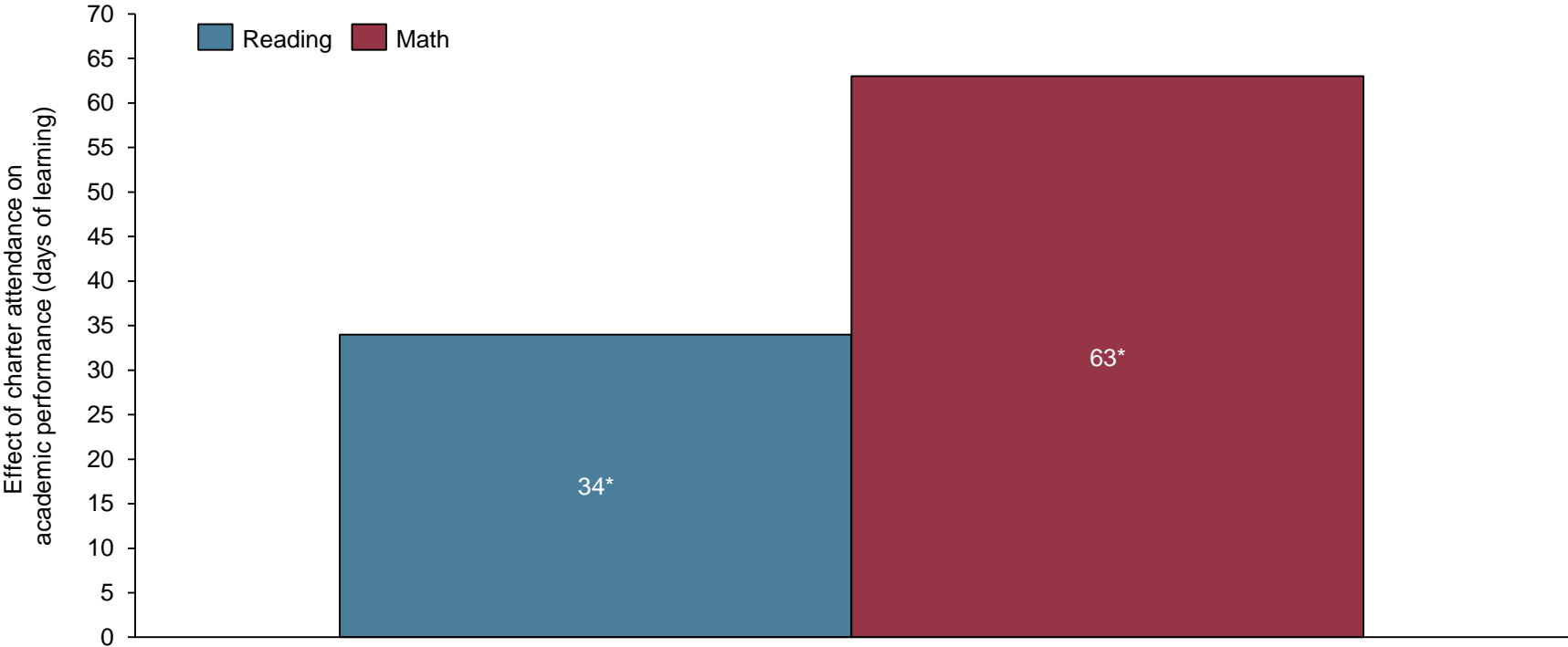
Subset of Schools	Source (years of analysis)
Performance of selected states <ul style="list-style-type: none"> • New York • Texas 	<ul style="list-style-type: none"> • New York: CREDO (2011-2016) • Texas: CREDO (2011-2017)
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Performance of school types <ul style="list-style-type: none"> • Online schools • Operators • CMOs 	<ul style="list-style-type: none"> • Online schools: CREDO (2012-2013) • Operators: CREDO (2014-2015) • CMOs: CRPE (2012)

Students in New York State learned more than peers in traditional public schools

Performance — Subsets

Effect of Charter School on Student Academic Performance

For New York students, by subject, compared to TPS students, 2016



Charter gains in New York are mostly driven by the performance of charter schools in NYC — **sharing and replicating** these successful practices can benefit all schools

Source: [CREDO](#), "Charter School Performance in New York," 2017.

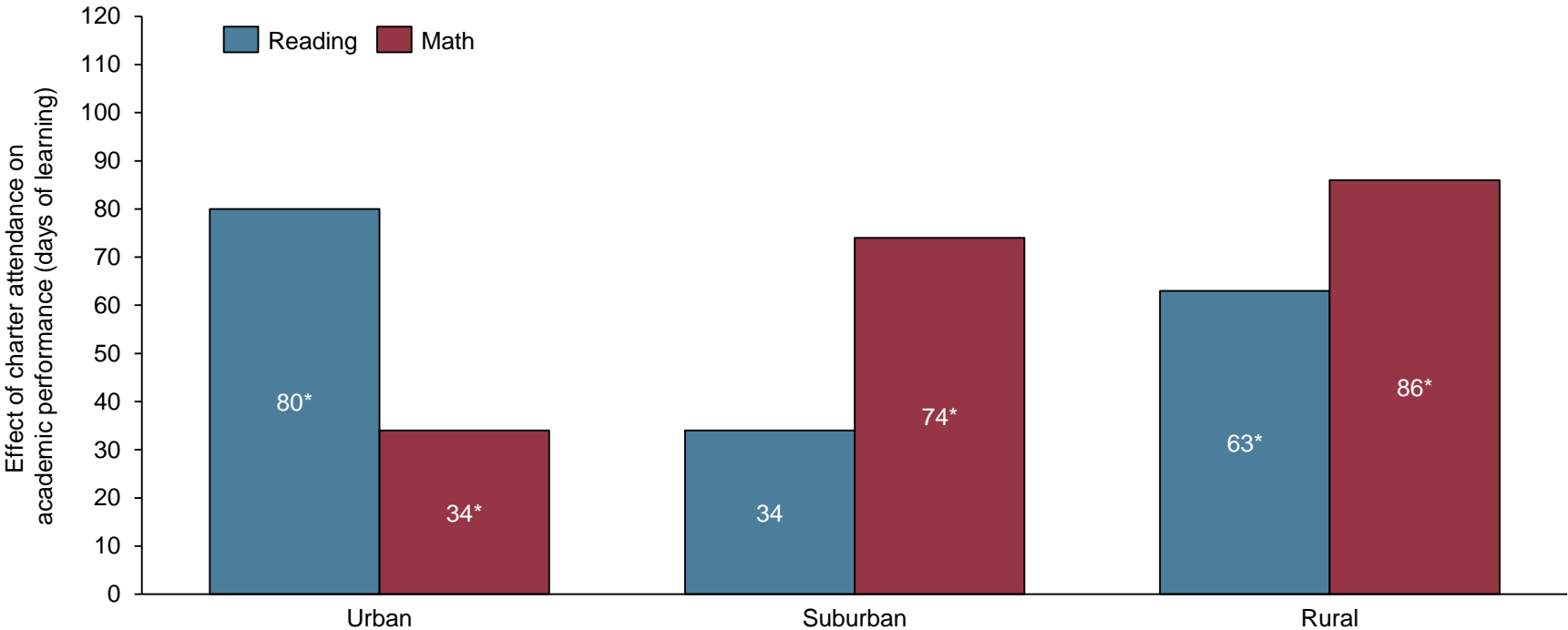
* significant at $p \leq 0.01$

New York charter students outperform traditional public school peers regardless of the geographic setting

Performance — Subsets

Effect of Charter School on Student Academic Performance

For New York students, by locale, compared to TPS, measured in days of learning, 2011-16



In New York, charter school students are showing larger learning gains regardless of location when compared to their peers in traditional public schools

Source: CREDO, "Charter School Performance in New York," 2017. New York does not have any charter schools with the "town" designation.

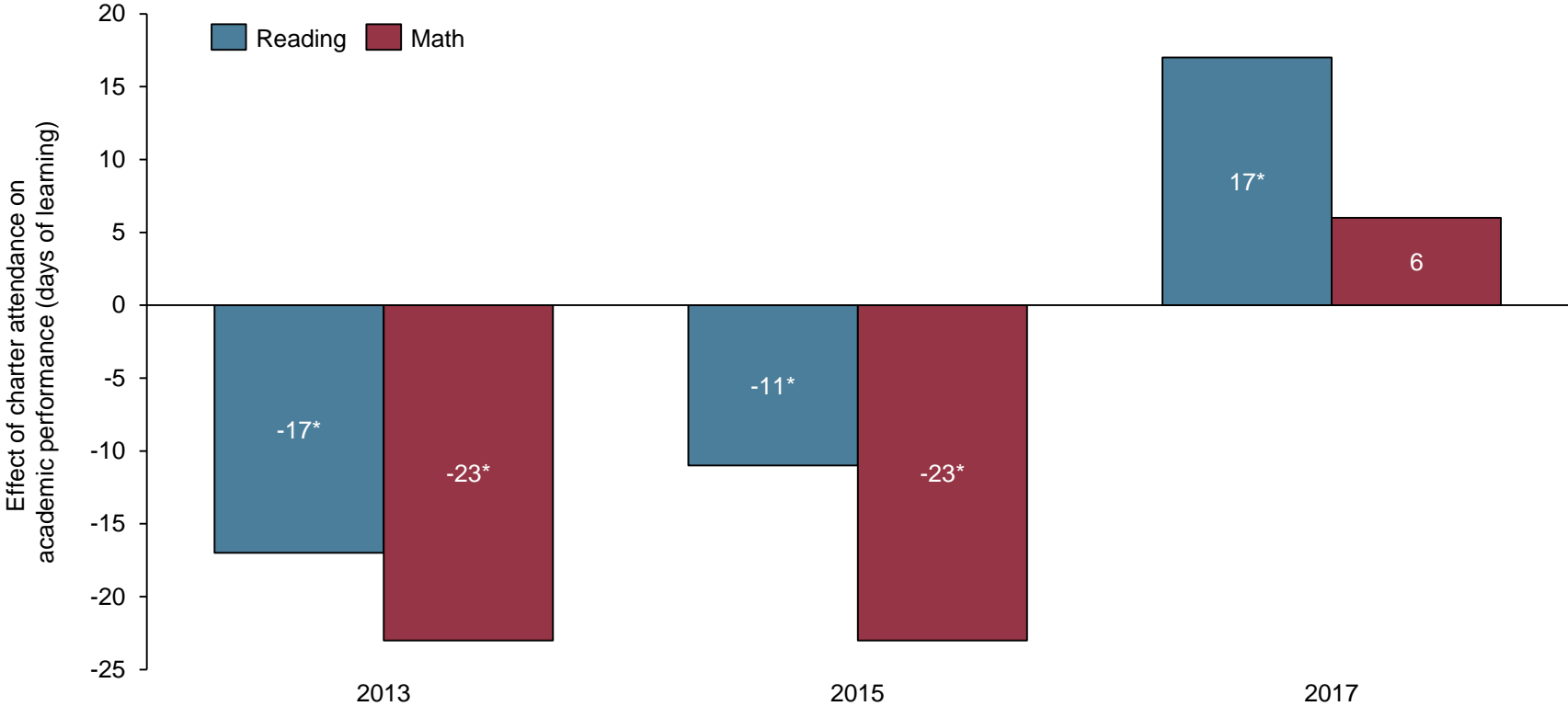
* significant at p ≤ 0.01

Texas charters underperformed TPS in past years but outperform them based on more recent data

Performance — Subsets

Effect of Charter School on Student Academic Performance

For Texas students, compared to TPS, measured in days of learning, 2013-17



Researchers highlighted the integral role of Texas' **increased accountability** measures in the sector's improvement

Source: [CREDO](http://credo.org), "Charter School Performance in Texas," 2017.

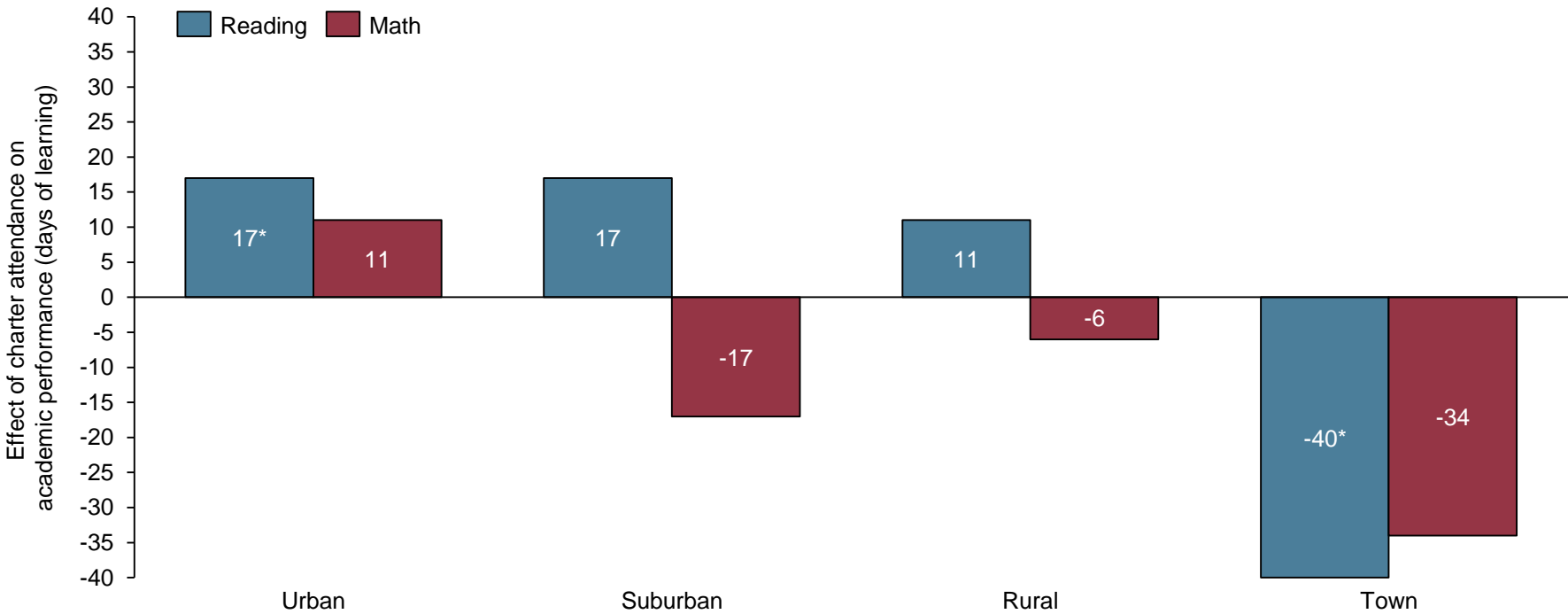
* significant at p ≤ 0.01

Texas students in urban charter schools outperform their TPS peers, but those in towns do worse

Performance — Subsets

Effect of Charter School on Student Academic Performance

For Texas students, by locale, compared to TPS, measured in days of learning, 2011-15



Students in urban charters outperform TPS peers; this pattern follows national trends

Source: [CREDO](#), "Charter School Performance in Texas," 2017. Locale definitions based on [NCES](#), which defines 12 urban-centric locales; locales are divided into these four types.

* significant at p ≤ 0.01

In addition to analyses of the overall charter sector, recent studies analyze specific subsets of schools

Performance — Subsets

There are **three types of studies** included in this section with different **sources** and **years of analysis**

Subset of Schools	Source (years of analysis)
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The effect of Texas and New York charters on student subgroup performance is largely positive

Performance — Subsets

Effect of Charter School on Student Academic Performance

For TX and NY students; by subgroup, by subject, compared to TPS, measured in days of learning, 2015



* significant at p ≤ 0.01

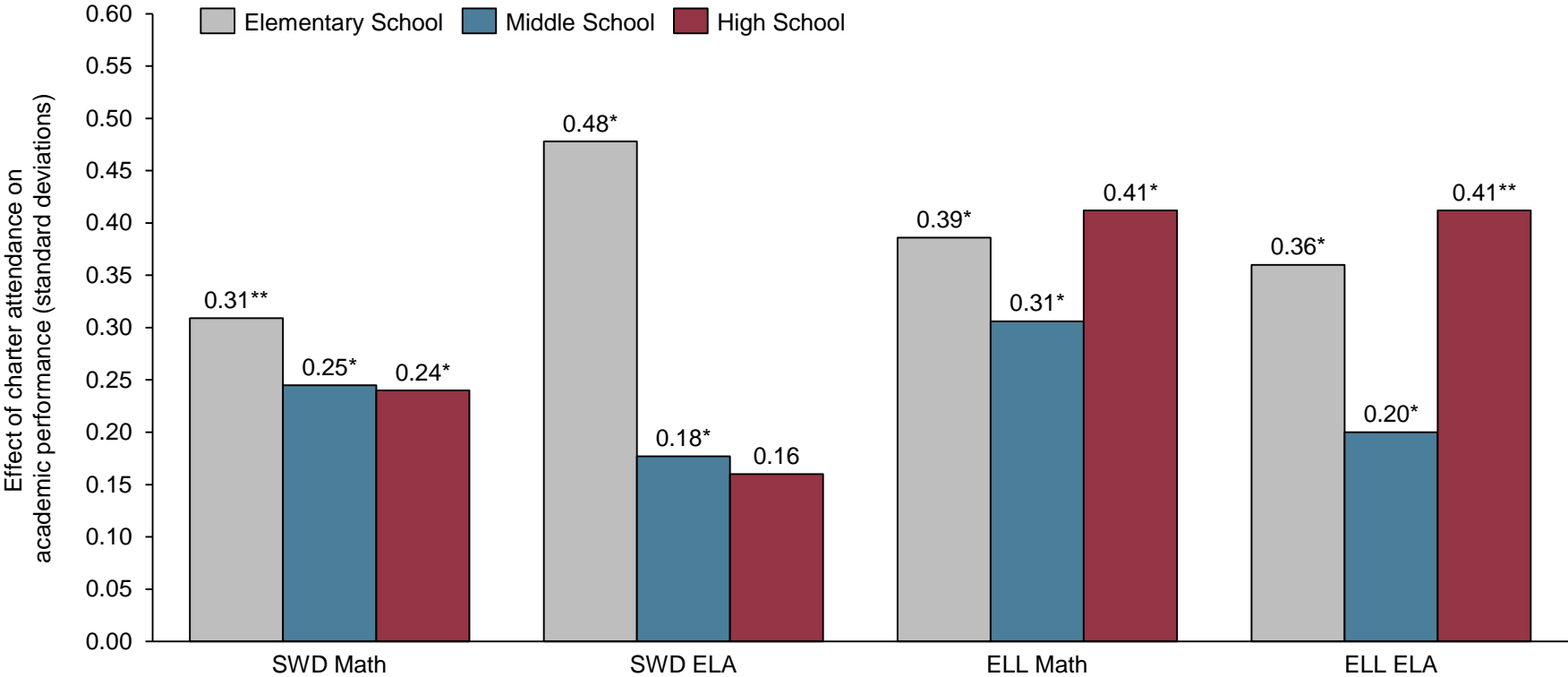
ELL: English language learners. SWD: Students with disabilities. Poverty: Students who are eligible for free or reduced-price meals. N size for White charter school students was too small for CREDO to match and analyze. Source: CREDO, Texas, 2017; CREDO, New York, 2017. All, Black, and Hispanic student subsets were compared to a TPS VCR; ELL, SWD, and Poverty subsets used comparable analysis to reflect VCR comparison

Boston charters positively affect academic outcomes of English language learners and students with disabilities ...

