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## WHAT ARE CHARTER SCHOOLS?

Charter schools create an alternative form of public schooling. The goal of charter schools is to lift restraints from public schools so they can pursue innovative teaching methods that will improve student performance. They are designed to give significant autonomy to individual schools and, in turn, to hold those schools accountable for results.

A charter is essentially a contract, negotiated between those people starting the school and the official body authorized to approve the charter. The charter spells out how the school will be run, what will be taught, how success will be measured and what students will achieve. As long as the school meets the terms of its charter, it is free from many of the rules and regulations that apply to other public schools. And, unlike other schools, if a charter school fails to meet these terms, the charter can be revoked and the school closed.

A charter proposal is written by a team of individuals interested in establishing a new school. The parties eligible to start a charter school vary from state to state. Nationally, charters have been granted to parents, teachers, community groups and other organizations.

State law also determines the entity or entities that can approve a charter. In some states, it is the state superintendent. In most states, local school boards have the power to approve or deny charter applications. Some states, such as Michigan, allow institutions of higher education to approve charters.

There is a provision in each state's charter school law that describes what applicants can do if a request is denied. Some states allow alternative sponsoring organizations to step in and/or provide for an appeals process to different governing bodies. Other states allow applicants only one chance for approval.

## WHY ARE CHARTER SCHOOLS IMPORTANT?

Charter schools are one of the fastest growing innovations in education policy. Since 1991, 20 states have passed charter legislation. As of October 1995, more than 230 charter schools had opened.

Because the charter school concept is new it is too early to gather evidence about the performance of individual schools. This paper highlights important trends in charter school legislation and tracks the development of the schools themselves.

## WHAT DO WE KNOW SO FAR?

### Charter School Laws

Charter school laws vary significantly from state to state. While some legislatures have made the approval process relatively simple for qualified applicants, others have created procedures and requirements that limit participation. Differences include the amount of demonstrated school or community support needed to open a school, the number of charter schools permitted, and the duration and revocation processes of the charters themselves. Variations in law have had a marked effect on early implementation.

Stronger charter school laws are more likely to produce a successful system of independent schools. These laws strike a balance between autonomy and accountability that promotes innovative teaching practices from responsible schools. Weaker laws permit the existence of charter schools but take few bold steps to encourage innovation. Weak laws are limited in scope, involve complicated processes and limit school independence.

### Strong vs. weak

Louann A. Bierlein, a national expert on charter schools, formerly of the Morrison Institute for Public Policy, suggests seven criteria that define strong charter legislation:

1. The possibility of a non-local board sponsor or the option of an appeal process
2. Permission for *any* individual or group to attempt to organize a charter proposal
3. Automatic exemption from state and local regulations rather than case-by-case or individual appeals processes
4. Fiscal autonomy — every school has complete control over money allocated as a result of per-pupil funding

5. Complete legal autonomy or charter determination of the level of legal autonomy
6. No (or very high) limits on the number of charter schools that can be formed
7. The acceptance of some percentage of non-certified employees as teachers in charter schools.

States with laws that reflect the highest number of the above criteria are considered to have stronger charter school legislation; those that meet fewer criteria are said to have weaker policies. According to Bierlein, of the 20 states that have enacted charter school laws, nine have stronger laws while 10 tend to be weaker. New Jersey's charter school law was not included in Bierlein's study.

Arizona passed one of the strongest laws to date:

- Charter schools can be sponsored by a local school board, by the state board of education or the State Board of Charter Schools — an entirely new entity.
- Any public body, private person or private organization may organize a charter school.
- Although the level of autonomy granted depends partially upon the school's sponsor, charter schools generally have a substantial degree of independence.
- The state board's sponsorship is limited to 25 schools a year, but there is no limit to the number of charter schools local boards may sponsor.
- Every charter school must specify the qualifications of its teachers, but certification is not a requirement.

In another "weaker" state, the law meets only one of Bierlein's criteria: There is no limit to the number of charters that can be granted. In the state:

- Charter schools must be sponsored by the local school board.
- Only public school faculty or staff may sponsor a charter school.
- Schools are not automatically exempt from rules and regulations; the local district must either agree to exemptions in the charter itself or the charter school must apply for waivers on a case-by-case basis.
- Schools are neither fiscally nor legally autonomous; all financial decisions are written into the charter and all legal issues are under the supervision of the local board.
- There is no assurance that non-certified individuals will be allowed to teach.

### A Survey of Charter Schools

ECS and the University of Minnesota's Center for School Change at the Humphrey Institute of Public Affairs, recently conducted a survey in response to the many questions ECS has received about charter schools. The results describe the experiences of 110 charter public schools in seven states and provide information about who the schools are designed to serve and what the people operating them hope to accomplish.<sup>2</sup> (For information regarding the ECS charter school survey or

#### Arguments in favor of charter schools:

Charter schools:

- Allow public schools to be created outside of the existing education establishment
- Encourage creativity and innovation, allowing schools to escape excessive bureaucracy and regulation
- Increase the range of options available to parents and children
- Provide new, expanded teaching opportunities
- Are held responsible for results instead of "inputs," such as the number of books in the library or the amount of time students spend in class
- Incorporate market forces in public education
- Directly involve parents and the community in the operation of their schools.

