

September 17, 1997

CHARTER SCHOOLS EVENT

DATE: September 20, 1997
LOCATION: San Carlos Charter Learning Center
BRIEFING TIME: 9:30 am - 10:00 am
EVENT TIME: 10:30 am - 11:50 am
FROM: Bruce Reed

I. PURPOSE

To demonstrate your commitment to charter schools and highlight the success charter schools are having throughout the state of California. This is an opportunity to reiterate your veto threat made public in your weekly radio address just hours before this event, and urge Congress to continue funding for charter schools and other education initiatives.

II. BACKGROUND

You will participate in a round table discussion with charter school administrators, teachers, parents, and students from six charter schools in California. The event will take place on the fifth anniversary of the nation's second charter school law, which passed with bipartisan support and was signed by Governor Wilson on September 20, 1992. The San Carlos Charter Learning Center was the first school in the state to receive a charter. This will be your second visit to a charter school as President. Two years ago you visited the O'Farrell Community Charter School in San Diego.

In your opening remarks, you will be announcing \$40 million in new and continuing grants for charter schools. California will be receiving \$3,399,959. The grants will be used primarily for planning and start-up costs. They can also be used for curriculum development, teacher training, technology, assessment development, and dissemination of best practices between charters and the rest of the public school system. Earlier this summer, \$6 million in charter school grants were also released.

When you first took office there was only one charter school in the nation, and only two states had enacted charter school laws -- Minnesota and California. As a result of your leadership, there are now approximately 700 charter schools open this fall, and a total of 29 states and D.C. that have charter school laws.

In 1994, you signed into law the first federal charter schools program as part of the reauthorization of the Elementary and Secondary Education Act. The program has grown from \$6 million in FY 1995 to \$51 million in FY 1997. In your FY98 budget proposal, you requested \$100 million to support the development of approximately 900-1000 charter schools.

As you know, the Gorton Amendment, which recently passed the senate, would block grant the charter schools program and eliminate targeted support for charter schools. Today, Congressman Hoekstra pulled the House version of the Gorton Amendment off the floor, and the issue will now need to be addressed in conference.

The Gorton Amendment would also block grant education technology grants, such as those released last week by the Department of Education. The Department announced the award of \$18.5 million for 19 new education technology grants in 14 states -- including grants to four partnerships in California.

Two years ago this week, you met with information industry leaders in San Francisco to launch your education technology initiative and announce your commitment to connect every classroom to the Internet by the year 2000. At this event you challenged information industry leaders to help meet this goal. Oracle CEO Larry Ellison, who will participate in this round table, attended this meeting and has since made a commitment to contribute \$100 million to this cause. Just two days before your visit, Oracle will hold an event in Los Angeles to announce that it will furnish the 100 poorest schools in Los Angeles with computers in every classroom.

Currently 65% of schools are connected to the Internet, which is almost double to the number of schools connected in 1994. The number of classrooms have quadrupled in this time period. In addition, the FCC has now approved the e-rate, which will provide \$2.25 billion a year beginning next January to help ensure that every classroom and library will be connected to the Internet.

III. PARTICIPANTS

- 1 - Representative Anna Eshoo
- 2 - Don Shalvey, Superintendent, San Carlos School District
- 3 - Elise Darwish, Principal, San Carlos Charter Learning Center
- 4 - Sue Bragato, Parent and Founder of the San Carlos Charter Learning Center, and Executive Director of the California Network of Educational Charters
- 5 - Gregory Miller, Student, San Carlos Charter Learning Center
- 6 - Larry Ellison, Chairman and CEO, Oracle Corporation
- 7 - Yvonne Chan, Principal, Vaughn Next Century Learning Center, San Fernando
(*She previously participated in the Family Conference.)
- 8 - Mark Kushner, Principal, Leadership High School, San Francisco
- ? 9 - Jose Maya, Student, Leadership High School
- 10 - Jonathan Williams, Founder and Principal, Accelerated Charter School, South Central, L.A.
- ? 11 - Betty Soto, Parent, Accelerated Charter School
- ? 12 - Ginger Hovenic, Teacher, Clear View Elementary School, San Diego.
- ? 13 - Tom Ruiz, Teacher/Founder, International Studies Charter School, San Francisco

IV. PRESS PLAN

Open Press.