Performance — Subsets

Effect of Charter School on Student Academic Performance

For Boston students, by SWD and ELL classification, by subject, compared to TPS students, by grade level, 2003-2015



The effect of Boston charter schools on SWD and ELL achievement follow **national** and **urban trends**

Source: MIT, 2016.

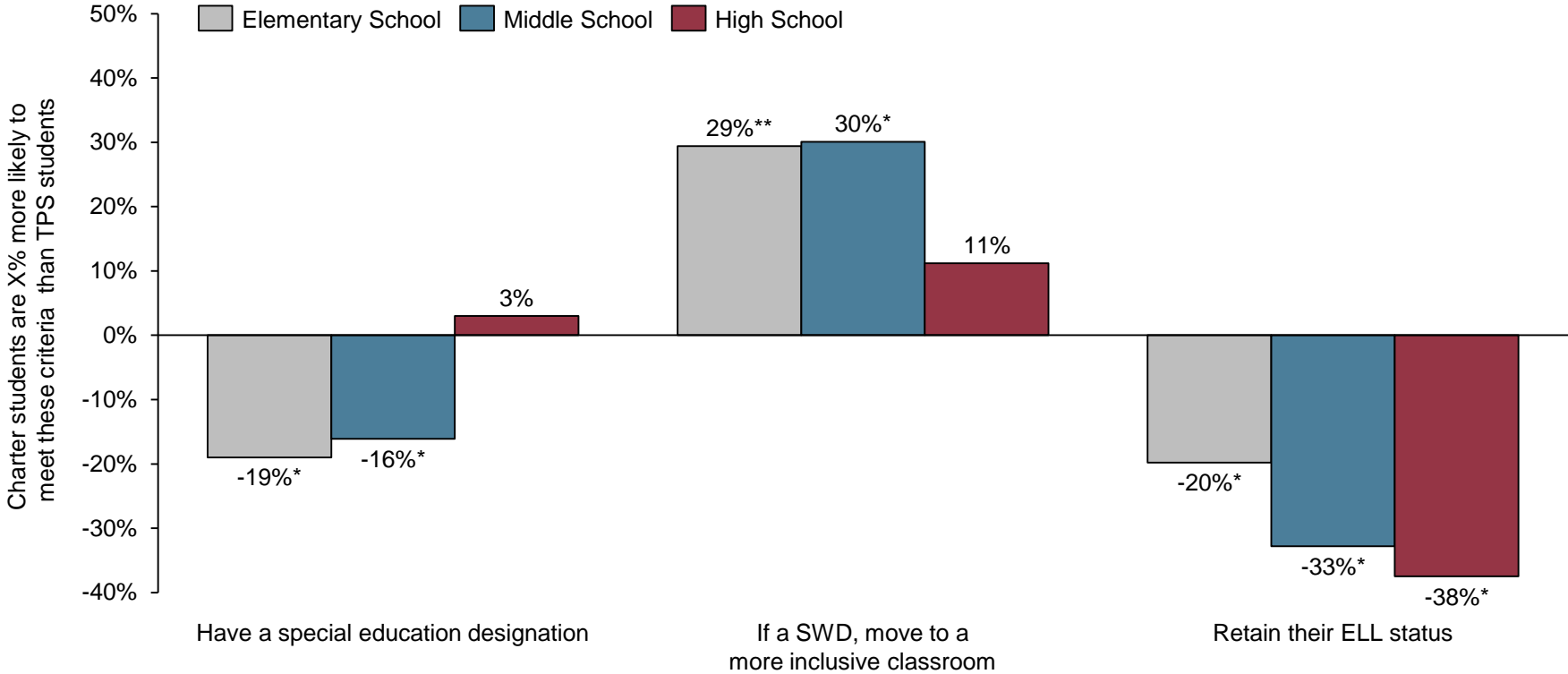
* significant at p ≤ 0.01
** significant at p ≤ 0.05

... and data suggest they may also be more successful in transitioning students out of these classifications

Performance — Subsets

Effect of Charter School on Student Education Status

For Boston students, by SWD and ELL classification, compared to TPS students, by grade level, 2003-2015



Researchers' analysis suggests that these effects are **not the result** of students with disabilities or English language learners **switching schools**

Source: MIT, 2016. Note that effects are not necessarily tied to students not meeting designation criteria and may be the result of other factors and incentives.



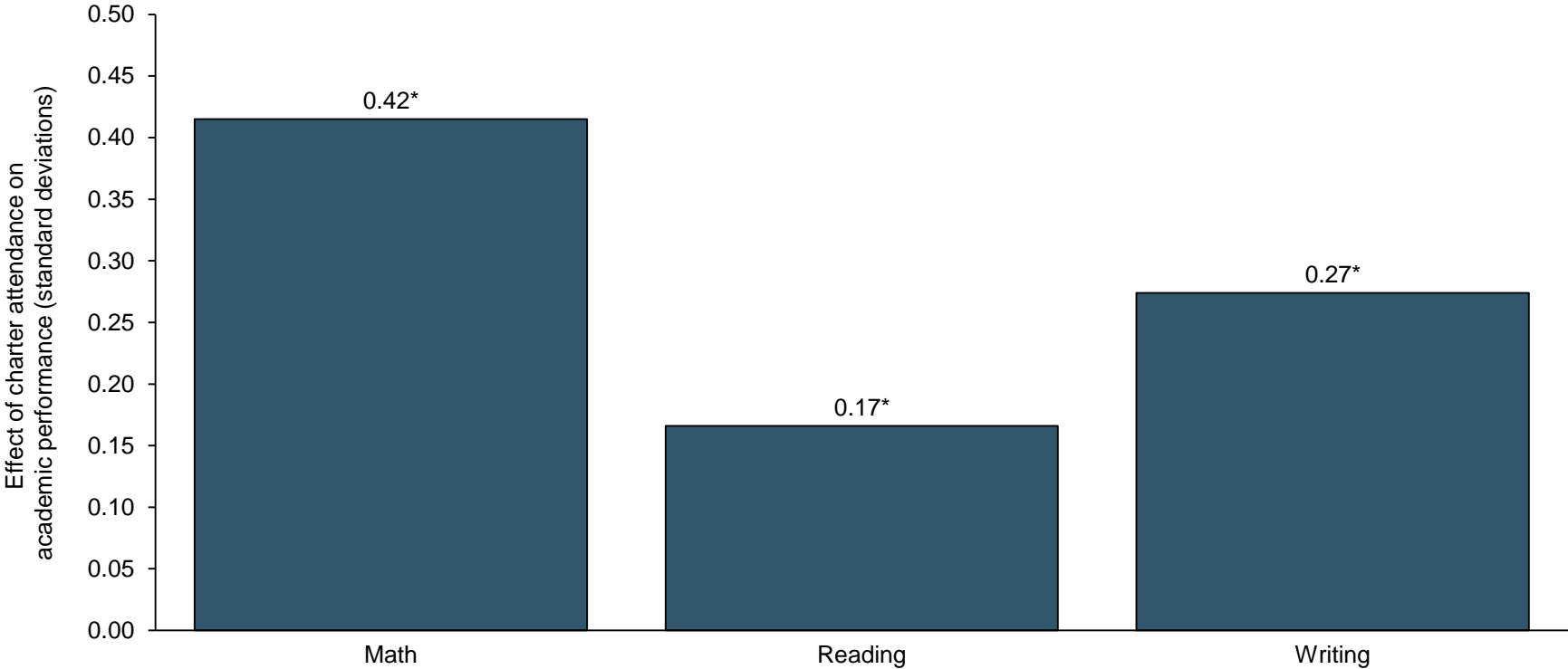
* significant at p ≤ 0.01
** significant at p ≤ 0.05

Denver’s charter schools have positive effects for students

Performance — Subsets

Effect of Charter School on Student Academic Performance

For Denver students, by subject, compared to TPS students, 2011-2015



These findings are based on an analysis that uses **school admittance data** via **SchoolChoice**, Denver’s **unified enrollment system**, alongside state assessment data

Source: [Econometrica](#), 2017.

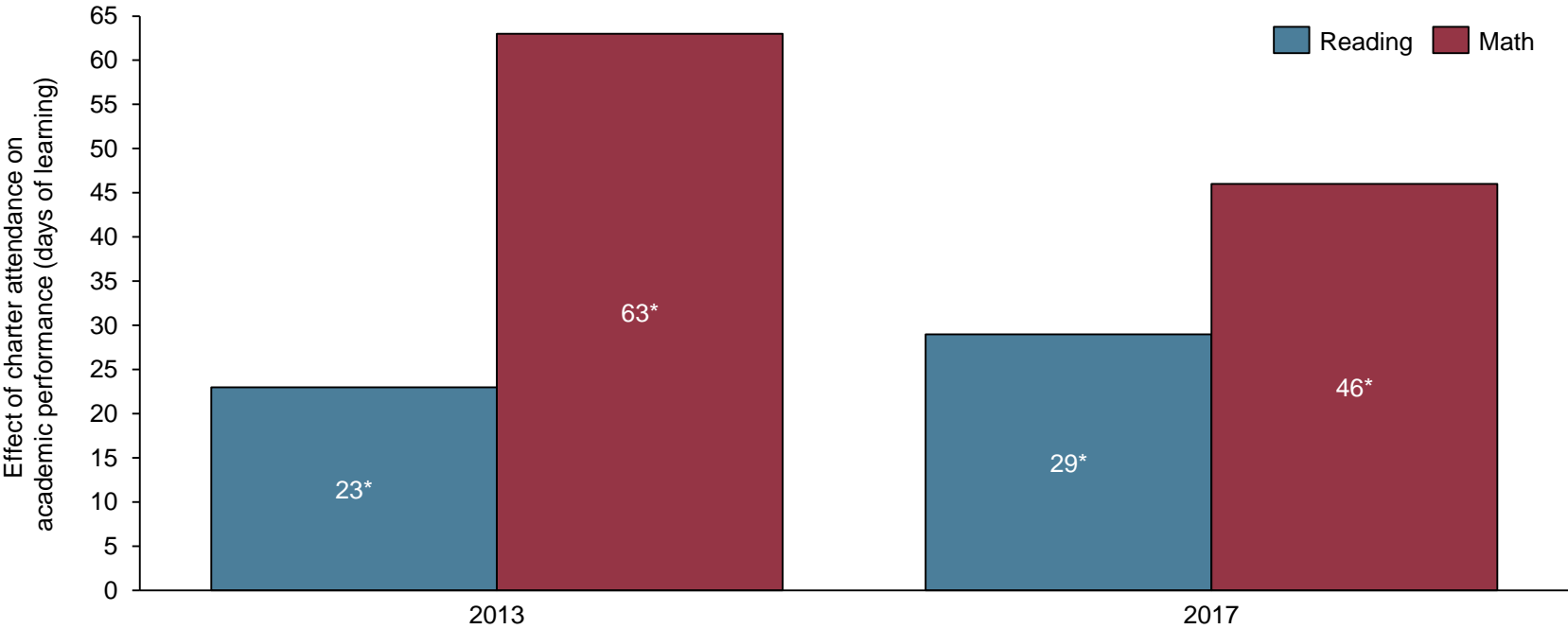
* significant at $p \leq 0.01$

New York City charter students outperform their peers in traditional public schools

Performance — Subsets

Effect of Charter School on Student Academic Performance

For New York City students, by subject, compared to TPS students, 2013-2017



In addition, the **number of underperforming schools decreased from 2013 to 2017** — a result researchers say shows the willingness of authorizers to intervene when data call for it

Source: [CREDO](#), "Charter School Performance in New York City," 2017.

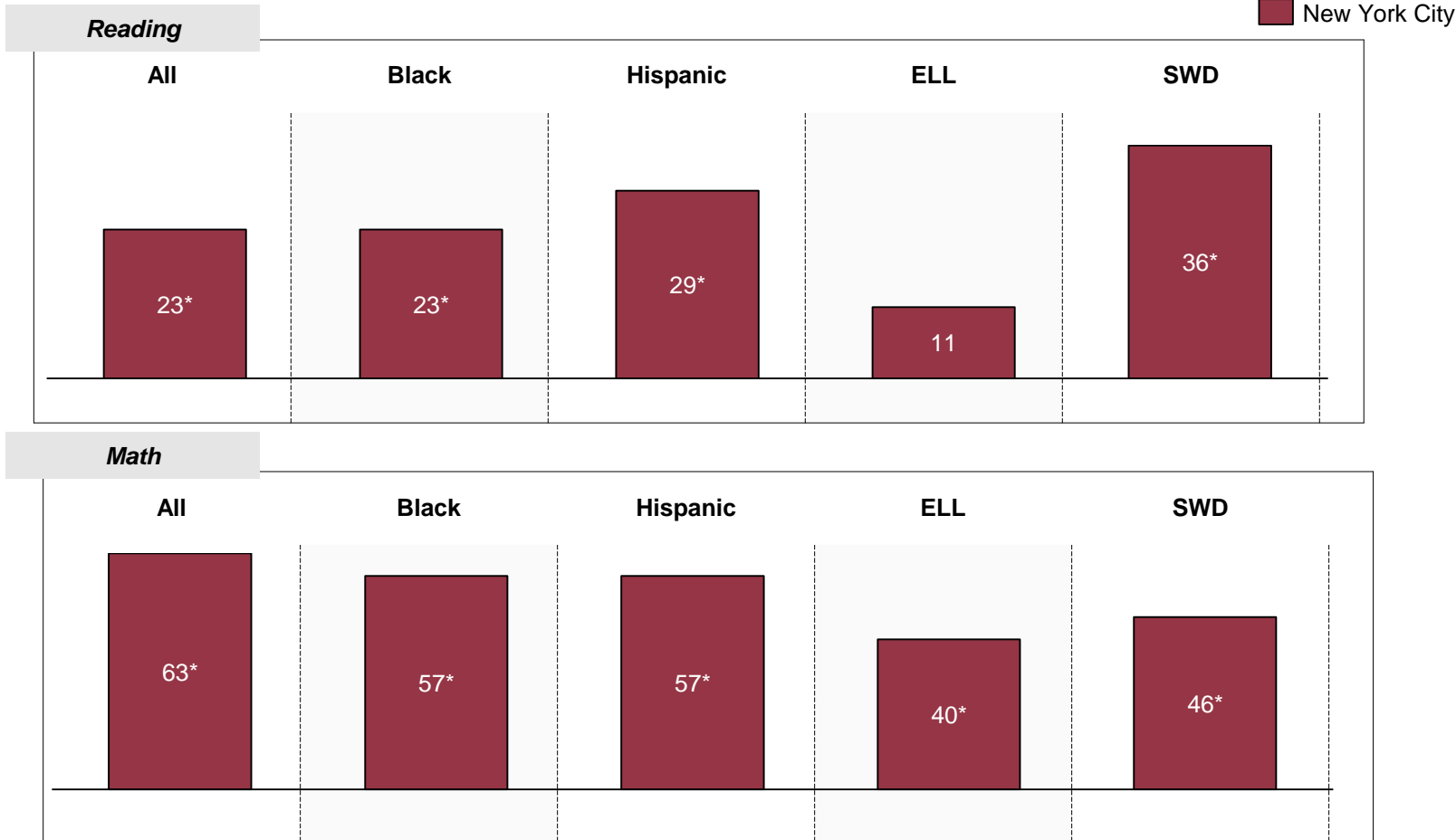
* significant at p ≤ 0.01

New York City charter students outperform TPS peers across nearly every student subgroup

Performance — Subsets

Effect of Charter School on Student Academic Performance

For NYC students, by subgroup, by subject, compared to TPS, measured in days of learning, 2015



Source: CREDO, New York City, 2017. ELL: English language learners. SWD: Students with disabilities. N size for White charter school students was too small for CREDO to match and analyze. All, Black, and Hispanic student subsets were compared to a TPS VCR; ELL and SWD subsets used comparable analysis to reflect VCR comparison

