

# POLICY *focus*

RECIPES FOR RATIONAL GOVERNMENT

SEPTEMBER 2018

## Charter Schools

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### Introduction

Well over two million students across 43 states and the District of Columbia returned to charter schools for back-to-school this fall. Charter schools are public schools that have more flexibility to operate in innovative ways that better serve students and families. The millions of students attending charters make them the most-accessed form of school choice. For many families, charter schools have been a godsend, providing an alternative option where public schools are failing, dangerous, or just not the best possible fit for a child's individual needs.

Charter schools have success because they are operated differently from public schools; the whole point of chartering is to provide families with different choices from their assigned traditional school. Protecting that flexibility from rigid regulatory systems is critical to maintaining the advantages that charter schools have over traditional public schools, and to their continued growth.

Strong charter laws are the key to charter growth and differentiate states like Arizona, which has an academically-successful and rapidly-growing charter sector, from states like Virginia, which has just a handful of charter schools. Strong charter laws prevent bottlenecking by giving charters multiple routes to authorization rather than concentrating power in the hands of those with a stake in propping up the traditional system. They will also ensure funding parity with traditional public schools, and protect charters' all-important flexibility by granting broad operational freedom.

Charter schools provide a much-needed option for families all across the United States. All states can benefit from providing parents with the choice to send their children to thriving charter schools.

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## Why Care

Here are the main characteristics of charter schools that set them apart from traditional public schools:

- **Choice:** Charter schools provide an alternative, choice-based option within the public system itself. While charters are still public schools, they grant parents—not bureaucrats and politicians—power over the dollars that are used to fund their children’s educations.
- **Accountability:** Because charters must live up to the expectations of parents and students in order to stay in the black, they are more responsive to families’ needs. If parents aren’t happy with their charter school, they can withdraw their student and the accompanying educational funding.
- **Flexibility:** Charters can offer a wider variety of educational experiences and a better fit with student needs. While charters should be subject to the same civil rights and safety laws as traditional public schools, they should have flexibility otherwise to meet students’ needs.
- **High Demand:** There is often more interest in charter schools than there is space available. That’s why it’s critical for policymakers to foster a robust educational marketplace through multiple routes to charter school authorization, funding equity and operational freedom.

For millions of American parents, charters are a wonderful option that helps their children succeed in school and beyond.

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## Background

### What is a Charter School?

Charter schools are public schools, but with a twist!

The key differences between charter schools and traditional public schools—and their ability to better serve students and families—lie in charters’ greater autonomy, and parents’ choice about their children’s attendance. Unlike traditional public schools, but similarly to almost any other service we use throughout our lives, charter schools are first and foremost responsible to their customers: parents. If parents are dissatisfied with the quality of the education being provided by a charter school, they simply withdraw their children, taking with them the school’s per-pupil allocated funding. Charter schools that fail to meet the expectations of their students’ parents close down, instead of remaining in operation for years, repeatedly failing students, parents, and neighborhoods.

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While charter schools have much more operational leeway than their traditional counterparts, charter schools still have to follow basic elements of the law governing education in the state. For example, charter schools are cost-free at the point of enrollment, just like regular public schools, and most charter laws do not allow charter schools to pick and choose among student applicants; like traditional public schools, they must accept all comers and hold a lottery for seats if, as is often the case, the interest far outstrips the number of seats available.

## **How Have Charter Schools Performed Relative to Traditional Public Schools?**

Charter schools have demonstrated a record of academic achievement, not just in neighborhoods where students have generally done well in the past, but also among populations that are generally underserved by the traditional public school system. Because they are still seen primarily as an alternative to regular public schools, charters are often concentrated in areas where other public schools have failed to provide students an excellent education.

Charters serve a higher population of minority and socioeconomically-disadvantaged students than do traditional public schools. Fifty percent of students in charter schools are classified as “at-risk” and another overlapping 50 percent are non-white. More than 40 percent of charter schools serve populations that are over 60 percent minority, at-risk or low-income. Many charters in urban areas such as New York City, Detroit, or Washington, D.C., serve 100 percent minority and/or at-risk student populations.

Despite facing challenges that many traditional public schools do not have to face, an overall look at the data shows substantial academic gains all over the country. In California, where academic performance is calculated on a 1-1000 index, 17 percent of charter schools showed a significant improvement of over 50 points, while only six percent of traditional public schools achieved such improvements. In Washington, D.C., charter students graduate high school at a rate 24 percent higher than their traditional public counterparts.

In New York City, Success Academy Charter Schools make local headlines when their population of disadvantaged students consistently score among the best in the entire state. Ninety-four percent of Success Academy test takers passed the state exam, in comparison with only 35 percent of students in traditional public schools. These test results place Success Academy students three whole school years ahead of demographically-similar students in New York.

**While test scores can be informative on the systemic level, they should never be used to override parental decision-making, when we know parents are looking at all kinds of factors that a test can't measure: campus safety, school culture, relationships with teachers, bullying and peer groups, individual fit, and more.**

Opponents of charter schools dispute these findings of charters' academic successes, often pointing to one flawed study conducted by Stanford University's Center for Research on Education Outcomes (CREDO) that showed that only one in five charters outperformed the average traditional public school. However, there are a number of methodological problems with the study.