V. SEQUENCE OF EVENTS

- You will be announced onto the stage accompanied by the First Lady, Superintendent Don Shalvey, and School Principal Elise Darwish.
- Principal Elise Darwish will make welcoming remarks and introduce the First Lady.
- The First Lady will make remarks and introduce Superintendent Don Shalvey.
- Don Shalvey will make remarks and introduce you.
- You will make remarks.
- At the conclusion of your remarks you will take your seat at the round table. All other participants will already be seated.
- Superintendent Don Shalvey will make brief opening remarks and serve as the moderator for the discussion.
- Each participant seated at table will make brief remarks and you and the First Lady will have an opportunity to ask follow up questions to each of them. (See attachment for sequence of speakers and suggested follow up questions.)

VI. REMARKS

Remarks provided by Speechwriting.

Final

**PRESIDENT WILLIAM J. CLINTON
REMARKS FOR CHARTER SCHOOL EVENT
SAN CARLOS CHARTER LEARNING CENTER
SAN CARLOS, CALIFORNIA
September 20, 1997**

**Acknowledgments: First Lady, Rep Anna Eschoo, Superintendent Don Shalvay, Principal
Elise Daryiah [DAR-wish].**

I am looking forward to talking to you all today about how charter schools are helping to lift standards, renew our public schools, and give our children the world class education they need to succeed in the 21st Century. I want to congratulate the San Carlos Learning Center for being the first of its kind in California -- which makes it among the very first in the United States.

For four-and-a-half, I have worked to expand opportunity for every American through education, and to give our children the tools they need to make the most of their lives. The historic balanced budget I signed in July includes the largest new investment in education since 1965; from more children in Head Start, to our America Reads initiative, to putting computers in all our classrooms and libraries by the year 2000.

But to help our children make the most of their potential, we have to make sure that our schools are making the most of their resources. And to give our children the tools they need to make the most of their lives, we must give their parents and their communities the tools they need to make sure that our public schools are performing. That is why in 1994, we put in place the Charter Schools program that helped schools like San Carlos to get started.

Charter schools are public schools. They serve communities of all kinds and sizes -- their student bodies reflect the rich diversity of America. And they bring together the innovation, creativity and competition that make our public schools great. The way they work is simple: In exchange for the same per-student funding, fewer regulations and less red tape, these schools must meet high expectations -- and if they don't do a good job, they lose their charter.

Since I was elected, the number of charter schools nationwide has gone from just one to 700 this Fall. And from Massachusetts to Minnesota to New Mexico, 27 states have passed laws permitting charter schools -- bringing the total to 29. By giving parents the power to choose a charter school, these states are helping to make all of our public schools better. And I want to encourage those states that have not yet done so to give parents that power -- and give our children a greater chance to succeed.

Today, I am pleased to announce \$46 million in grants to help more charter schools open their doors. From the start-up costs that are the biggest obstacle to starting new charter schools to curriculum development, from teacher training to new technology -- these grants will help communities support approximately 500 new charter schools in 21 states.

But last week, Congress supported an amendment that would make sure these charter school grants are the last the national government ever gives out. This amendment would lump all of our education funds together and arbitrarily distribute them to the states. In the process, it would abolish our efforts to open charter schools, to put computers in our classrooms, and to create safe and drug-free schools. Congress also recently passed an amendment that would halt my plan for national tests in the basic skills -- tests that are absolutely essential to our continued progress. I will not let Congress undermine the quality of our children's education -- and I will veto any legislation that tries to do it.

Making sure our charter schools succeed requires something from us all. Teachers must teach to high standards that lift our children up; parents must stay involved and demand accountability; business leaders must lend their management expertise to help charter schools meet their goals; superintendents and teacher unions must commit themselves to support charter schools. And Boards of Education must exercise care in granting charters -- and approve applications by teams that are clearly up to the challenge.

For make no mistake: running a charter school is not an easy task -- it is a serious responsibility. It requires a vital, creative educational vision, sound judgment, and the ability to manage public funds. Above all, it requires an iron-clad commitment to provide every child who walks through the door an education second to none in the world.

To help more communities get started, I am pleased to announce that Secretary Riley will convene a National Conference on Charter Schools in Washington this November. This conference will bring together parents, teachers, school administrators, and education advocates to discuss problems, share best practices, and chart a course for the future of charter schools.