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Performance — Subsets

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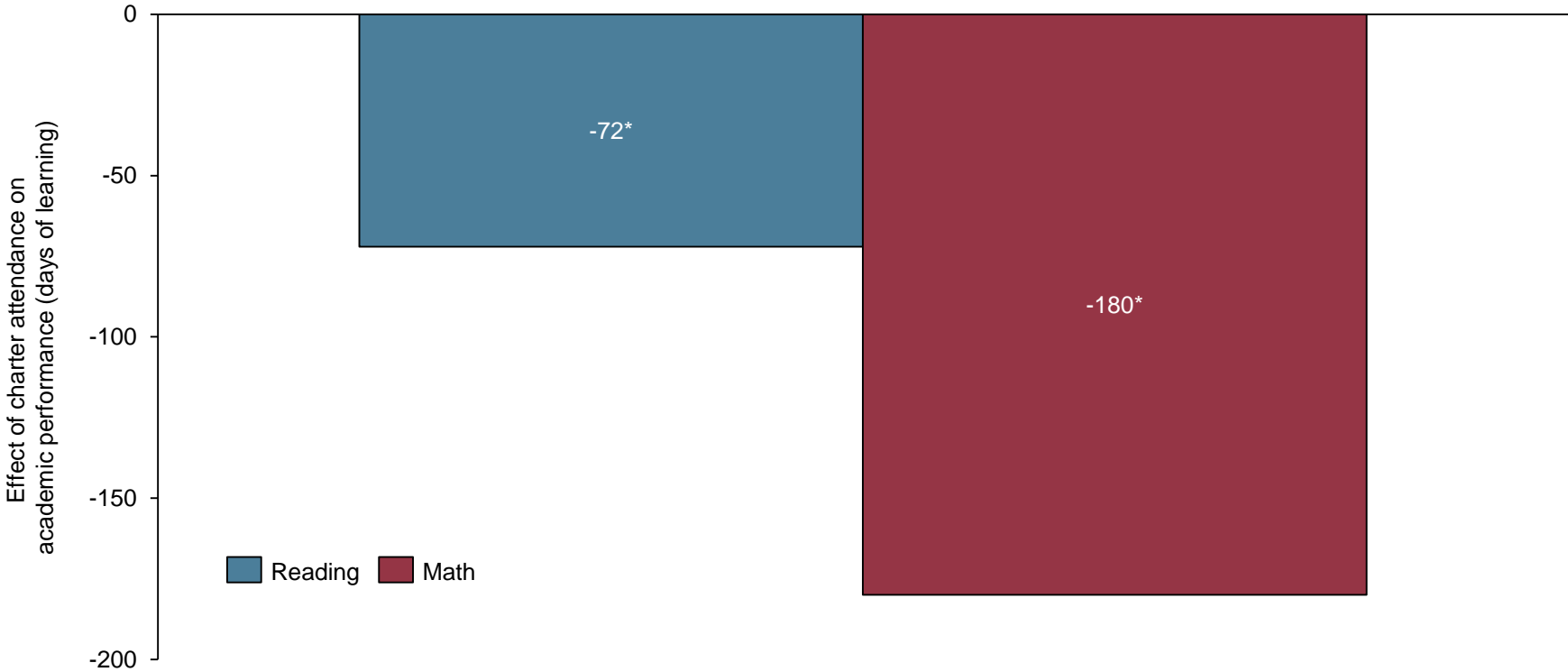
Subset of Schools	Source (years of analysis)
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Online charter students have much weaker academic growth than their TPS peers

Performance — Subsets

Effect of Charter School on Student Academic Performance

For online charter students, by subject, compared to TPS, measured in days of learning, 2012-13



Evidence suggests it is the **online component**, rather than charter or TPS school status, that accounts for the **negative academic growth**

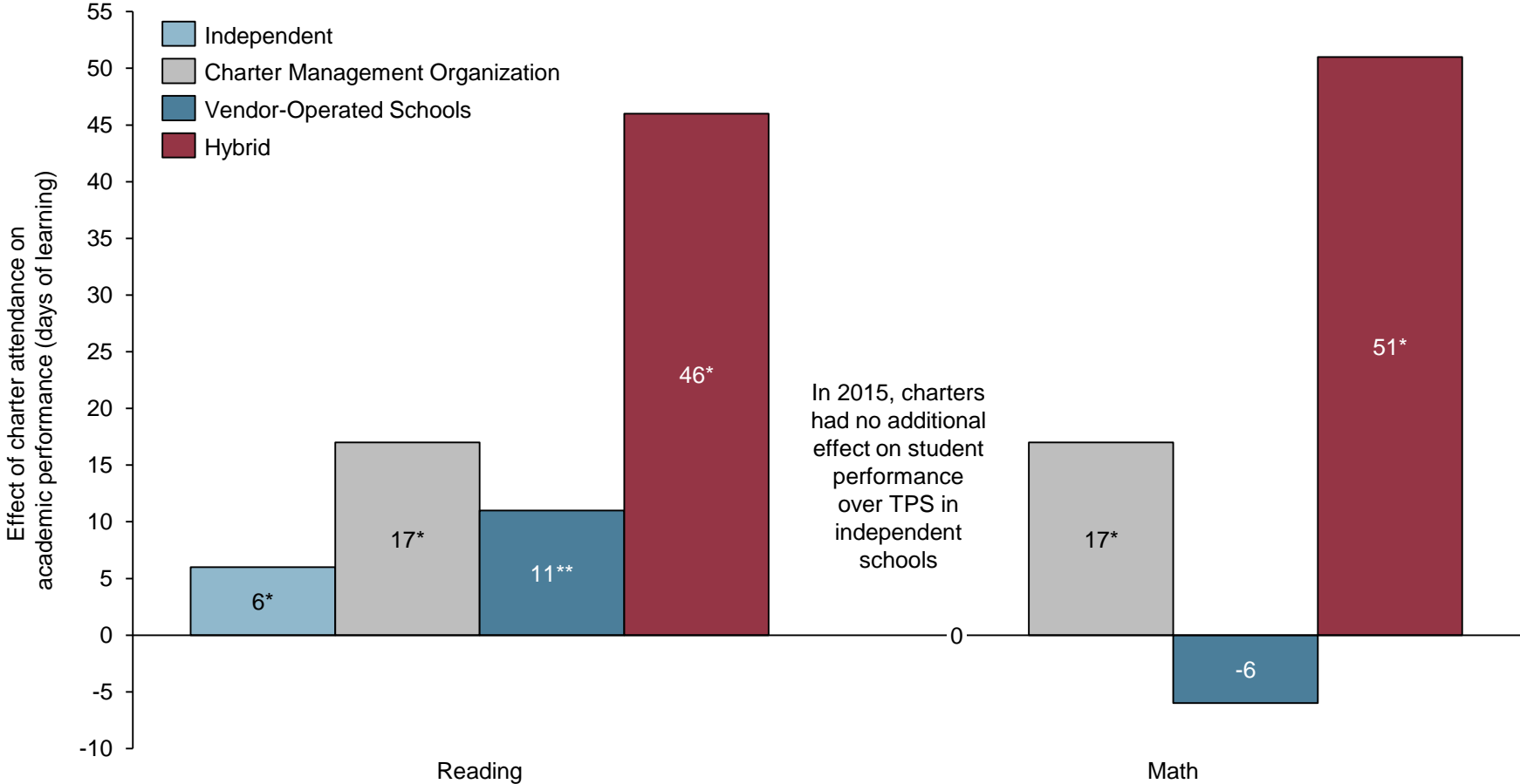
Source: [CREDO](#), "Online Charter School Study," 2015. The 0.0 comparison line represents the average white, non-poverty, non-ELL, non-SPED brick-and-mortar TPS student as compared to a demographically matched online charter student.

Different school types within the charter school sector have different impacts on student learning

Performance — Subsets

Effect of Charter School on Student Academic Performance

For all students, by school type, by subject, compared to TPS, measured in days of learning, 2014-15



Source: CREDO, "Charter Management Organizations," 2017. Note: This analysis uses the new breakdown of charter operators. See slide 28 for definitions.

* significant at p ≤ 0.01
** significant at p ≤ 0.05

A study of individual CMOs found charter effects on middle school students' performance varied substantially

Performance — Subsets

Number of CMOs With Positive, Negative, and Insignificant Impact

For middle school students enrolled in one of 22 CMOs, by subject, by impact type, compared to TPS students, 2012

		Middle School Math Impacts		
		Significant Positive	Insignificant	Significant Negative
Middle School Reading Impacts	Significant Positive	10 CMOs	0 CMOs	0 CMOs
	Insignificant	1 CMOs	2 CMOs	3 CMOs
	Significant Negative	0 CMOs	2 CMOs	4 CMOs

Out of analysis of 22 CMOs. Measured two years after a student enrolled at a CMO school.

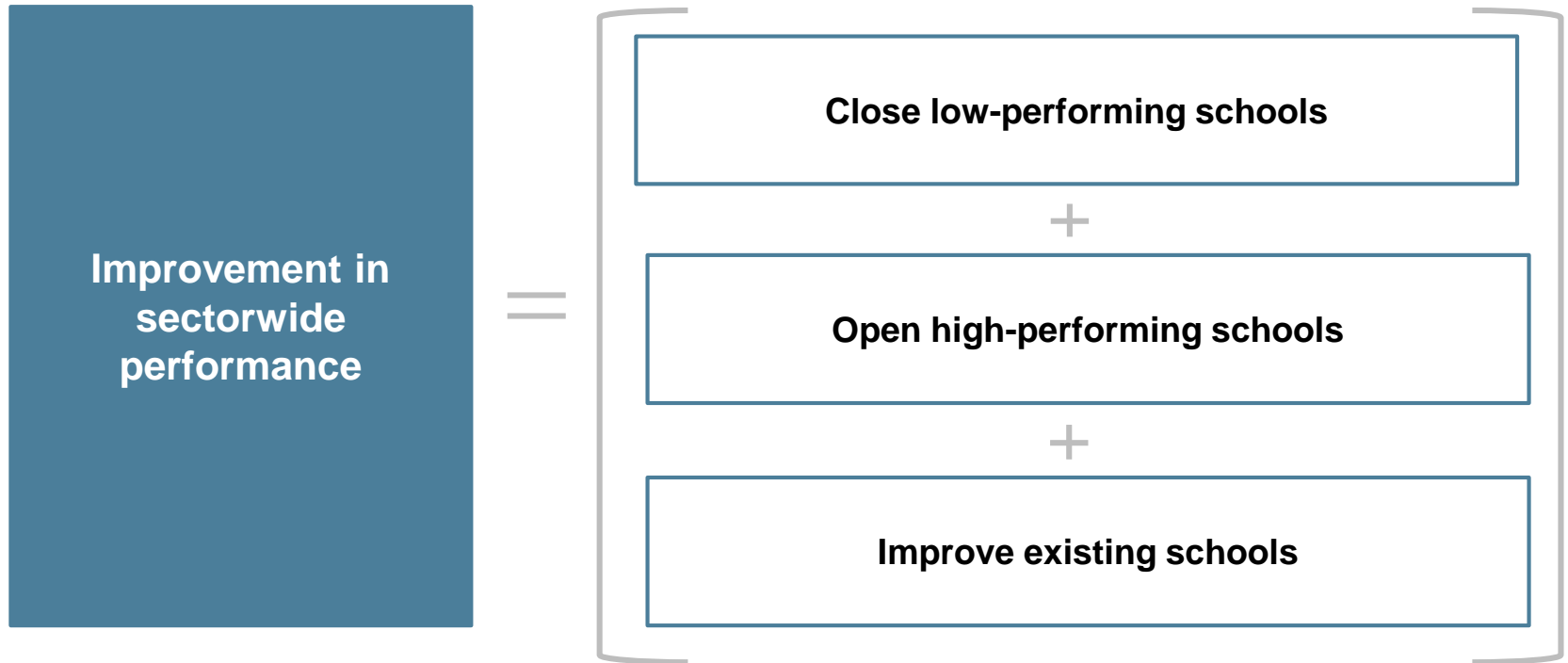
Researchers found the **variation in impacts** mostly due to **differences between rather than within CMOs**, indicating that some CMOs are **systematically outperforming others**

Source: [CRPE](#), "Charter-School Management Organizations: Diverse Strategies and Diverse Student Impacts," 2012; measures the effect of 40 CMOs on student achievement.

The explanations for performance trends are complex, involving multiple factors that vary across regions

Performance

Charter sector **performance** is a function of **three levers**



Each of these levers affects charter performance at the **national, state, and authorizer level** and may be applied in **different methods** and with **different degrees** of success **depending on the context**

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Summary

Current State of the Sector

Challenges			
Overview	State policies	Authorizers	Facilities
Human capital	Funding	Public opinion	Equity

Conclusion

Charter schools face challenges in seven key areas and have taken steps to address them

Overview



State policy




Facilities



Authorizing




Human capital



Funding



Public opinion



Diversity and equity

Charter schools have **begun to address these issues**, but thus far have not been able to at a **systemwide level**

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State laws present challenges to charters in four key ways

State Policy



Do not allow or cap the number of charter schools

In some states, there are no laws permitting charter schools to be created at all. In others, charter laws cap the growth of charter schools in some way.



Restrict charter authorizers

Some states limit which entities (school districts, colleges and universities, etc.) may authorize and oversee charter schools, or fail to provide adequate funding to support authorizing efforts.



Limit funding to charters

Some states limit charter schools' access to operational and categorical funding, including funding related to student enrollment, transportation, and other elements of educational programs.



Limit access to facilities

Some states limit charter schools' access to capital funding and facilities, including provisions like facilities funding, access to public space, access to financing tools, and other supports.

Information on the challenges regarding **authorizers**, **funding**, and **facilities** will be discussed in the **following sections**

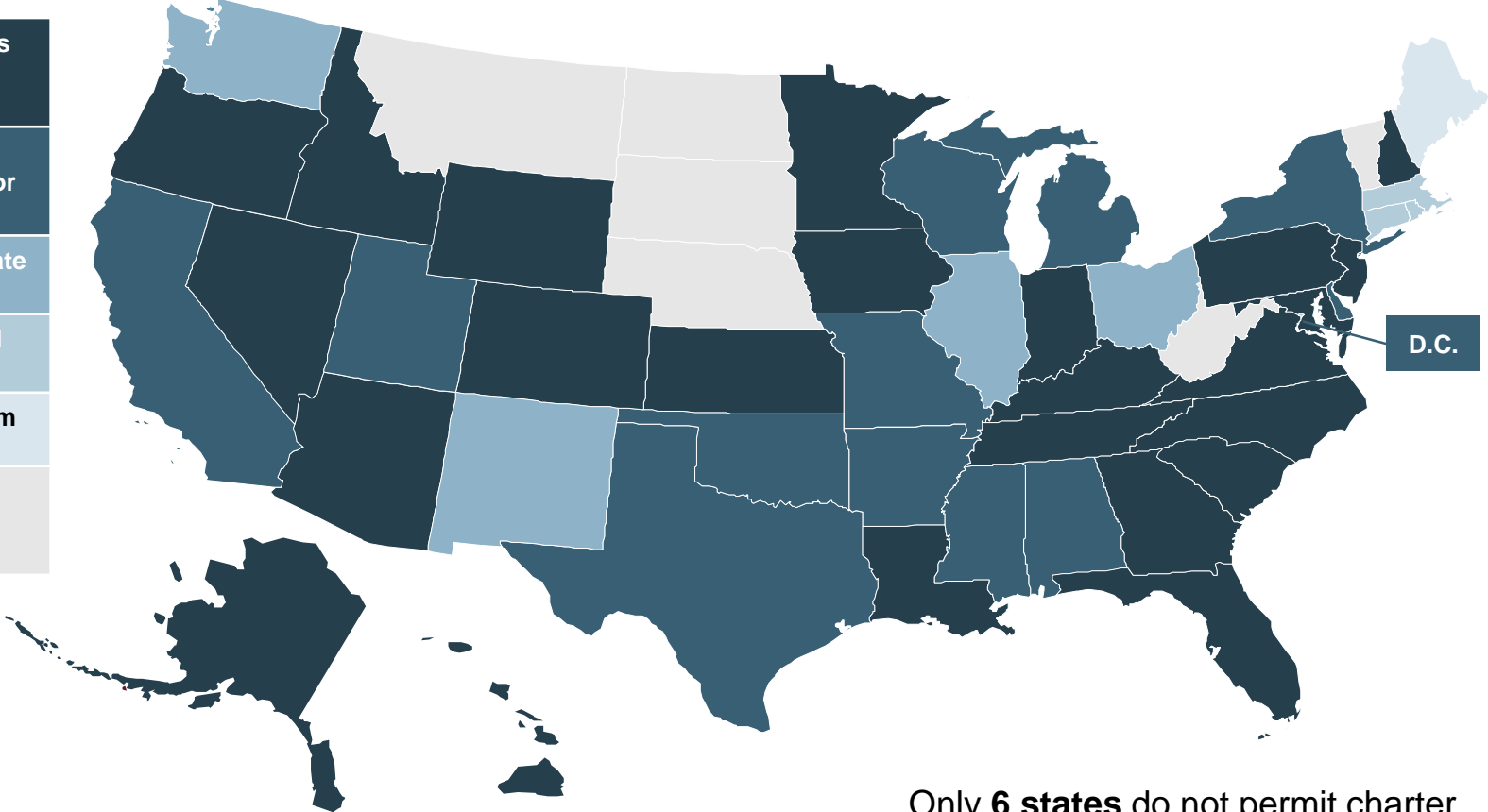
The state policy barriers most restrictive to growth prevent charters from existing or cap their expansion

Growth Provisions in Charter School Laws

State Policy

By state, 2018

- No caps on growth
- Ample room for growth
- Adequate room
- Limited room
- No room
- No charter law



Only **6 states** do not permit charter schools, but **20 states and D.C.** cap their expansion in some way

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Summary

Current State of the Sector

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Authorizers are the key driver of quality in charter schools but face challenges in executing oversight responsibilities

Authorizers

Approve creation of new charter schools



Responsibilities

- Thoroughly review new charter applicants
- Only approve applicants who meet standards
- Support replication of high-performing schools (and do not allow low-performers to grow)