#### Arguments against charter schools:

- Many regulations that school officials perceive as barriers cannot be waived (e.g., health and safety regulations, contract laws).
- Charters could be used to spend public funds on private- or home-schooling.
- Charter schools, generally small, isolated institutions, are not readily accessible.
- Because charters exist on such a small scale, their benefits will affect only a limited number of students.
- For the school district, the new charter school constitutes a net financial loss. Students attending the new school do not necessarily reduce the sponsoring organizations' costs.
- Charter schools could become elite learning centers, doing little to serve at-risk youth.
- School boards can be still legally responsible for charter schools which they do not control.

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Key findings of the ECS survey include:

- Charter schools generally are small institutions with an average enrollment of 287 students.
- Most charter operators decided to start schools because they were interested in providing "better teaching and learning for all kids," "running a school according to principle and philosophy" or "exploring innovative ways of running a school."
- The most popular focus of curriculum in charter schools is an "integrated interdisciplinary curriculum." "Technology" and "back to basics" are close behind.
- Two-thirds of the schools are designed to serve a cross-section of students, while one-half are designed to serve "at-risk" youth.
- The biggest barriers in starting a charter school have been the lack of start-up funds, finances and problems related to facilities.

Generally, charter schools have *not* become elite schools. The concerns of critics that schools might be targeted at children from privileged backgrounds have not been realized. Charter schools are designed to serve a cross-section of students and are making a considerable effort to focus on "at-risk" youth. The ethnic background of charter school students also suggests a relatively inclusive movement. The average enrollment consists of 10% African American students, 19% Hispanic and 60% Caucasian.

In addition to noting interesting findings about the students and philosophies of charter schools, the survey illustrates the importance of the strength of charter laws. When asked how they would advise legislators, charter school operators said they would urge lawmakers to provide significant autonomy to the schools through contracts with groups other than local districts, provide direct state funding and free charter schools from local labor-management agreements. They also recommended

that legislatures provide start-up grants and make sure authorizing legislation is clear.

### Conclusion

States with stronger charter laws generally experience more interest and subsequent activity in starting schools. In Arizona, 40 charter schools were approved within nine months after charter legislation was passed. After more than a year, another state with weaker legislation had accepted only one application. Clearly, charter laws do more than simply authorize charter schools. They also create a process and a context for implementation that either strengthens or limits the potential impact of the charter concept of school reform.

Bierlein notes that it may become increasingly difficult to enact stronger charter-school laws as opponents, realizing that the charter legislation is likely to pass in most states, are no longer trying to defeat the legislation.<sup>3</sup> Instead, many have turned their efforts to supporting passage of weak laws, a strategy that may contribute to the barriers already slowing charter school progress.

#### Key questions for policymakers:

- Who will be responsible for granting charters? Can that agency sue and be sued as school boards can?
- From which agencies (state or local) will charter schools receive funding?
- How much funding will sponsoring agencies provide?
- Can home-schoolers use the system?
- Should charter schools be allowed complete financial autonomy?
- How should charter schools be evaluated? How should students be assessed?
- Can non-certified teachers work at charter schools?
- Can private schools apply to become charters?

#### States with charter school laws:

1991	1992	1993	1994	1995
Minnesota	California	Colorado Georgia Massachusetts New Mexico Wisconsin	Arizona Hawaii Kansas Michigan	Alaska Arkansas Delaware Louisiana New Hampshire New Jersey Rhode Island Texas Wyoming

### Good sources of information on charter schools:

Bierlein, Louann A., and Lori A. Molholland, *Understanding Charter Schools*, Fastback. Bloomington, IN: Phi Delta Kappa Educational Foundation, 1995.

Bierlein, Louann A., and Lori A. Molholland, "Charter School Update & Observations Regarding Initial Trends and Impacts," *Policy Brief*. Tempe, AZ: Morrison Institute for Public Policy, 1995.

Medler, Alex L., and Joe Nathan. *Charter Schools: What are they up to? A 1995 Survey*. Report No. SI-95-1. Denver: Education Commission of the States, 1995.

Millot, Marc D., *Autonomy, Accountability, and the Values of Public Education: A Comparative Assessment of Charter School Statutes Leading to Model Legislation*. Washington, DC: RAND, 1994.

United States Government Accounting Office. *Charter Schools: New Model for Public Schools Provides Opportunities and Challenges*. Washington, DC: US GAO, 1995.DC.

### Notes:

1. Bierlein, Louann A.. "Existing Charter Schools Laws: Analysis of 'Stronger' Components," Baton Rouge, LA, 1995.
2. Medler, Alex L., and Joe Nathan. *Charter Schools: What Are They Up To? A 1995 Survey*, Report No. SI-95-1. Denver: Education Commission of the States, 1995.
3. Bierlein, Louann A., and Lori A. Molholland. "Charter School Update & Observations Regarding Initial Trends and Impacts," *Policy Brief*. Tempe, AZ: Morrison Institute for Public Policy, 1995.

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