Before we get started, I want to thank some of the business leaders here with us today for their continued commitment to educational excellence: Regis McKenna, President of Regis McKenna, Inc.; David Ellington, the Chief Executive of Net Noir; Brook Byers, a partner of Kleiner Perkins; Larry Young, co-founder of Yahoo!; and Paul Lippe, the Vice President of Synopsis. I also want to thank Larry Ellison, the Chairman and CEO of Oracle Corporation. Larry sponsored the San Carlos Learning Center, and just yesterday, he announced that Oracle's Promise -- a \$100 million foundation he pledged to create at the President's Summit for America's Future last April -- will connect the 100 needy schools across California.

This is how we will meet America's challenges as we go forward -- and I thank all of you here today for your support. Now I want to turn this discussion over to the panel.

CHARTER SCHOOLS: RAISING STANDARDS AND EXPANDING PUBLIC SCHOOL CHOICE

[E]very state should give parents the power to choose the right public school for their children. Their right to choose will foster competition and innovation that can make public schools better. Our plan will help America to create 3,000 of these charter schools by the next century ... so that parents will have even more choices in sending their children to the best schools.

President Clinton, State of the Union Address, February 4, 1997

Today President Clinton visited the San Carlos Learning Center, one of the nation's first charter schools, to announce new grants for charter schools and host a roundtable discussion with charter school principals, teachers, students, parents, and community supporters.

PRESIDENT CLINTON ANNOUNCES \$40 MILLION IN NEW AND CONTINUING GRANTS FOR CHARTER SCHOOLS. These grants, along with \$6 million in grants given earlier this year, are going to 21 states, the District of Columbia and Puerto Rico to support the planning and start-up costs of about 500 additional charter schools. Grants will also be used for curriculum development, teacher training, technology, and dissemination of best practices between charters and the rest of the public school system.

CHARTER SCHOOLS HAVE EXPERIENCED TREMENDOUS GROWTH UNDER PRESIDENT CLINTON'S LEADERSHIP. As a result of the President's continuing leadership, there has been a tremendous growth in the number of charter schools. When President Clinton took office, there was one charter school in operation nationwide and only two states with a charter law. This year, over 700 charter schools are expected to be in operation. Similarly, the number of states with charter laws continues to grow -- 29 states, and the District of Columbia have passed enabling legislation.

This growth is attributable to the President's proposal of a public charter schools program, which was enacted in 1994 as part of the reauthorization of the Elementary and Secondary Education Act. With the President's leadership, the charter school program has grown from \$6 million in FY 1995 to \$51 million in FY 1997. The President has requested \$100 million from Congress from FY 1998 to support the development of approximately 900-1000 charter schools. Under this program, the Education Department:

- **Provides funds for planning and start-up of charter schools.** Since 1995, 19 states and the District of Columbia have received a total of about \$22 million to help launch over 450 charter schools. A number of studies, including the latest report from a national study of charter schools funded by the Department of Education, shows that the greatest need facing charter schools is a lack of access to planning and start-up funding. The federal investment in charter schools helps meet this need.
- **Serves as a clearinghouse of information on charter schools for parents, teachers, and policymakers.** The Education Department provides technical assistance, organizes conferences and informational meetings, and has established a Charter Schools Website (www.uscharterschools.org).

- **Conducts research and evaluation on charter schools.** The Education Department has contracted for a 4-year independent evaluation of charter schools to provide the most comprehensive data on the nation's charter schools. In addition, the Education Department is supporting research on charter schools in areas such as assessment and accountability, special education, school finance, equity, and leadership training.

CHOICE WITH PUBLIC ACCOUNTABILITY. Every parent should be able to choose what public school their child will attend. The administration's support for the development of high-quality charter schools has increased the choices parents have about their child's education. At the same time, The Administration's charter school policy ensures public accountability. Charter schools can be closed if students fail to perform at promised levels. And like all public schools, charter schools are nonsectarian, cannot charge tuition, are open to all students, and must still comply with health, safety and civil rights requirements.