Monitor performance of existing schools



Key areas of authorizer oversight include:

- Academic performance
- Fiscal performance and appropriate use of public funds
- Compliance with laws and regulations
- Governance

Close low-performing schools



- Do not renew charters of schools that are not demonstrating academic growth and/or financial and operational viability
- Revoke charters of particularly low-performing schools

Challenges

- Unwillingness to approve quality applications (particularly among district authorizers)
- Lax authorizing practices allow too many weak schools to open

- Lack of clear standards to monitor school performance
- Lack of authorizer capacity to adequately oversee schools
- Insufficient transparency around school performance

- Lack of clear criteria for charter revocation and renewal
- Lack of political will to close low-performing charters
- Lack of a process for responsibly closing a school

Across the country, various types of authorizers oversee charter schools

Authorizers

Six Types of Charter School Authorizers

IHE	Institution of higher education	Universities, colleges, etc.
ICB	Independent chartering board	Statewide bodies such as charter “commissions” or “institutes”
LEA	Local education agency	Local or countywide school districts
NEG	Non-educational government entity	Mayors, municipalities, etc.
NFP	Not-for-profit organization	Local organizations or other nonprofits
SEA	State education agency	State departments of education or public instruction

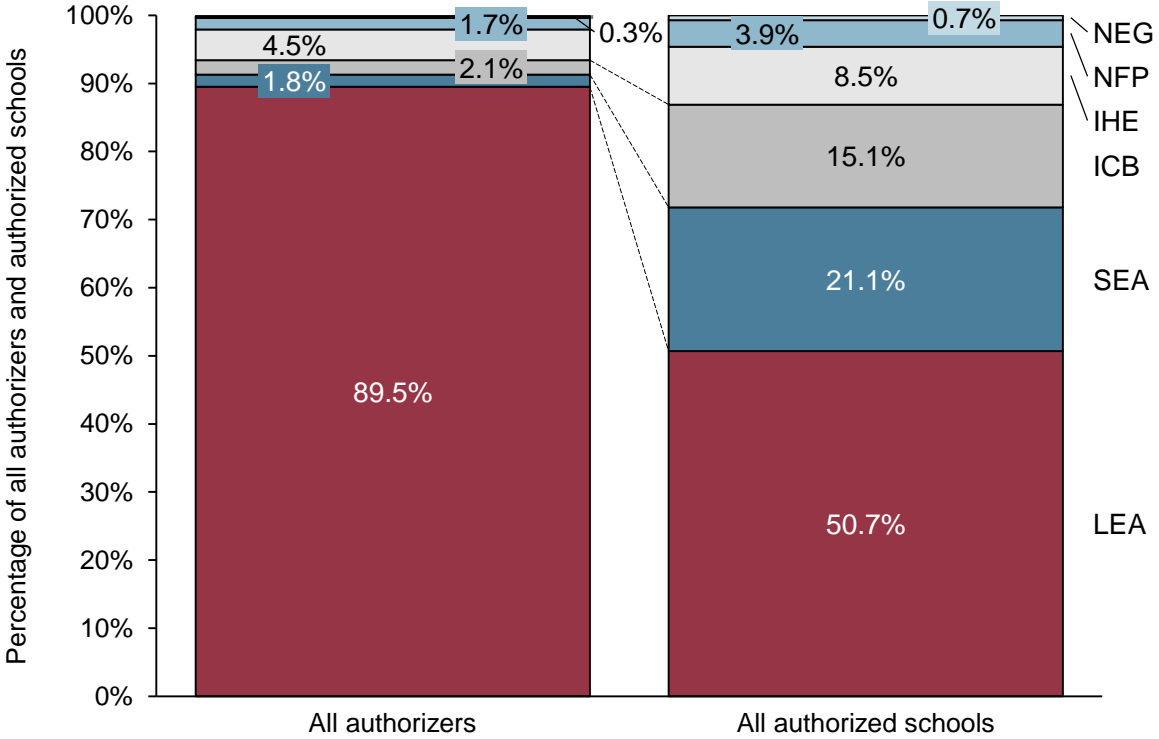
Source: [NACSA](#) (accessed winter 2018).

The vast majority of authorizers are local education agencies, but they authorize only half of charter schools

Authorizers

Share of Authorizers and Authorized Schools

By authorizer type, 2017-18



Of 992 authorizers nationally, 90% are districts



But districts only authorize 51% of charter schools



On average, districts oversee fewer schools than other authorizer types

This **unequal distribution** of authorizers and authorized schools is a consequence, in part, of the fact that **21 states only allow local education agencies** to authorize charter schools

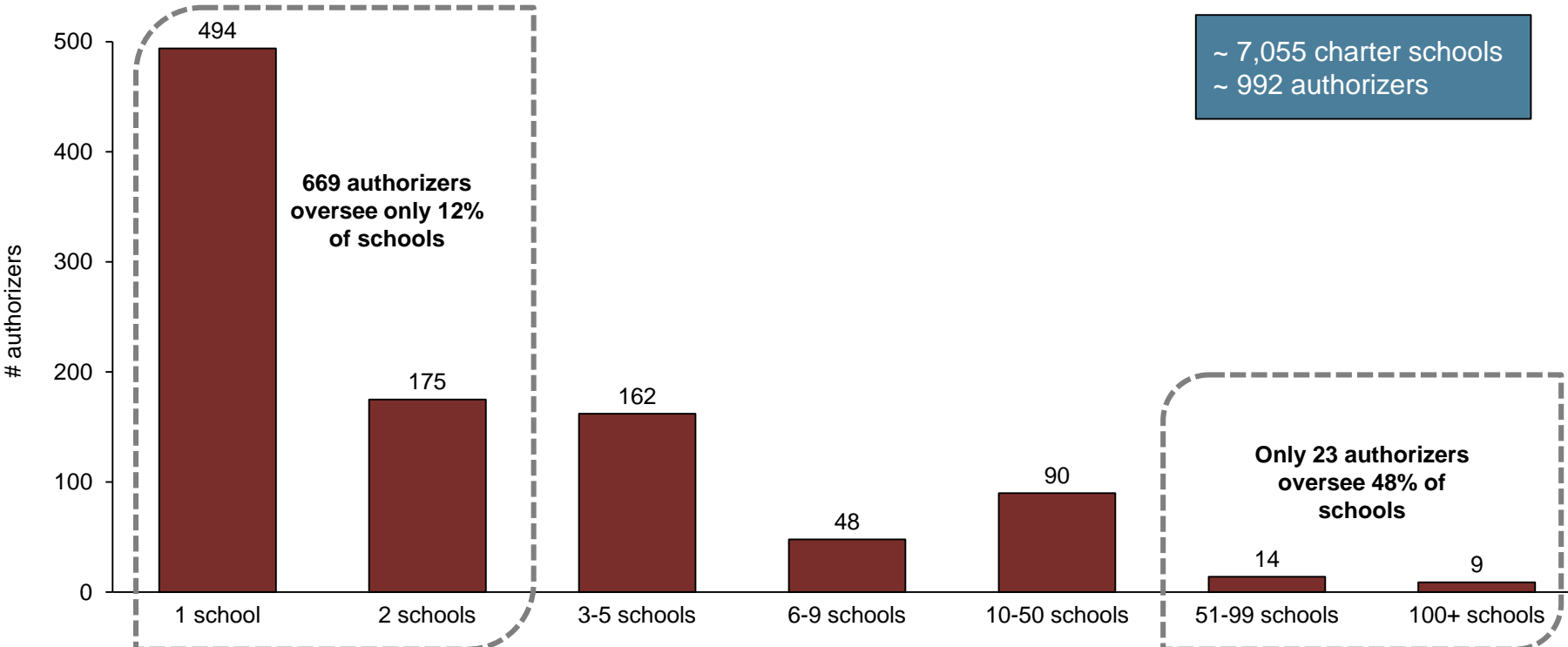
Source: NACSA author data request, 2017-18; NAPCS, "Measuring Up to the Model," 2018.

Most authorizers oversee only one or two schools, but the largest 23 authorizers oversee almost half of all schools

Authorizers

Number of Authorizers

By portfolio size, 2017-18



Total Schools Authorized

488

350

601

338

1,922

984

2,372

Source: NACSA author data request, 2017-18.

High-quality authorizers employ similar practices

Authorizers

The National Association of Charter School Authorizers (NACSA) identifies **12 “essential practices”** for charter school authorizing that comprise the **minimum expectations for successful authorizers**

Essential Practice	Successful Authorizers Should...
1. Mission	Have a published and available mission for quality authorizing
2. Staff	Have staff assigned to authorizing within the organization or by contract
3. Contracts	Sign a contract with each school
4. Application Criteria	Have established, documented criteria for the evaluation of charter applications
5. Application Timeline	Publish application timelines and materials
6. Application Interview	Interview all qualified charter applicants
7. External Expert Panel	Use expert panels that include external members to review charter applications
8. 5-Year Term Length	Grant initial charter terms of five years only
9. Financial Audit	Require and/or examine annual, independent financial audits of its charter schools
10. Renewal Criteria	Have established renewal criteria
11. Revocation Criteria	Have established revocation criteria
12. Annual Report	Provide an annual report to each school on its performance

Improving the quality of authorizers is increasingly seen as a key lever for improving charter sector performance

Authorizers

External supports and **state policies** have driven improvements in authorizer quality

External supports

- The National Association of Charter School Authorizers (**NACSA**) develops **resources** and **capacity-building tools and services** to support effective authorizer decision making
- NACSA's work also supports authorizers in **driving their own improvement**, including materials to assess the **effectiveness of their practices** to date
- NACSA and the National Alliance for Public Charter Schools developed **model legislation** for states that want to improve authorizer quality

State policies

- Several states have **passed laws** that require authorizers be held to **rigorous accountability standards** based on the performance of the schools they oversee
- **Eighteen states**, for example, have an authorizer **oversight body** that has the authority to **sanction authorizers**, including **removing** the authorizer's right to **approve schools**
- There is **more work to be done**: Only **four states** have an application process through which eligible entities apply for authorizing status

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Overview	State policies	Authorizers	Facilities
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Inability to access facilities is a major barrier to charter school growth and development

Facilities

Charters schools face **two types** of facilities barriers



Difficulty accessing facilities at all

A survey of Bay Area charter leaders revealed that **lack of access to school buildings** is the **single immediate** and **overwhelming** factor constraining growth

Lack of facilities presents a **hard cap** on growth: Whatever other **assets** a charter has, **no building means no school**

Even when charters secure facilities, that does not mean they are **suitable** for use; **17 percent of charter schools had to delay their opening date** by a year or more due to facilities-related issues



Forced to rent in commercial market

Charters that cannot access facilities via districts are **forced to participate** in the **private market**, but buildings suitable for school facilities are **rare** and **costly**

In many areas, districts can relatively easily **rezone** commercial properties as schools, an option available to charters only via an **arduous, expensive** city-level application process

53 percent of charter schools are renting or leasing space from nonprofit organization or commercial entity

Expensive **rent** payments **drain funds** that should be used to **support students**

State charter facilities programs can help charter schools access and pay for facilities, but implementation is mixed

Facilities

50 percent
of states fully implement



12 states have charter school facilities loan programs, **but only 6 states** provide funding for these programs

43.8 percent
of states fully implement




16 states have charter school grant facilities programs, **but only 7 states** provide funding for these programs

31.3 percent
of states fully implement



16 states provide a per-pupil facilities allowance to charters, **but only 5 states** provide more than \$1,000 per pupil

17.8 percent
of states fully implement



44 states and D.C. passed legislation permitting charter schools, **but only 8 states** provide charters with equitable access to capital and facilities funding

Source: [NAPCS](#), "Facilities Funding for Charter Public Schools," 2016; [NAPCS](#), "Measuring Up to the Model," 2018. NAPCS defines equitable access as states with charter laws that include provisions such as facilities funding, access to public space, access to financial tools, and other supports.

Charter schools have leveraged state policies in different ways to access and pay for facilities, for example ...

Facilities

Florida uses a combination of state and local funds to support charter school facilities



Florida

- Florida law provides a **per-pupil charter facilities program** for eligible charter schools. The legislature appropriated **\$75 million** for this fund in 2016.
- Florida law **requires school districts to share local property taxes** with charter schools for facilities.

In New York, a political battle between state and city leadership led to new charter facilities funding



New York

- In 2014, New York state passed the **New York Charter Schools Act**, which included a new provision for rental assistance.
- Eligible schools can **receive up to 20 percent of their total school funding** as rental assistance.

Texas ties charter facilities funding directly to school performance and accountability



Texas

- Texas **appropriated \$60 million in annual facilities funds** to charter schools that have received at least an acceptable rating within the state's accountability system.
- Texas law does **not allow local school districts to charge rent or require purchase for conversion charters** to use district facilities

Source: [NAPCS](#), 2018; [New York Charter Schools Act](#), 2014; [Texas Education Agency](#), 2018

Federal funding for facilities has also helped increase charter access

Facilities

Charter schools have access to a variety of federal programs to assist with facilities costs

Program	Department	Overview
Credit Enhancement for Charter School Facilities	Education	<ul style="list-style-type: none"> • Part of the Charter Schools Program, reauthorized by ESSA • Provides grants to eligible entities to permit them to enhance the credit of charter schools so that the charter schools can access private-sector and other non-federal capital at lower interest rates
State Facilities Incentive Grant	Education	<ul style="list-style-type: none"> • Part of Charter Schools Program • Provides competitive grants to help states establish and enhance, or administer “per-pupil facilities aid” for charter schools
Replication and Expansion of High-Quality Charter School Grants	Education	<ul style="list-style-type: none"> • Part of Charter Schools Program • Provides funds to charter management organizations on a competitive basis to enable them to replicate or expand one or more high-quality schools
New Markets Tax Credit	Treasury	<ul style="list-style-type: none"> • Attracts private capital into low-income communities by permitting individual and corporate investors to receive a tax credit against their federal income tax in exchange for investments in specific community development groups
Community Facilities Direct Loan & Grant Program	Agriculture	<ul style="list-style-type: none"> • Provides affordable funding for essential community facilities in rural areas

Sources: [NAPCS](#), [U.S. Department of Education](#).

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Summary

Current State of the Sector

Challenges

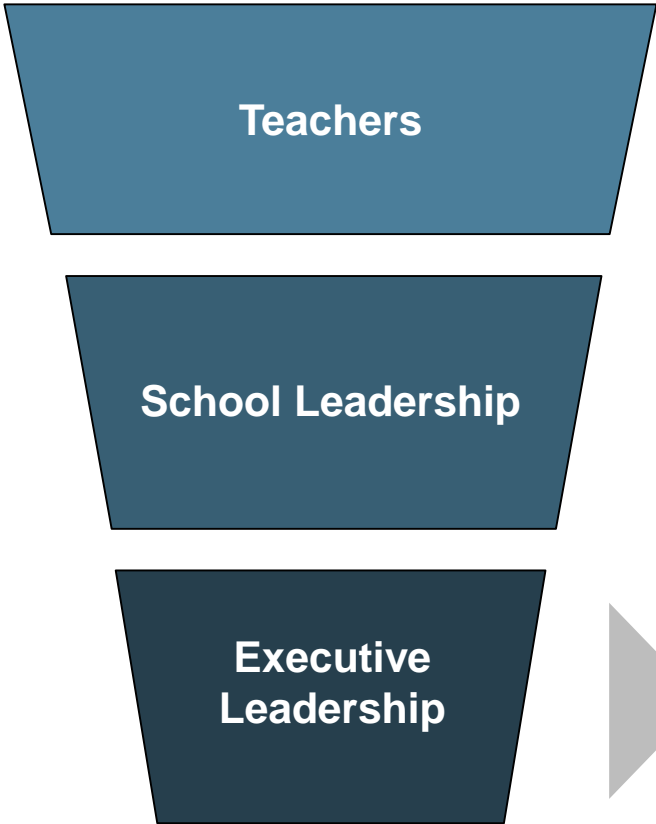
Overview	State policies	Authorizers	Facilities
Human capital	Funding	Public opinion	Equity

Conclusion

Human capital challenges at all levels affect charter quality and growth

Human Capital

Typical Human Capital Pipeline



Charter Boards

- Quality board members are essential to the success of a nonprofit governance model
- Boards also add significant fundraising and subject area expertise and support

Supply of teachers affects student outcomes and school quality

Supply of school leadership talent is a major constraint on growth

Succession and senior leadership challenges are crucial to long-term sustainability