A major difficulty in conducting any study on charter achievement is that it's hard to make apple-to-apple comparisons. Because charters serve a disproportionately at-risk population of students, straight comparisons of average achievement scores tend to undervalue the improvements made by charter students.

Furthermore, charters have a built-in mechanism that weeds out truly failing schools: parent accountability! Charters that consistently fail to produce improvement will simply fail to attract enough per-pupil dollars through parental choice. Some point to the fact that about 15 percent of charter schools close, mostly in their first five years of operation, as evidence of failure, but in fact, this is evidence of a competitive system working as it should.

Parental choice in a competitive "education market," including the withdrawal of their funds that leads to closure, is exactly what separates charter schools from traditional public schools, which can continue to provide an ineffective education to students in perpetuity without fear of closure.

This all-important accountability to parents is critical, because parents have access to all kinds of knowledge about their children that a standardized test can never measure. While testing has its place, reliance on testing as the be-all, end-all of school quality can be deceptive, when in fact scores may be much less connected to later-life success than previously thought. While test scores can be informative on the systemic level, they should never be used to override parental decision-making, when we know parents are looking at all kinds of factors that a test can't measure: campus safety, school culture, relationships with teachers, bullying and peer groups, individual fit, and more.

**“ Finally, charter schools are successful because they offer an educational experience different from that at traditional public schools... Apply the same rules to charters as exist for traditional public schools, and they'll end up looking more and more like the failed traditional system for which they're meant to be an antidote. ”**

### **What Can My State Do to Attract Great Charter Schools?**

Each state's charter law is unique, but the best charter laws—those states that have a robust, successful, and growing charter sector—have some common policy elements. The keys to having a thriving charter sector are: 1) a multi-route authorization process that allows for startups and innovation, 2) funding equity with traditional public schools, and 3) protecting operational freedom for a diverse set of schools.

The most important prong is multiple routes to authorization. Some states restrict the power to authorize new charter schools to local school boards, which is like letting Burger King have a veto over any new McDonald's openings on their block. Adding multiple authorizing entities, like state commissions and public universities, ensures that anticompetitive forces cannot arbitrarily refuse to grant charters the ability to operate.

Funding equity is the implementation of a basic principle: a student's education should be funded the same way no matter where his family decides his education is best served. If a state is reserving \$10,000 for Johnny Smith's education at a traditional public school, that same \$10,000 should follow him if his parents choose to send him to a charter that's a better fit. Unfortunately, few states follow this funding principle on the ground, even though a fair number espouse it in legislation. The average charter school's funding is only 72 percent of the average traditional public school's funding.

Finally, charter schools are successful *because* they offer an educational experience different from that at traditional public schools. Many legislators and advocacy groups think they are protecting students with excessive accountability regulation. However, piling on regulations borrowed from public schools that affect staffing, teaching, and mission eviscerates the point of having charters to begin with. Apply the same rules to charters as exist for traditional public schools, and they'll end up looking more and more like the failed traditional system for which they're meant to be an antidote.

### **Why is Charter Growth Important?**

Charter schools are the most-accessed form of school choice, with over two million students attending all over the country. But many more are on waitlists, unable to attend the school that is best for them, because the seats just aren't available. The average number of kids on charter waiting lists is actually increasing, meaning that more and more families are not able to send their children to the schools they know are best for their academic and personal development.

The major bottleneck to more seats being available for every student who wants one is usually policy. States with good charter laws—multiple authorization routes, operational flexibility, and equitable funding—have new charter schools opening up every year and more seats for students. States with poor policies artificially restrict growth, and so restrict real parent choices on the ground, leaving many kids for whom traditional public schools are not working stuck in a broken system no other options.

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## What You Can Do

### Get Informed

Learn more about charter schools. Visit:

- [Center for Education Reform](#)
- [Researcher Matthew Ladner on Education Next](#)
- [Report Card on American Education](#), American Legislative Exchange Council

### Talk to Your Friends

Help your friends and family understand these important issues. Tell them about what's going on and encourage them to join you in getting involved.

### Become a Leader in the Community

Get a group together each month to talk about a political/policy issue (it will be fun!). Write a letter to the editor. Show up at local government meetings and make your opinions known. Go to rallies. Better yet, organize rallies! A few motivated people can change the world.

### Remain Engaged Politically

Too many good citizens see election time as the only time they need to pay attention to politics. We need everyone to pay attention and hold elected officials accountable. Let your Representatives know your opinions. After all, they are supposed to work for you!

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Independent Women's Forum (IWF) is dedicated to building support for free markets, limited government, and individual responsibility.

IWF, a non-partisan, 501(c)(3) research and educational institution, seeks to combat the too-common presumption that women want and benefit from big government, and build awareness of the ways that women are better served by greater economic freedom. By aggressively seeking earned media, providing easy-to-read, timely publications and commentary, and reaching out to the public, we seek to cultivate support for these important principles and encourage women to join us in working to return the country to limited, Constitutional government.

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