CHARTER SCHOOLS ARE PART OF THE ADMINISTRATION'S EDUCATION REFORM STRATEGY. Charter schools are just one piece of a larger strategy of promoting high standards and accountability. The President has urged states and school districts to adopt challenging academic standards in all core subjects, and to adopt high national standards in the basics of reading and mathematics. The President has strengthened existing federal programs and fought for new resources to improve local schools and help students reach those standards.

CHARTERS ARE EVIDENCE OF THE KIND OF INNOVATION THAT RESULTS WHEN WE COMMIT TO IMPROVE -- NOT ABANDON -- OUR PUBLIC SCHOOLS. Charter schools are examples of genuine public education reform -- they provide a mechanism for change with real public accountability for promised results. Unlike charter schools, private school vouchers offer no public accountability -- there are no standards to meet, and no way to shut them down.

A Brief History of Charter Schools

Definition

Charter schools are public schools run by groups of teachers, parents or other community leaders that operate with a contract -- or charter. Charters are granted by public groups, such as local school boards or state boards of education. Each charter explains how the school will operate and how well its students will perform. In many states, as long as the school meets the terms of its charter it is freed from rules and regulations covering traditional public schools. However, charter schools are held highly accountable, and if students in a charter school fail to perform at levels described in their charter, or if the school breaks rules that have not been waived, it can be closed. Like all public schools, charter schools are not allowed to charge tuition, must be non-sectarian, and cannot be selective in their admissions.

Background

The concept of charter schools grew out of several other educational reforms, including expanding public school choice, increasing accountability, delegating control of education and management decisions to schools, and increasing parent and community involvement in schools. At the heart of the concept is an exchange. Charter schools receive increased autonomy in exchange for performing under increased accountability. The charter school movement grew out of a belief that carefully developed competition among existing public schools and new kinds of schools could provide:

1. a broader range of options for families within public education systems;
2. new models of successful schools that traditional schools could replicate; and
3. incentives for school districts to improve their other schools.

Growth

Minnesota became the first state to enact charter school legislation in 1991. The first charter school opened in Minnesota in 1992. Since then, the charter reform concept has spread rapidly. In January 1997, 428 charter schools were open, and in the beginning of the 1997-98 school year approximately 700 charter schools were operating. These numbers are likely to grow rapidly over the next few years.

As of September 1997, 29 states have enacted varying forms of charter school laws. Federal legislation also provides the District of Columbia with a charter law. [see chart below] The state of Oregon has no specific charter law but does have authority in state law to establish charter schools and has received a Federal grant.

The specific terms of states' charter legislation vary widely. In some states, charter school legislation is a relatively modest effort to facilitate modifications in the relationship of existing individual schools to local school districts. Charter legislation in other states provides opportunities for fundamentally different schools, sponsored by groups such as state boards of education or public universities, as well as local school boards.

States with Charter School Legislation, by Year of First Enactment

1991	1992	1993	1994	1995	1996	1997
Minnesota	California	Colorado Georgia Mass. Michigan New Mexico Wisconsin	Arizona Hawaii Kansas	Alaska Arkansas Delaware N. H. Louisiana R.I. Wyoming	Connecticut D.C. Florida Illinois N.J. N.C. S.C. TX	Mississippi Penn. Nevada Ohio

Federal Role

The 1994 amendments to the Elementary and Secondary Education Act established a role for the Federal government in the charter movement by authorizing funds for charter school development and for a national study to assess the impact of charter schools. This program is designed to address the most pressing challenge shown in surveys to be facing charter schools: a lack of access to start-up funding. This program also provides funds for national activities to support the development of charter schools, including a charter schools website, technical assistance and information to parents and teachers about charter schools, and research.

FISCAL YEAR 1997
Public Charter Schools Program Grantees-Continuations

ALASKA

Juneau	State Department of Education Contact: Marjorie Menzi (907) 465-8720	\$1,516,500
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ARIZONA

Phoenix	State Department of Education Contact: Kathi Haas (602) 542-5206	\$3,221,226
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CALIFORNIA

Sacramento	State Department of Education Contact: David Patterson (916) 327-5929	\$3,399,959
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COLORADO

Denver	State Department of Education Contact: Bill Windler (303) 866-6631	\$2,024,372
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CONNECTICUT

Hartford	State Department of Education Contact: Yvette Thiesfield (860) 566-1233	\$1,286,371
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DELAWARE