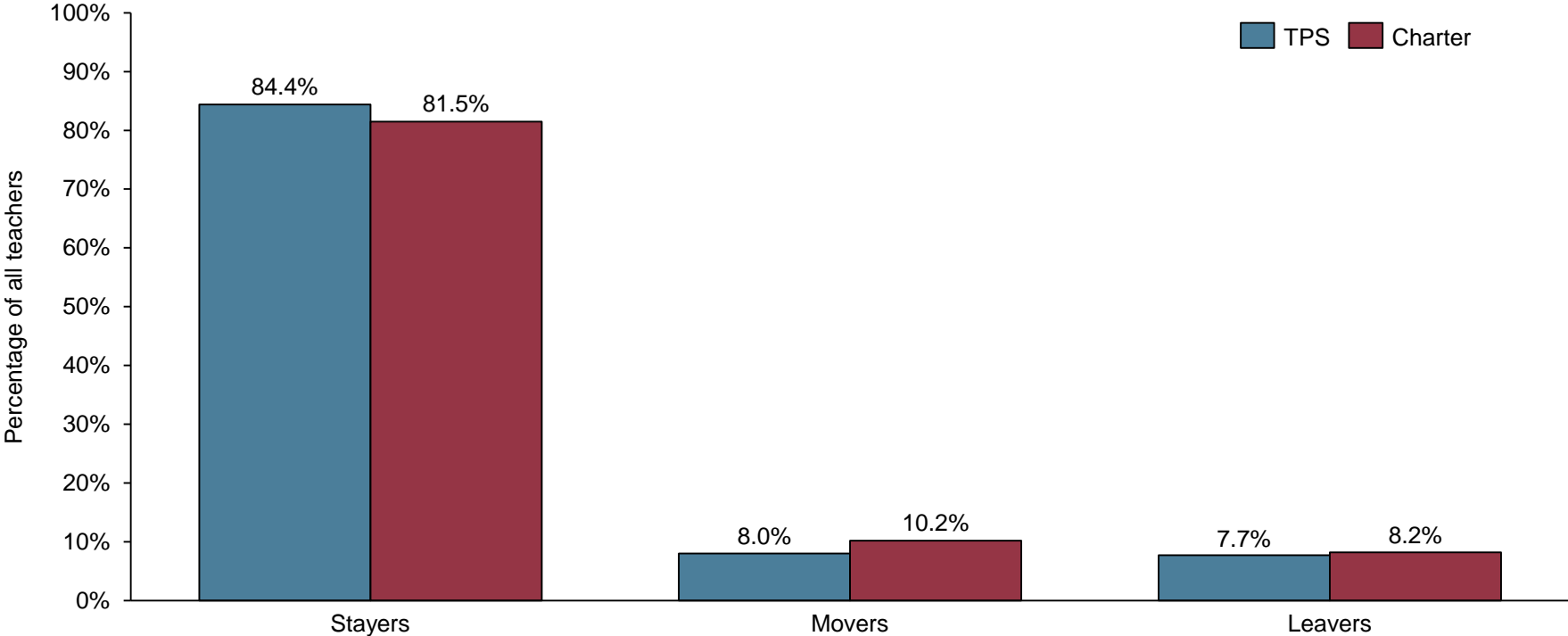
Continued growth requires developing pipelines of **quality talent at all levels**

Charter schools are experiencing the same teacher staffing challenges as traditional public schools

Human Capital

Percent Distribution of Teacher Stayers, Movers, and Leavers

By charter school and TPS, 2012-13



“**Stayers**” were teaching in the same school in 2013 as in 2012; “**Movers**” were still teaching in 2013, but at a different school; “**Leavers**” were no longer teaching at all

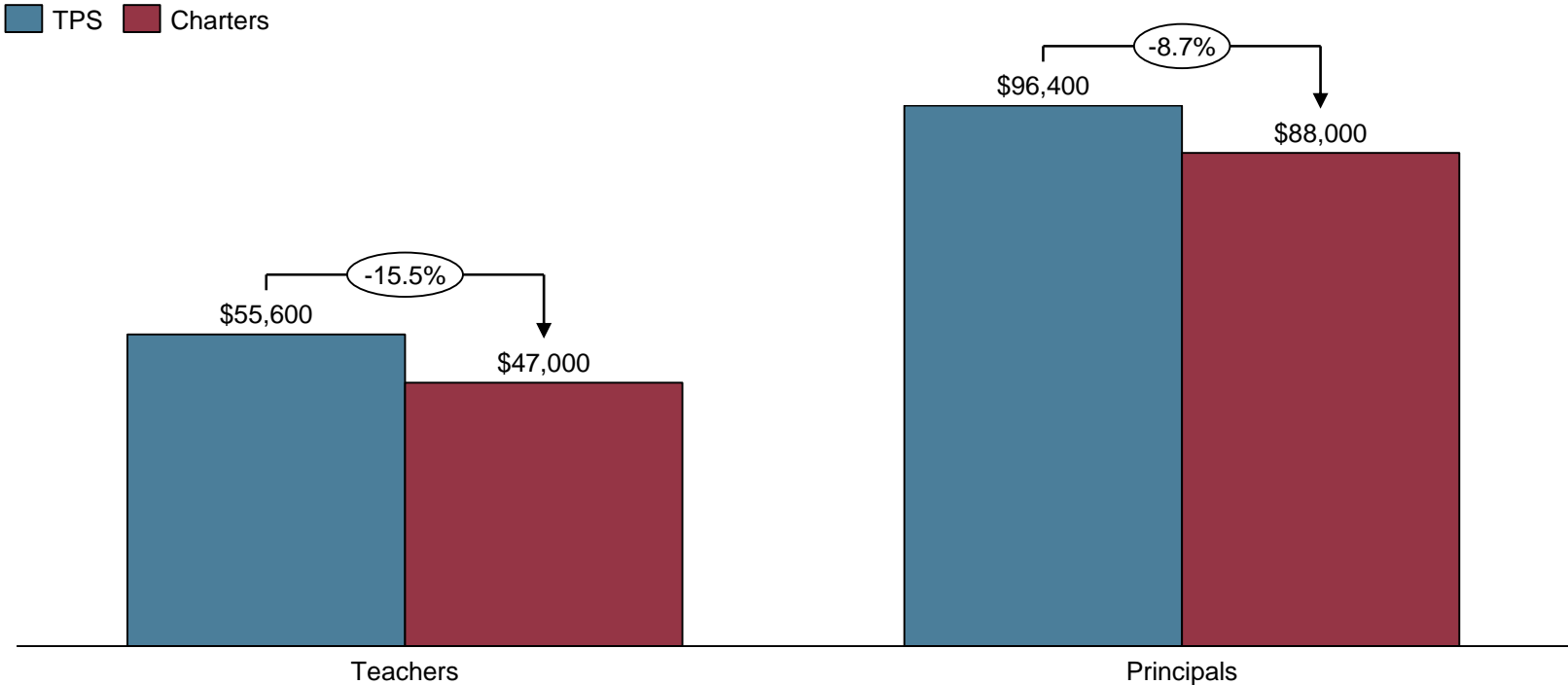
Source: [NCES](#), “Teacher Attrition and Mobility,” 2014

Charter school teachers and principals earn less, on average, than their traditional public school counterparts

Human Capital

Average Teacher and Principal Salaries

By charter and TPS staff, 2015-16



On average, charter school teachers made **\$8,600 less** and charter principals made **\$8,400 less** than their traditional public school peers.

Source: [NCES](#), "National Teacher and Principal Survey," Tables 4 and 6; 2016.

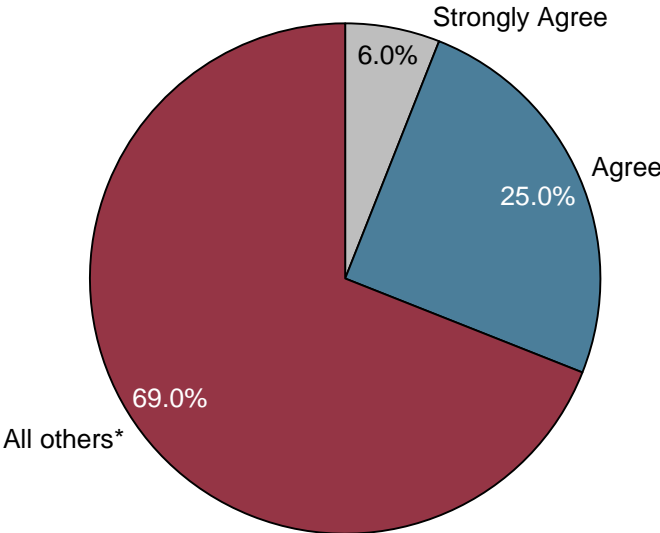
Staff satisfaction may contribute to human capital challenges

Human Capital

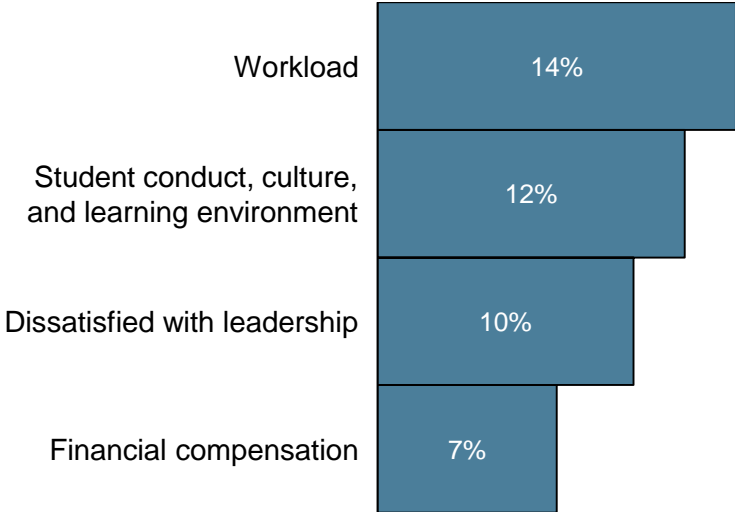
Charter Teachers' Instructional Culture Survey Results

By response type, 2010 and 2011

Percent of teachers who agree that "My workload is sustainable over the long term"



The top four reasons for leaving among teachers who plan to leave within two years**



A key reason for charter school attrition is **workload**; only a **third of teachers** agree or strongly agree that their workloads are sustainable

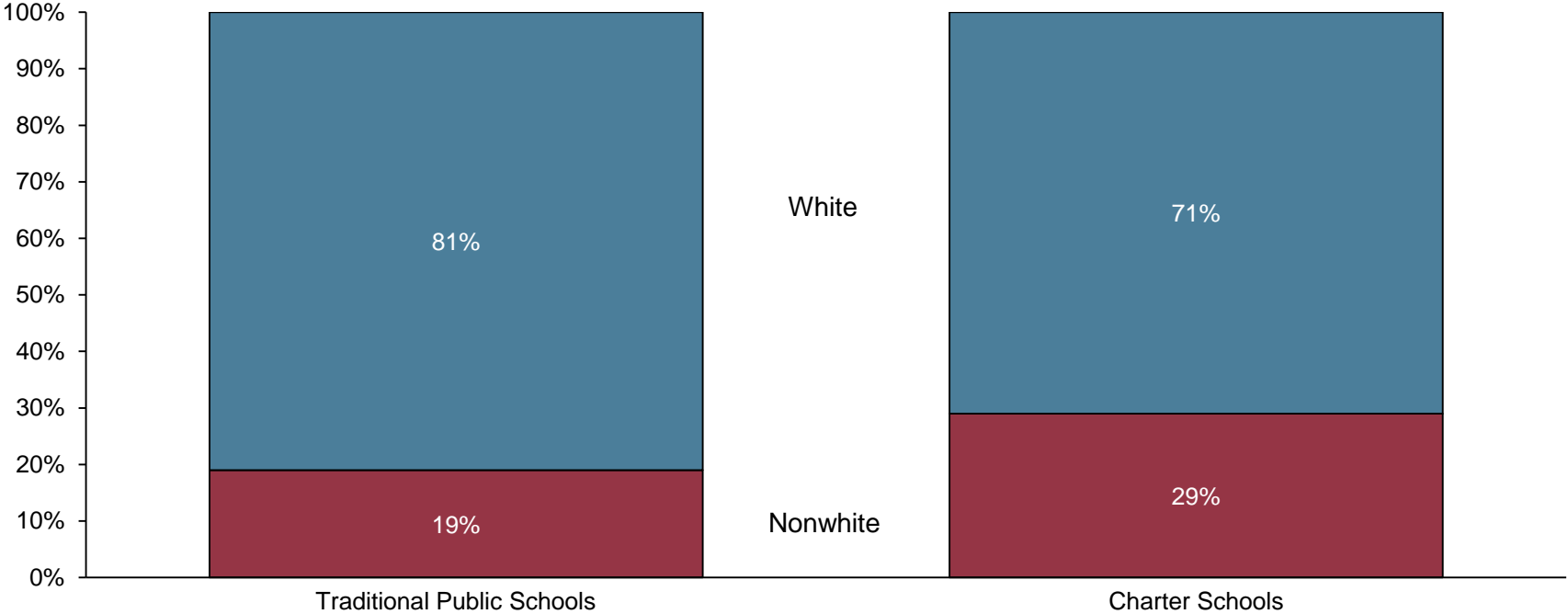
Source: [TNTP](#), "Human Capital Management in Charter Schools," 2012. *Respondents who chose "strongly disagree," "disagree," "somewhat disagree," or "somewhat agree." **Not including "personal reasons."

Charters and TPS face challenges recruiting and retaining teachers of color, which affects students' experience

Human Capital

Percentage of Nonwhite* Teachers

By charter school and TPS, 2015-2016



Even though charters have **more teachers of color**, they also **serve more students of color**. **Both** TPS and charters have **significant gaps** between the racial composition of their student population and of their teaching staff

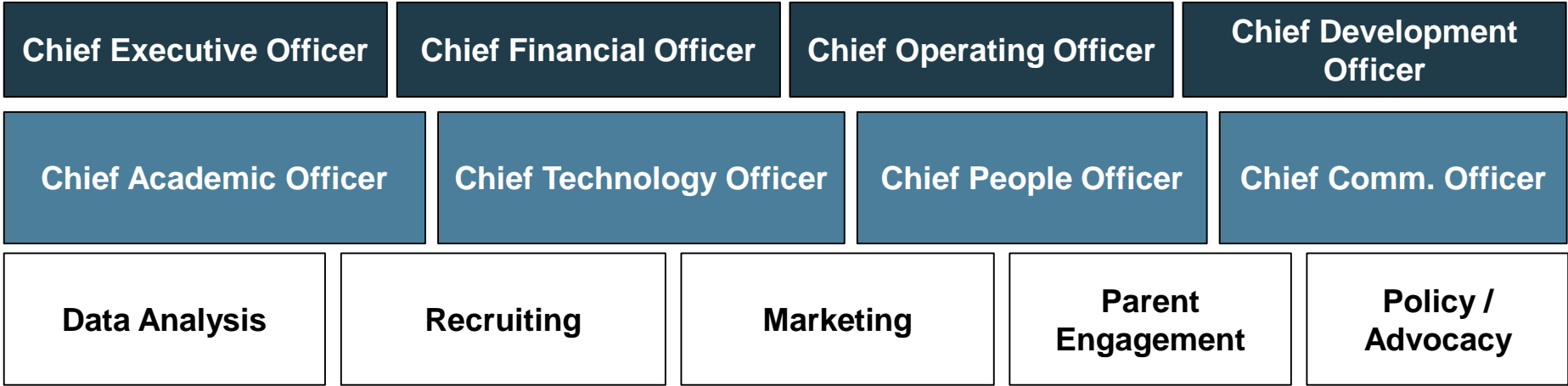
Source: [Pew](#), America's Public School Teachers Are Far Less Racially and Ethnically Diverse Than Their Students."

Note: "Nonwhite" includes black, Latinx, Asian, Pacific Island, American Indian, and Alaskan Native people as well as those of two or more races.

Effective charter schools also require high-quality executive team and senior leadership staff

Human Capital

CMO Senior Leadership Team



Strong leadership pools are particularly **critical to the success** of growing charter networks. **Seventy-four percent** of CMOs report they **would not expand** into a new region **without proven pipelines** for hiring high-quality leaders in place

Source: [NAPCS](#), "How to Recruit High-Performing Charter Management Organizations to a New Region: Results From the 2015 CMO Survey."

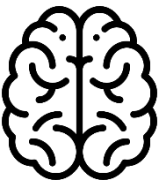
Charter school boards play a substantial role in performance, but there is little information on their activities

Human Capital

Charter school boards are often **overlooked** but can play an **essential role** in contributing to school quality. The limited research that has been done on charter boards has found the **following benefits**:



Charter schools whose student growth exceeds the district average have **consistently stronger boards** than schools whose student growth falls below the district average



Board members of higher-performing D.C. charter schools, when compared to those at lower-performing ones, **are more knowledgeable about their schools** (particularly relative to their performance rating, demographics, and financial outlook)



Board members of higher-performing schools are also more apt to **evaluate their leaders using staff satisfaction** as a factor in doing so, highlighting the importance of human capital investments

Charters have taken steps to improve the quality of their human capital pipelines

Human Capital

Teachers

- Charters have leveraged **nontraditional pipelines** and, in some cases, have **developed their own** (e.g., Relay GSE, High Tech High)
- Many charters create a **culture** that emphasizes **teacher autonomy** and **advancement** as a way to attract higher-performing candidates

School Leadership

- Charters primarily recruit **internally** to fill school and executive leadership positions, developing a type of “**grow your own**” pipeline
- **External organizations** such as New Leaders for New Schools and Building Excellent Schools recruit and support new leaders
- Several charter networks have built **formal structures and systems** to recruit and develop leaders internally and, in some cases, leaders from other schools (e.g., IDEA, KIPP, Uncommon, Match, Achievement First)

Executive Leadership

Charter Boards

- Increasingly, the field **acknowledges the importance** of charter boards in driving school success and has begun investing in them
- **Charter Board Partners** opened in 2010 with the explicit goal of **strengthening the quality of governance** of charter schools

These steps are **crucial** and **necessary** but **not sufficient** for ensuring a **consistently high-quality** human capital pipeline **at scale**

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Current State of the Sector

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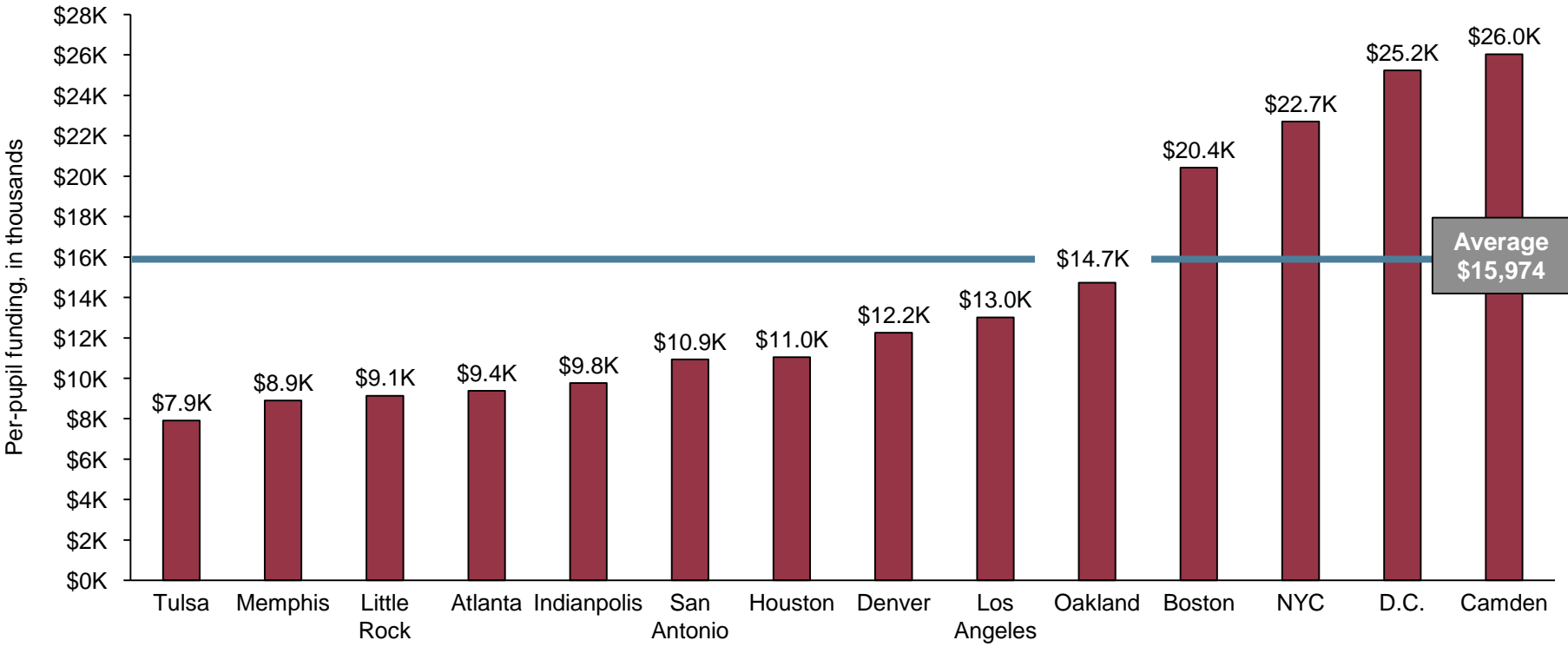
Conclusion

An analysis of 15 cities found vast differences in the amount of per-pupil funding charter schools receive

Funding

Average Charter Per-Pupil Funding

By city, 2015-16



Of the cities in this sample, more than **70 percent** fund their charter schools **below the national average**

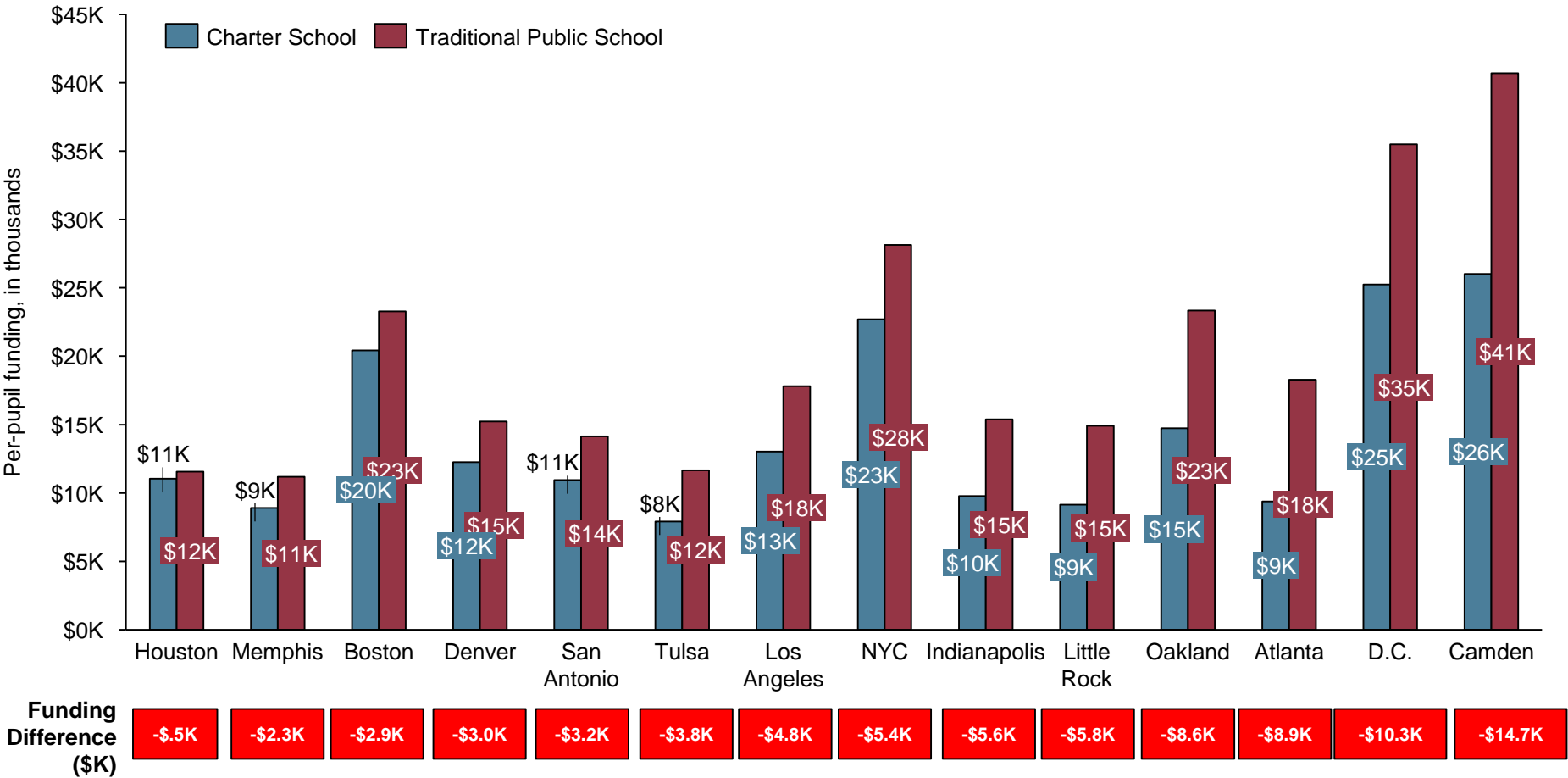
Source: [University of Arkansas](#), "Charter School Funding: (More) Inequity in the City," 2017.

Across cities with large charter sectors, charter schools receive an average of \$6K less per student than TPS

Funding

Average Per-Pupil Funding

By city, charter school and TPS funding, 2015-16



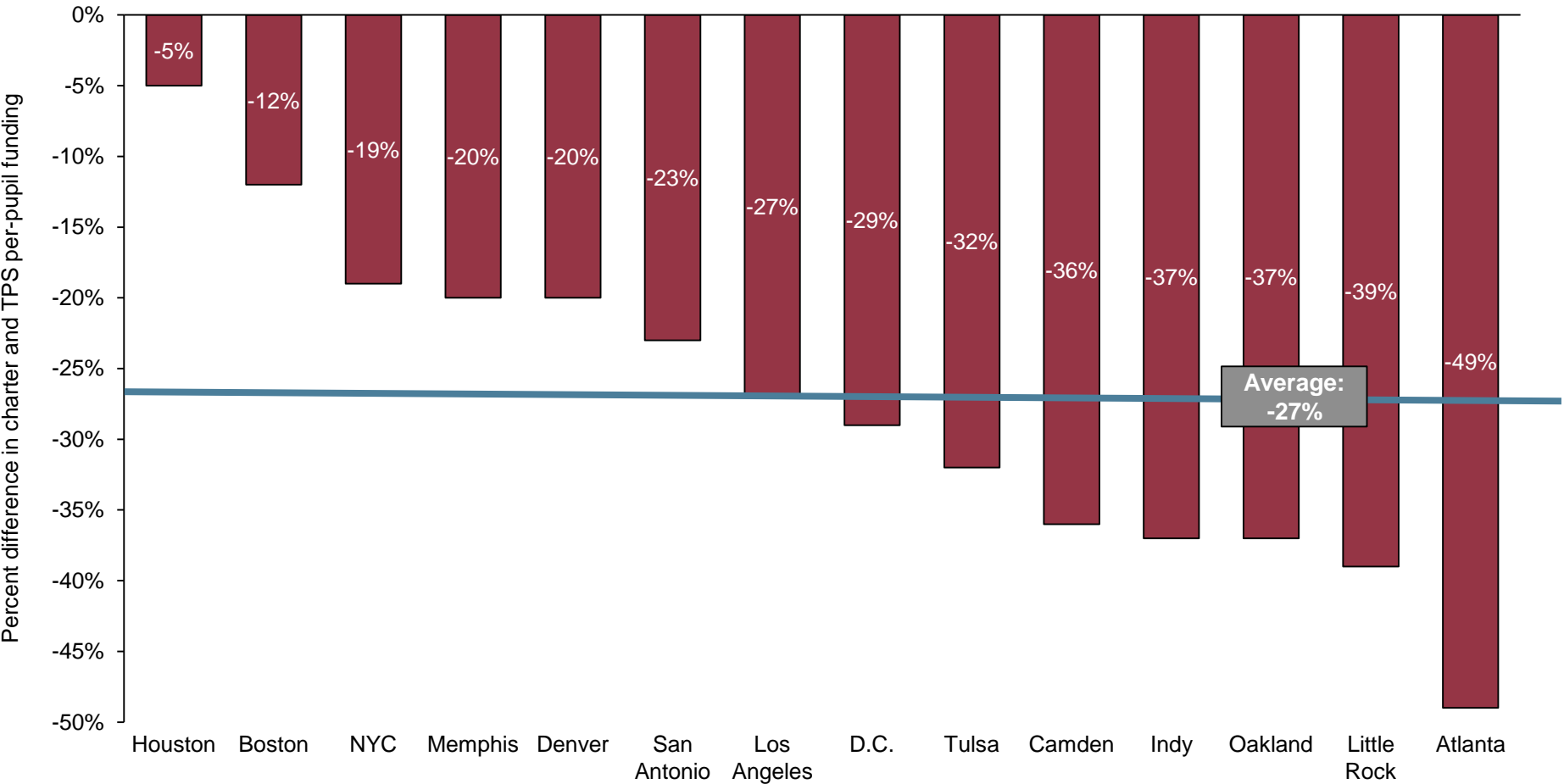
Source: University of Arkansas, "Charter School Funding: (More) Inequity in the City," 2017.

Percentage disparity in per-pupil funding varies widely across cities

Funding

Percent Disparity in Per-Pupil Funding

By city, charter school and TPS funding, 2015-16



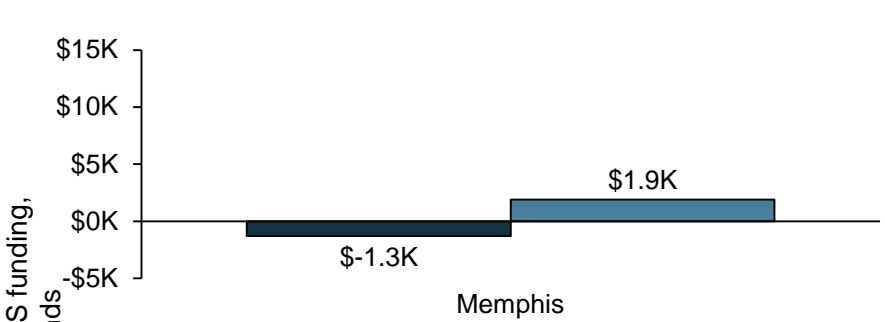
Source: [University of Arkansas](#), "Charter School Funding: (More) Inequity in the City," 2018.

Over time, funding gaps in several cities have improved, while others have gotten worse

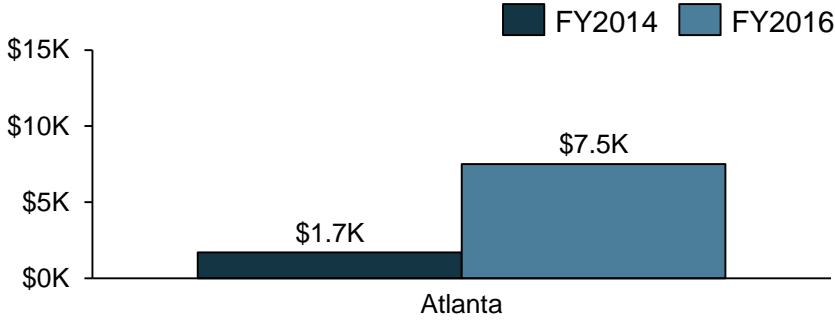
Funding

Inflation-Adjusted Per-Pupil Funding Gap

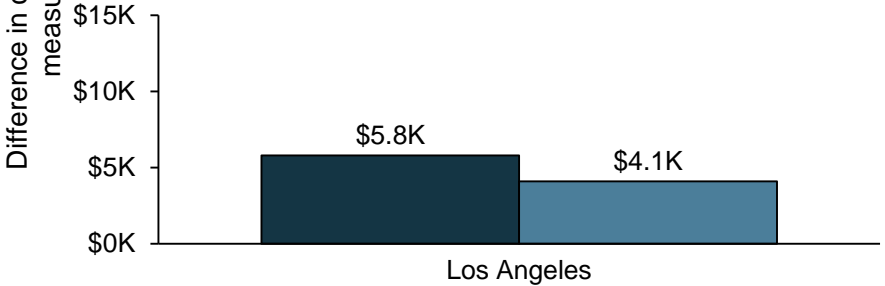
By city, charter school and TPS funding, inflation adjusted, FY2014 and FY2016



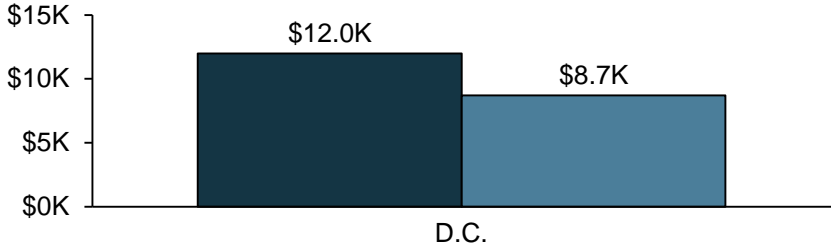
Declines in philanthropic support explain the gap in Memphis



The gap in Atlanta **grew** due to the opening of a **virtual charter school**



Shifting political attitudes help explain the **shrinking gap** in Los Angeles



The **sharp decline** in D.C.'s funding gap was driven by **increases in nonpublic revenue**

Source: [University of Arkansas](#), "Charter School Funding: (More) Inequity in the City," 2018.

Disparity in per-pupil funding between charters and district schools means substantially less funding for children

Funding

On **average**, charter schools in these cities receive

27% (\$5,828)

less in **per-pupil funding** than their district peers







This leaves a total funding gap of

~\$13.1 billion

less per-pupil funding than
district schools annually

Multiple factors contribute to this gap in per-pupil funding

Funding

 <p>Local Funding</p>	<p>Wide disparities in local funding explain most or the entire charter funding gap. On average, students in charter schools obtained around \$8,000 less in local per-pupil funding than those in traditional public schools.</p>
 <p>State-Level Funding</p>	<p>State-level revenue streams tend to worsen funding inequities. On average, traditional public schools received \$385, or about 4 percent, more state-level per-pupil funding.</p>
 <p>Federal Funding</p>	<p>Students in charter schools received \$666 less per student in federal funds than students in traditional public schools, representing a 40 percent federal public charter school funding gap.</p>
 <p>Nonpublic Funding</p>	<p>On average, nonpublic sources of revenue tend to create gaps within the charter sector because these funds are highly skewed toward a small number of favored operators. Nearly two-thirds of public charter schools receive no revenue at all from nonpublic sources.</p>

A dearth of education funding from local sources, states, nonpublic sources, and the federal government all exacerbate charter school funding inequities

Source: [University of Arkansas](#), "Charter School Funding: (More) Inequity in the City," 2018.

When charter schools receive less in per-pupil funding, students miss out on potential long-term positive effects

Funding

For low-income families, a

10% increase in per-pupil funding

each year leads to ...