Dover	State Department of Education Contact: Larry Gabbert (302) 739-4885	\$541,302 Supplement \$150,000
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DISTRICT OF COLUMBIA

Washington	District of Columbia Public Schools Contact: Richard Wenning (202) 724-4222	\$2,063,095
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FLORIDA

Tallahassee	State Department of Education Contact: Tracey Bailey (904) 414-0780	\$3,366,026 Supplement \$1,200,000
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GEORGIA

Atlanta	State Department of Education Contact: John Rhodes (404) 657-7627	\$1,469,380 Supplement \$140,000
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ILLINOIS

Springfield	State Department of Education Contact: Sally Vogl (217) 782-0541	\$782,850
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KANSAS

Topeka	State Department of Education Contact: Phyllis Kelly (913) 296-3069	\$900,000
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LOUISIANA

Baton Rouge	State Department of Education Contact: Bill Miller (504) 342-3603	\$373,711
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MASSACHUSETTS

Boston	Executive Office of Education Contact: Scott Hamilton (617) 727-1313	\$2,352,362 Supplement \$586,780
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MICHIGAN

Lansing	State Department of Education Contact: Gary Cass (517) 373-4631	\$3,843,820 Supplement \$1,099,972
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MINNESOTA

Saint Paul	State Department of Education Contact: Jessie Montano (612) 296-2181	\$2,183,458
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NEW MEXICO

Santa Fe	Turquoise Trail Elementary School Contact: Nycha Leia Zenderman (505) 471-7282	\$170,173
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NEW JERSEY

Trenton	State Department of Education Contact: Dalia Georgedes (609) 292-5850	\$1,290,934 Supplement \$468,421
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NORTH CAROLINA

Raleigh	State Department of Education Contact: Grova Bridgers (919) 715-1730	\$1,490,276 Supplement \$1,000,000
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OREGON

Salem	State Department of Education Contact: Leon Fuhrman (503) 378-5585	\$779,948
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PUERTO RICO

San Juan	State Department of Education Contact: Nilda Baez De Morales (787) 765-9772	\$1,313,500 Supplement \$676,912
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TEXAS

Austin	State Department of Education Contact: Brooks Flemister (512) 463-9575	\$2,165,167 Supplement \$250,000
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WISCONSIN

Madison	State Department of Education Contact: Thomas Stefonek (608) 266-5728	\$856,548 Supplement \$500,00
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EVALUATION

Berkely	RPP International Contact: Beryl Nelson (510) 843-8574	\$792,510
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****Supplement grants were awarded earlier this year.**

FISCAL YEAR 1997
Public Charter Schools Program Grantees-New Grants

HAWAII

Honolulu	Waialae Charter School Contact: Amy Kwock (808) 733-4880	\$90,000
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Kailua	Lanikai Elementary School Contact: Donna Estomago (808) 266-7844	\$149,635
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PENNSYLVANIA

Harrisburg	State Department of Education Contact: Tim Daniels (717) 783-9783	\$1,333,333
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SOUTH CAROLINA

Columbia	State Department of Education Contact: Calvin (Chip) Jackson (803) 734-8496	\$1,447,900
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CHARTER SCHOOL Qs &As
Internal Use Only -- Not For Distribution

CHARTER SCHOOL ISSUES

Q. Why do charter schools need extra funding?

A. The Federal start-up grants provide funding for start-up costs and can last a maximum of three years. The grants are designed to fill an acknowledged gap. Research has documented that the greatest challenges charter schools face are associated with initial planning and start-up. For example, charter schools that start from scratch often must pay for their facilities out of the portion of funding used in traditional systems to pay for operational costs. Federal grants help by paying for things like curriculum design or renovations that must occur before the school opens.

Q. Aren't charter schools eroding the teaching profession by allowing uncertified teachers?

A. Teacher certification requirements for charter schools are set by each state. Most states require that the vast majority of teachers in charter schools be certified. Charter schools sometimes hire people to teach who have professional experience that can be translated into valuable teaching. For those non-credentialed staff, charter schools must demonstrate that they will have the appropriate training and support to effectively provide instruction in the classroom.

Q. Aren't charter schools elitist?

A. No. Charter schools are public schools and they must be open to all students. Charter schools are being established in all types of communities -- including inner cities, suburbs, and rural areas. Recent studies show that on average, they serve roughly comparable numbers of minority students as neighboring schools, and in some states, they teach a higher proportion of minority students than are in that state's traditional public schools.