+.43

years of
completed
education



+9.5%

higher earnings



-6.8%

reduction in
annual incidence
of poverty

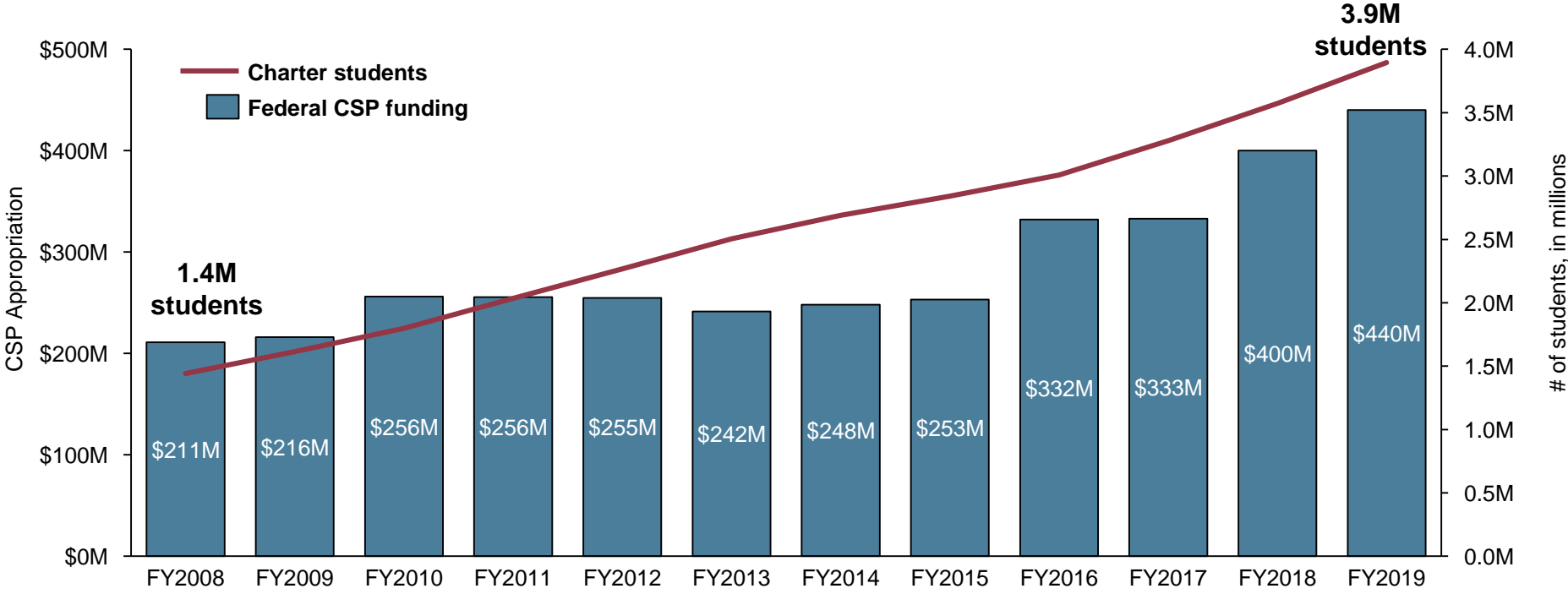
The researchers' hypothesis behind these improvements in student outcomes is that **per-pupil funding increases** often lead to **reduced student-to-teacher ratios** and **increased teacher salaries**, thus giving students a higher-quality educational experience

Federal charter schools funding has not always kept pace with sector growth, but it has grown in recent years

Funding

Federal Charter Schools Program (CSP) Funding and Sector Enrollment

By fiscal year, 2008-2019*



Charter Schools Program funds have played a **crucial role** in providing **start-up funding** for new charters, but a **decrease** in future funding **could constrain growth**

Sources: [U.S. Department of Education](#); [NAPCS](#); FY 17- FY 19 enrollment numbers are projections assuming the current 9 percent annual growth rate for future years.

Charters address funding disparities through philanthropic support, extending reach of existing funds, and advocacy

Funding

Philanthropic Support

Many charter schools rely on **philanthropic dollars** to close the funding gap

Funds are used to either **start** or **sustain** a school

But charters receive relatively little funding from philanthropy.

California charters, for example, receive about **\$800 per pupil** from philanthropy

Extending Existing Funds

Compared to traditional public schools, charters have **more discretion** over their budgets and can **extend the reach** of their current per-pupil funding

They've done so by making **concessions**, such as:

- Fewer **administrative** and **non-instructional** staff
- Fewer **student supports**
- Less competitive **salaries** and **benefits**, accomplished by hiring **less experienced teachers**
- Lower-quality **facilities**, such as smaller spaces without a gym, library, etc.

Advocacy

Philanthropic dollars and strategic concessions **only go so far**

Charters have engaged in **advocacy at the state level** to increase funding

In the past three years, there have been funding advocacy efforts in **at least 28 states**

Georgia legislators, for example, adopted **HB787** in 2018 to increase per-pupil funding for charters with statewide attendance zones

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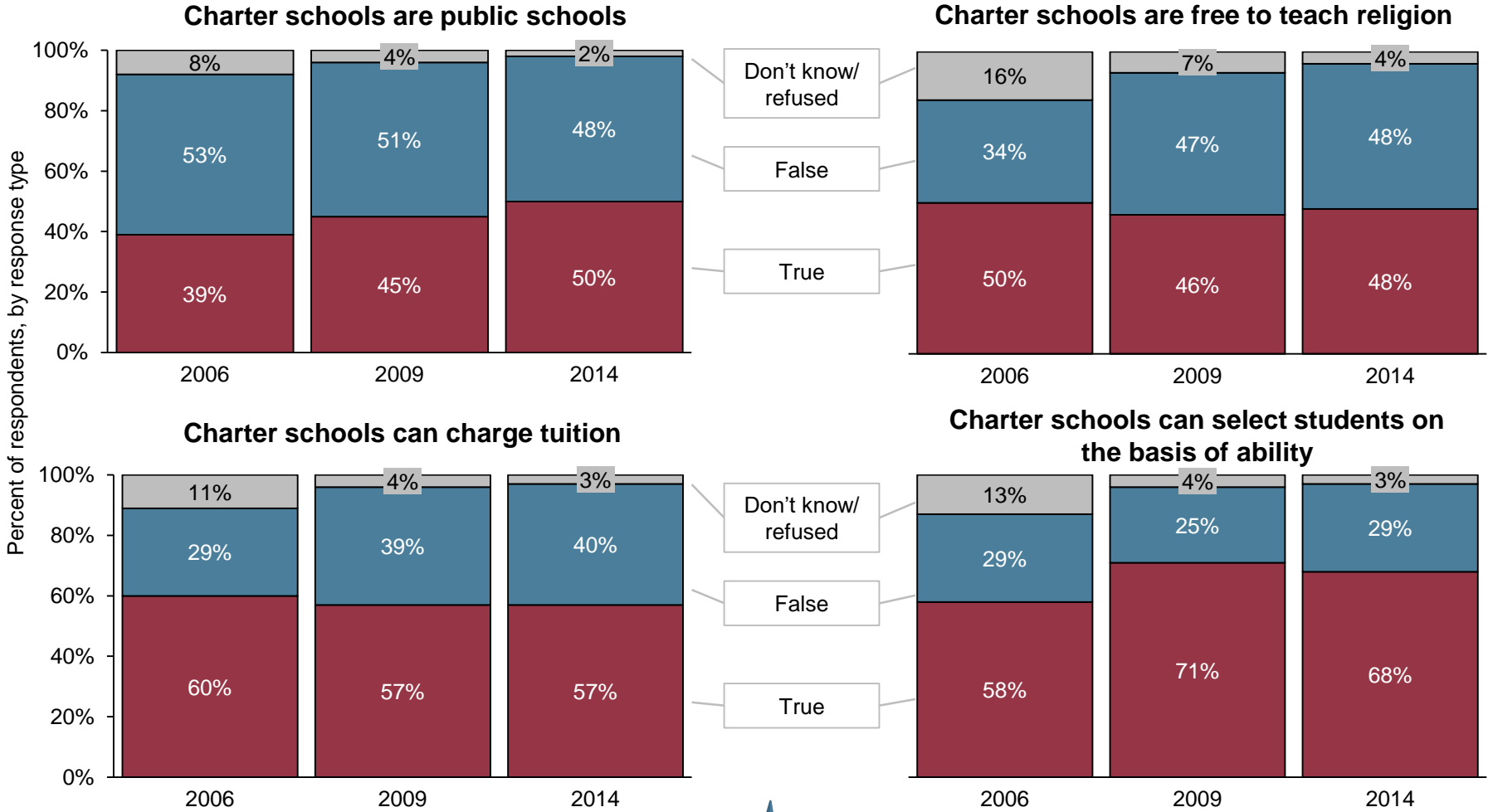
Conclusion

Public understanding of charter schools remains limited

Public Opinion

Public Knowledge of Charter Schools

By question, by type of response (don't know/refused, false, true), 2006-14



Source: PDK/Gallup, 2014.

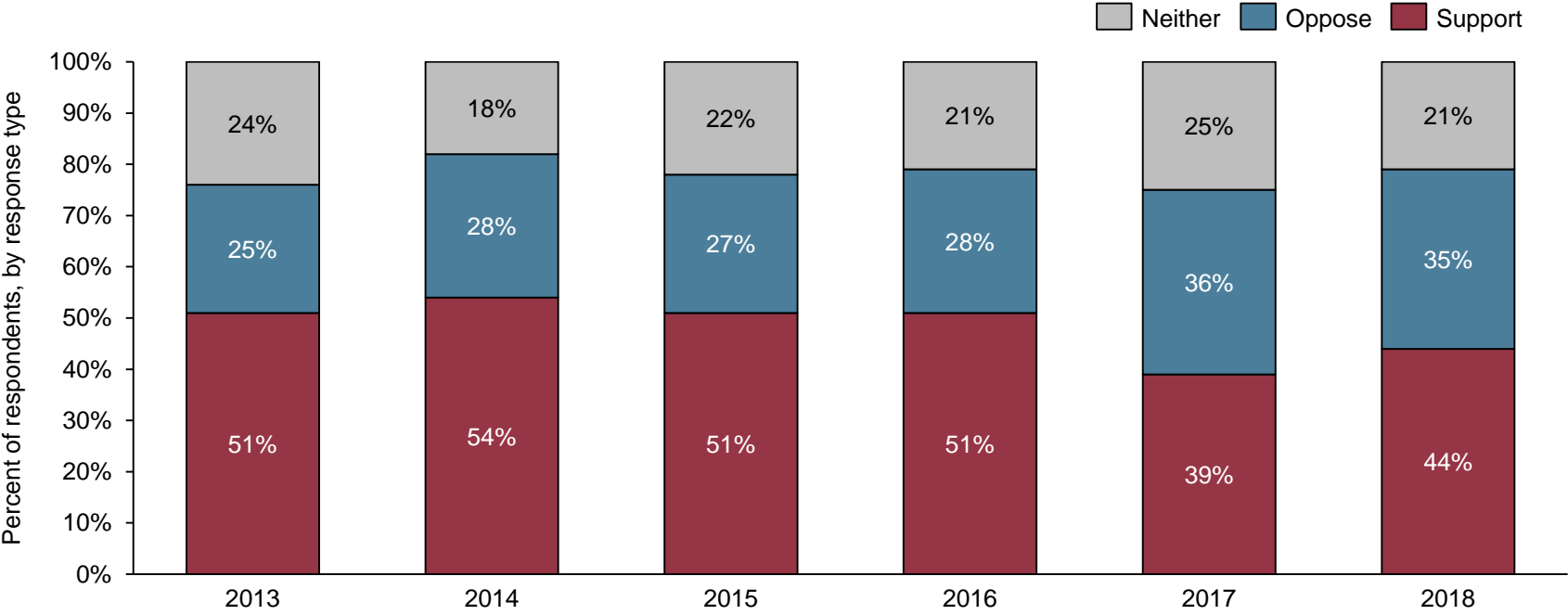
Support for charter schools has gone down in recent years

Public Opinion

Public Support for Charter Schools

By type of response (neither, oppose, support), 2013-18

As you may know, many states permit the formation of charter schools, which are publicly funded but are not managed by the local school board. These schools are expected to meet promised objectives, but they are exempt from many state regulations. Do you support or oppose the formation of charter schools?



Though a majority of the public has supported charter schools in the past, that **support has declined in recent years.**

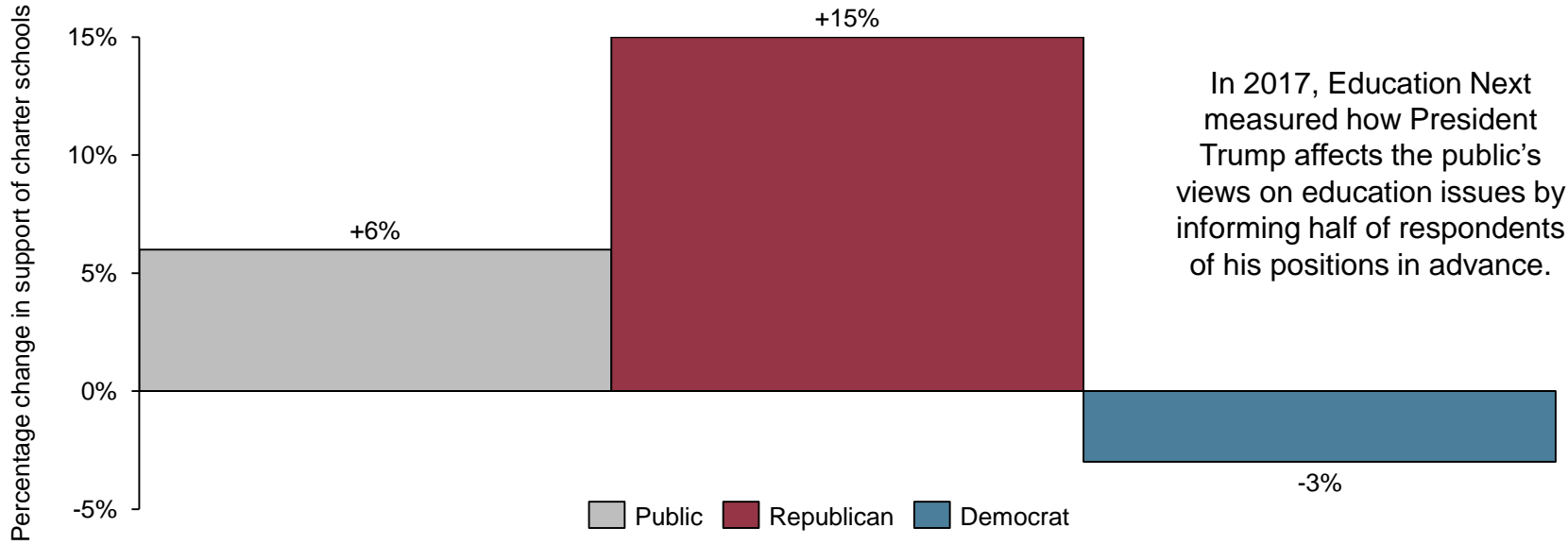
Respondents' support for charter schools is affected if support is tied to broader national politics

Public Opinion

Effect on Public Support for Charter Schools When Informed of President Trump's Support

By party affiliation, 2017

President Donald Trump has expressed support for charter schools.
Do you support or oppose the formation of charter schools?



Learning of President Trump's support for charter schools had a **net positive effect on public support**, but the effect was **divided between Democrats and Republicans**

State-level polling shows some support for charter schools, but several states have rejected proposals to expand them

Public Opinion



Though limited, recent state-level polling data suggests the public has a generally favorable view of charter schools.

- In a **Massachusetts** survey of registered voters, **59 percent** of respondents indicated that they are **familiar** with the state's charter schools; **25 percent** believe the number of charter schools in the state should be **increased**, while **19 percent** think the number should be **decreased**, and **43 percent** think it should be kept about the **same**.
- Similarly, a 2018 poll of likely voters in **Tennessee** found that **50 percent** of respondents had a **favorable view** of charter schools, while **27 percent** had an **unfavorable view**.



Recent proposals to expand charter schools have failed in multiple states.

- In 2016, **Massachusetts** voters defeated **Question 2**, which would have allowed the authorization of at least **12 new charters** or **increased enrollment** in **existing** charters.
- In 2017, **Missouri** legislators in the House and Senate introduced HB 634 and SB 428, both of which sought to **expand the state's charter** law to allow charter schools to open near persistently low-achieving schools, and to allow **CTE charter schools** to open in districts not served by a high-quality CTE center.
- In 2017, legislators in the **Virginia** House and Senate introduced HB 2342 and SB 1283, both of which sought to create **regional boards of education** with the power to **authorize** charters if regional districts had one or more persistently low-achieving schools.

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Charter schools are wrestling with the same challenges around equity in education as the broader education sector

Equity

Across the education sector, leaders of all stripes are troubled by the **geographic segregation** and **achievement gap** between students of different **racial, ethnic, and income** groups

Many charter schools were founded to **disrupt school assignments** based on **residence** and provide underserved students with **high-quality options**



But equity continues to be a challenge in **both traditional public and charter** schools

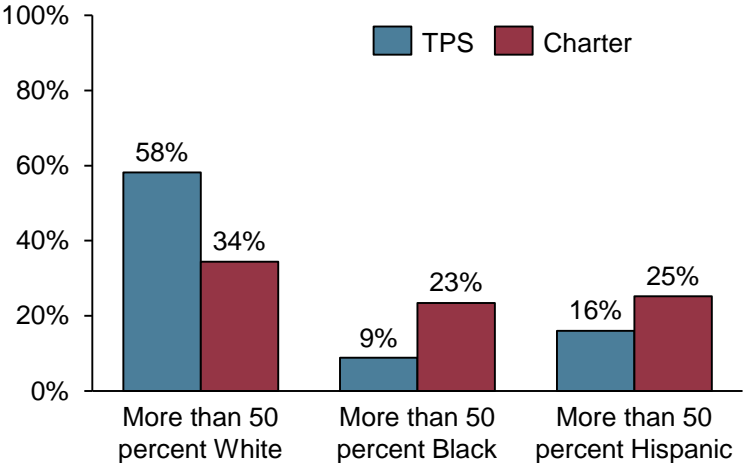
Like the traditional sector, questions of equity in the charter sector often anchor around how students **access charter schools** and their **experiences once enrolled**

Questions about equitable access are fueled by data that show how student populations in charters differ from TPS

FOR EXAMPLE

Compared to TPS, a higher proportion of charters serve student populations that are majority Black or Hispanic

Percent of Schools Meeting Enrollment Thresholds

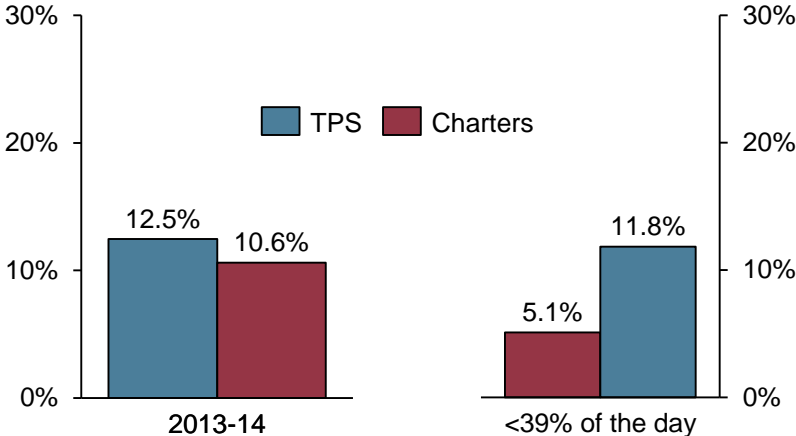


When charters enroll high proportions of students of color, does it imply that they foster segregation? Even if neighborhoods are already segregated? Does a lower proportion of students of color imply inequitable access or discrimination?