Q. Do you think that charter schools might draw students and resources away from public schools?

A. These are public schools -- exciting, innovative public schools that can draw people back into the public school system. In some states between 10 and 14 percent of the students in charter schools are students that were not previously enrolled public schools. These new students include former dropouts, teen mothers, and students coming back from private schools to attend charter schools.

Q. Are charter schools adequately serving disadvantaged students?

A. It is critical that charters schools serve a diverse population and provide help to those students who need it most. Several of the schools highlighted today have student populations that are predominantly poor or limited English proficient and these schools are successfully educating

all of their students. And there are encouraging reports that show that charter schools are serving the same or slightly higher percentages of poor and minority students than their states' overall public school systems.

Q. Are charters serving students with disabilities?

A. As public schools, charter schools are not exempt from requirements to serve special education students. This reflects one of the fundamental values of public schools -- that they serve all children. There are wonderful examples of charter schools' providing a better education to children with disabilities than the schools from which they came. It is true that data from the national survey contracted by the U.S. Department of Education showed that, except in a few states, charter schools are serving a slightly lower percentage of students in special education than the overall public school system. We think this is an important issue and the administration is working to address it. Several of the schools highlighted today have higher than average percentages of students with disabilities.

Q. Do charter schools represent a significant reform, if they only represent 700 of the thousands of schools in this country?

A. Charter schools are just one piece of a larger strategy of promoting high standards and accountability, but these schools can help lead the way for reforms and improvement in public education. They can provide models for successful public schools, provide new choices for parents, and stimulate healthy competition within public education. But they are part of a broader strategy. The President has urged states and school districts to adopt challenging academic standards in all core subjects, and to adopt high national standards in the basics of reading and mathematics. The President has strengthened existing federal programs and fought for new resources to improve local schools and help students reach those standards.

CALIFORNIA CHARTER SCHOOL ISSUES

Q. How do you respond to charges that charter schools are breeding grounds for religious instruction, as in the case of the recent consideration of a charter school application based on scientology?

A. While charter schools are freed from many rules and regulations, they are not exempt from health, safety and civil rights requirements under the law. Federal law is clear that public schools cannot promote religion. As with all other public schools, charter schools must be non-sectarian.

Deciding which schools to charter is solely a state and local matter. The chartering authority - in California, the local school district -- is responsible for evaluating the charter application to determine, among other things, whether the charter complies with federal and state definitions of a public, non-sectarian school. If issues arise concerning any public school's non-sectarian status, the U.S. Department of Education can investigate those concerns.

Background on scientology charter: A former special education teacher in the Los Angeles

district submitted a charter application to create a K-8 school. The school would utilize an educational methodology set forth in texts written by the founder of the Church of Scientology. The district delayed a hearing on the charter application pending its review of the proposed texts -- which have been used by other area teachers for years -- and the school's connection, if any, to the Church of Scientology. According to the district official overseeing the charter process, the applicant has temporarily withdrawn the charter application.

Q. California has more than 130 charter schools, but only 34 of them have received Federal start-up grants. Why has California received so little Federal charter school funding?

A. Each state receiving federal grants establishes its own process to award subgrants to the charter schools in their state. California's subgrant program focused on newer schools. California had many schools operating before it received Federal funds and the state allocated most of its funds for start-up costs. Schools that had already been operating for a year or more did not apply for, or receive, funds for start-up costs. Other states have shaped their programs differently, providing funding to larger proportions of their charter schools and, in some cases, funding older charter schools.

California's newly announced FY 1997 grant will increase its charter school funding by an additional \$3.4 million. This increase should enable California to raise the proportion of its charter schools receiving federal support.

Q. If the country is to reach the President's goal of 3,000 charter schools, shouldn't California revise its charter law to repeal or expand its cap on the number of schools?

A. The President firmly believes that the number of charter schools nationwide should be increased -- and he has included funding of \$100 million in the FY 1998 budget to support the development of approximately 900-1000 new charter schools. The Department of Education's charter school program provides start-up funding, technical assistance and research support that we hope will enable states to increase the number of charter schools. Ultimately, Californians should look at the success of these schools and make their own decisions about how many more they want.