Equity

Charters serve a lower proportion of SWDs than TPS, and the SWDs they enroll spend more time in inclusive settings

Percent of SWDs Percent of SWDs in General Education



When charters enroll lower percentages of SWDs, does that imply that charters screen or “counsel out” SWDs during enrollment, or that charters offer special education services that are different from traditional special education?

The charter sector is **broad** and **diverse**; the answers to these questions are **complicated**

Note: For more data on racial/ethnic composition and SWDs in charter schools, see slides 18 and 20.

Other concerns about equitable access are tied to how easy it is for families to participate in choice

FOR EXAMPLE

Equity



Access to Information

Parents require two types of information to select a school: **how to enroll** and **school quality**

Successfully enrolling can be difficult to navigate in areas where each school has its own **application process** and **deadlines**

Comparing information on **quality** often requires extensive research from **multiple school-based sources**

Access to enrollment and quality information **is often lowest** for **historically underserved** families and students with the **highest needs**



Transportation

Families cannot exercise school choice if their children cannot access **reliable transportation** to their school of choice

One study found that **difficulty accessing transportation** options is **correlated with income**: Over 30 percent of families making below \$35K had trouble accessing reliable transportation, compared to 20 percent of families making \$75K+

In the same study, interviews with families revealed that **unsafe transportation** is a persistent barrier to accessing higher-quality school options for their children

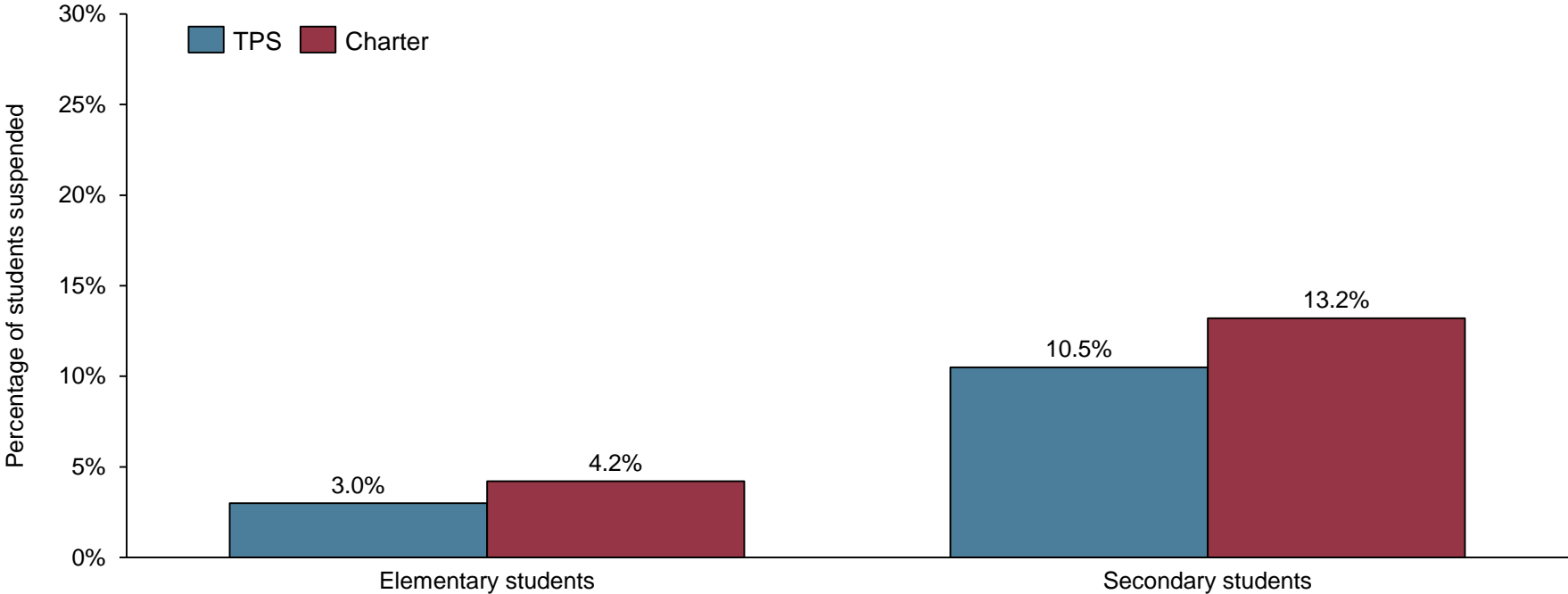
Increasing **equitable access** to charter schools is important for the sector’s long-term growth and success — equally important is **student experiences once they are enrolled** in a charter school

Once enrolled, some data suggest charter students are more likely to be suspended than if they enrolled in a TPS

Equity

Suspension Rates of Elementary and Secondary Students

For elementary and secondary students, by grade span, comparing students in charter schools to TPS, 2016



Differences in suspension rates between charters and TPS are **less clear-cut** when charters are compared to the **TPS in their surrounding neighborhoods**

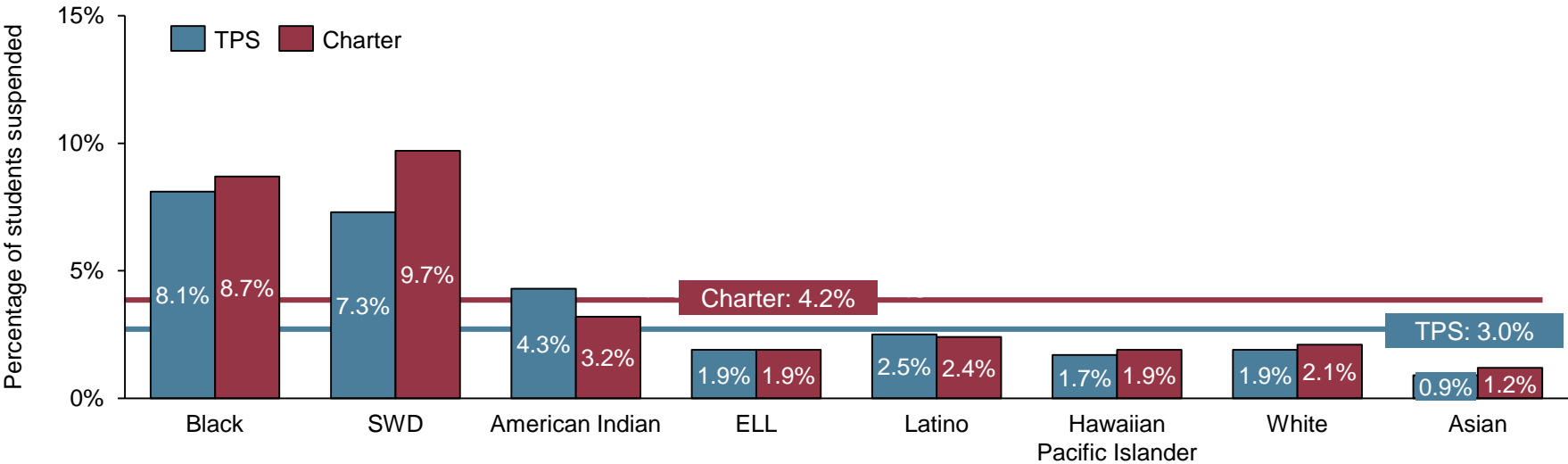
Sources: [UCLA Civil Rights Project](#), 2016; [American Enterprise Institute](#), 2016.

For both TPS and charters, there are variations between student subgroups

Equity

Suspension Rates of Elementary Students

By subgroup, comparing students in charter schools to TPS, 2016



For the **majority** of **subgroups**, suspension rates between **TPS** and **charter** schools are **roughly equal**

The **difference** in **average suspension** rates is driven by **higher** suspensions of **Black** students and **students with disabilities** in charter schools

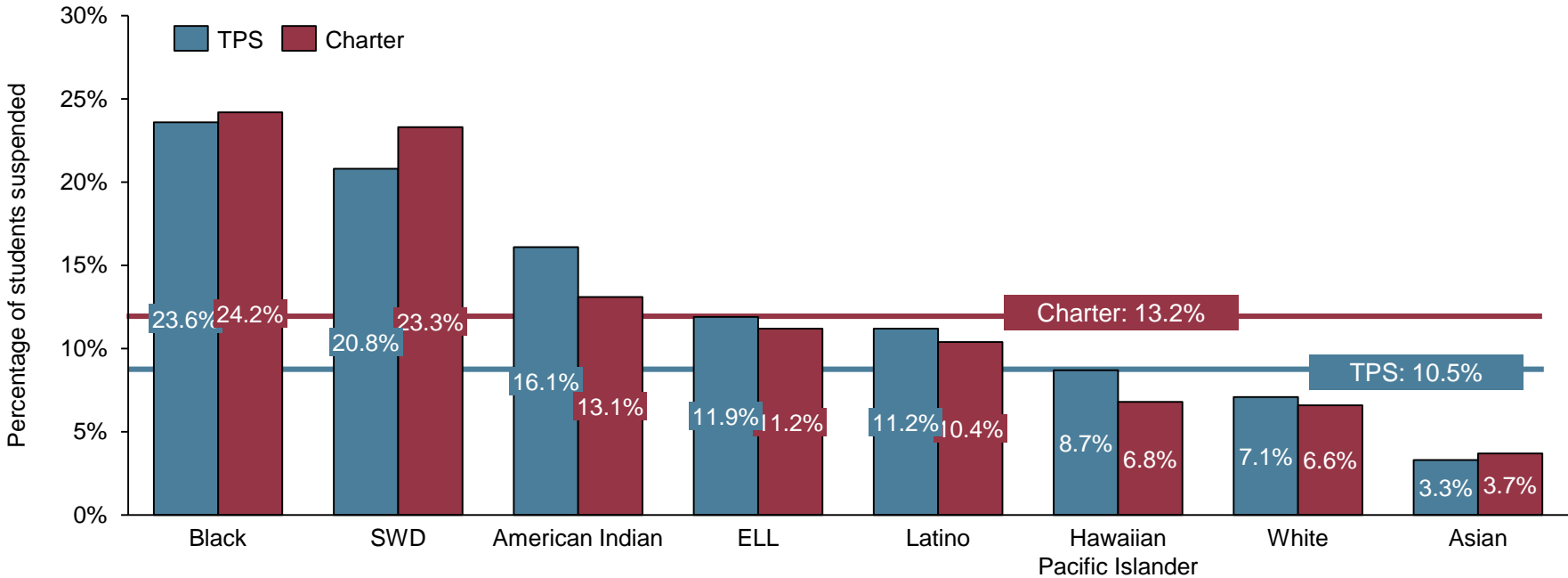
Source: [UCLA Civil Rights Project](#), 2016.

The difference in suspension rates for Black students and SWDs narrows as those students enter secondary school

Equity

Suspension Rates of Secondary Students

By subgroup, comparing students in charter schools to TPS, 2016



Regardless of grade level or school sector, Black students and students with disabilities are more likely to be suspended

Several African-American groups have cited equity concerns in their calls for limiting charter school growth

Equity



National Association for the Advancement of Colored People (NAACP)

- In October 2016, the NAACP called for a moratorium on charter school expansion and for the strengthening of oversight in governance and practice, citing, among other issues, the high incidence of **expulsion of students of color**.



Movement for Black Lives (MBL)

- In August 2016, the Movement for Black Lives (MBL) released a policy agenda that called for a moratorium on charter schools and included a concern that charter schools offer **fewer protections for vulnerable populations**.

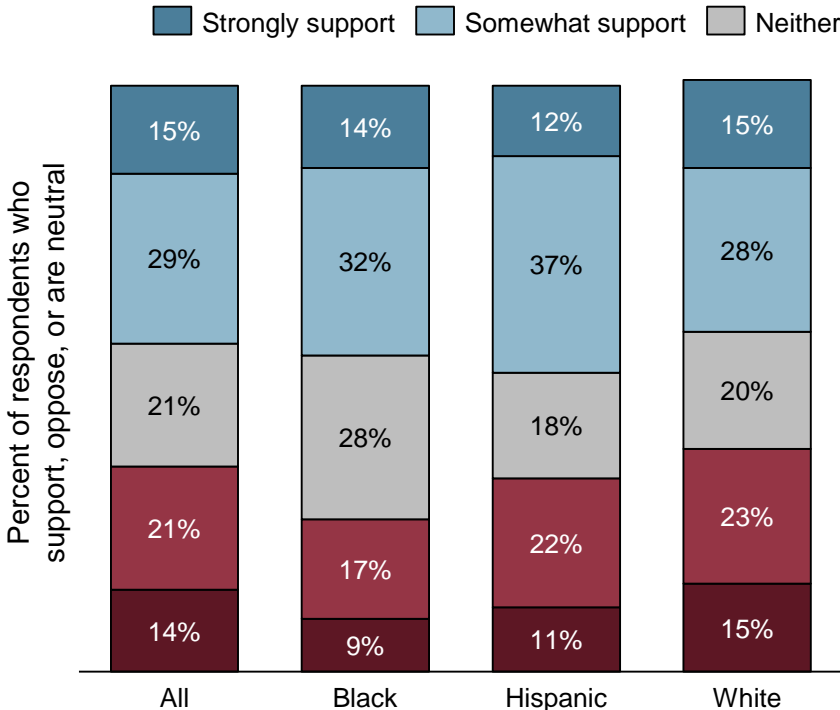
Public opinion data across different populations, however, reveal a diversity of perspectives on the issues

Equity

Subgroup Support of Charter Schools

By subgroup, by degree of support, 2018

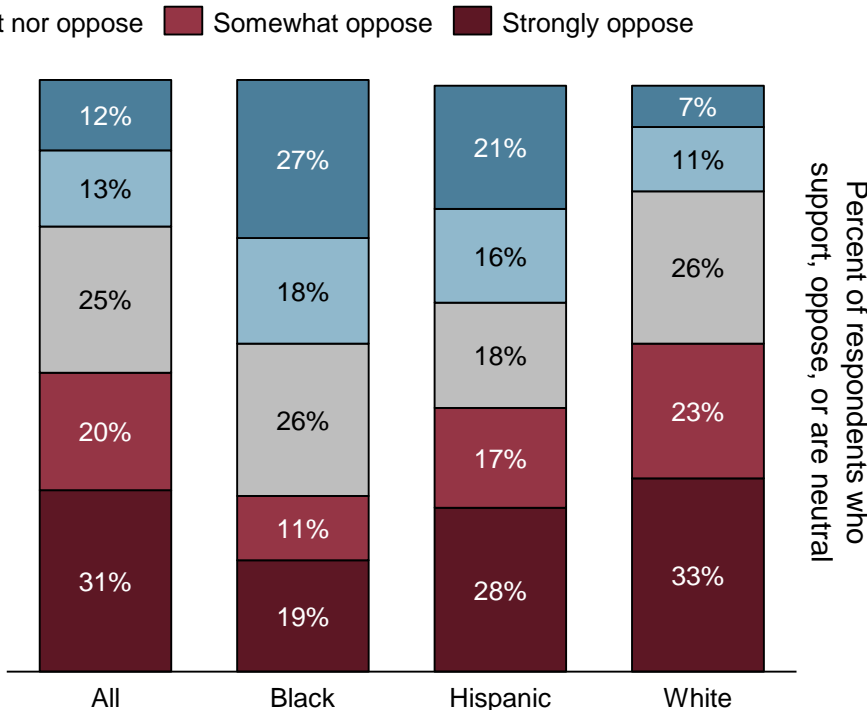
Do you support or oppose the formation of charter schools?



Subgroup Support of Discipline Policy

By subgroup, by degree of support, 2018

Do you support or oppose school district policies that prevent schools from expelling or suspending black and Hispanic students at higher rates than other students?



Source: [Education Next](#), 2018.

Leaders across the charter sector are working to address issues of equity in access

Equity

Access

Disseminating key information

- Easily **accessible data** on school quality and application processes
- **Translation** of enrollment information to languages prominent in the community
- Assurances about **services for SWDs**

Unified enrollment systems

- Streamlined platform for families in high-choice markets to rank top choices for their child through a **single application process**

Increasing transportation

- Advocating for **more transportation funding**
- **Partnerships** with public transit systems, districts, or other charters
- **Shuttles** between schools and neighborhood **drop-off hubs**

Diverse-by-design schools

- **Intentionally prioritizing student diversity** in school design, mission, and enrollment

Addressing equity in retention and completion are also priorities across the field

Equity

Retention and Completion

Different approaches to discipline

- Some charter schools are adopting practices that prioritize **restorative justice** over suspension and expulsion
- Some charters have **altered discipline policies** to push teachers to handle more discipline issues within the classroom

Transparency and accountability

- Many authorizers are paying increased attention to discipline rates in the schools they oversee, requiring **additional reporting and transparency** on suspensions and expulsions
- In some cases, authorizers are building **discipline metrics** into performance expectations

Data quality and research

- Many advocates from across all sectors are pushing for **higher-quality data** and **deeper analysis** of trends in school discipline

There are no easy answers to these complex and fraught issues, which continue to generate debate in the charter sector and across the education landscape

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Conclusion

Charter schools currently serve 3 million students in more than 7,000 schools across 44 states and Washington, D.C.

There are very real challenges that the charter sector must grapple with.

As the charter sector continues to grow and improve, it needs a rigorous and evidence-based debate around how to address those key challenges and leverage future opportunities.

We hope this deck helps provide a foundation for those conversations.

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Any errors are the responsibility of the authors alone. Please note that, to the extent possible, selected slides will be updated when new data become available.

Please check back [here](#) for updates.