NATIONAL TESTS IN CALIFORNIA

Q. Is California participating in the national testing initiative?

A. We do not consider California to be one of the seven states (Alaska, Kentucky, Maryland, Massachusetts, Michigan, North Carolina and west Virginia) that have committed to participate in the tests.

Last April, State Superintendent of Public Instruction Delaine Eastin announced her support

Clinton Presidential Records Digital Records Marker

This is not a presidential record. This is used as an administrative marker by the William J. Clinton Presidential Library Staff.

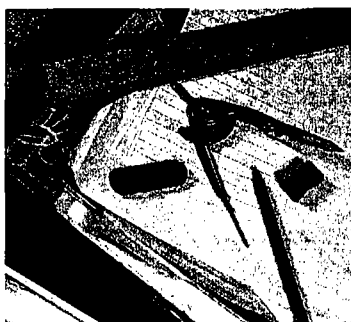
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Publications have not been scanned in their entirety for the purpose of digitization. To see the full publication please search online or visit the Clinton Presidential Library's Research Room.

*A Study of
Eight States
and the District
of Columbia*

Policy Analysis for California Education

Eric Rofes, Investigator; April 1998



*This is the
first published
empirical research
documenting the
effects of charter
schools on public
school districts.*

How are school districts responding to charter laws and charter schools?

Preface

This report provides findings from a study titled "How Are School Districts Responding to Charter Laws and Charter Schools?" This research aimed to identify: (1) the impact of charter schools on school districts; (2) the ways school districts had responded; and (3) whether districts had experienced systemic change as a result of charter laws and the opening of charter schools.

The study was conducted in 1997, six years into the nation's experiment with charter schools. It focused on eight states and the District of Columbia and included case studies of 25 school districts affected by charter schools. This research was funded by The Saint Paul Foundation and was hosted by Policy Analysis for California Education (PACE), an independent research unit of the University of California at Berkeley. The study's investigator was Eric Rofes.

Highlights

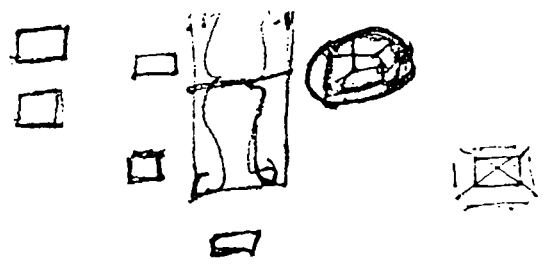
Overview

- This study is the first published empirical research aimed at documenting the effects of charter school laws and the opening of charter schools on public school districts. The **overall effects** are a result of complex interactions between the **impact** of charter laws and charter schools on a district and the **responses** by that district. The study's goal was to examine the impact, analyze ways in which school districts were responding or not responding, and assess the overall effects of this new reform initiative.

Charter Impact

- This study revealed the following primary impacts: (1) the loss of students and often an accompanying loss of financing; (2) the loss of a particular kind of student to niche-focused charter schools; (3) the departure of significant numbers of disgruntled parents; (4) shifts in staff morale; (5) the redistribution of some central office administrators' time and increased challenges predicting student enrollment and planning grade-level placement.
- Of the 25 case-study districts in this research study, almost half (12 or 48%) had experienced either strong (five or 20%) or moderate (seven or 28%) impact from charter schools and slightly more than half (13 or 52%) had experienced either no impact (nine or 36%) or mild impact (four or 16%). Large urban districts had experienced significantly less impact from charters than rural, suburban, and small urban districts.

ESEA-choice



Public School Choice

Reauthorization Paper

- ①. ~~Must~~ Must to review]
- ②. Lots can be done now, administratively]
- ③. Need more thoughtful consideration of }
why and why not open choice ! ! }
- ④. who is making the recommendations }
with Don Gey Mark }
OCC ?
OCR ?
OBFMLA ?
OSERS ?
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September 23, 1998

PART I: CONTEXT

Choice in education has become one of the most widely supported education reforms of the last decade. Research suggests that public school choice fosters a sense of ownership among school staff, students, and parents that promotes successful efforts toward common goals. Public school choice can also encourage greater flexibility in what schools offer to address the needs of students, families, and communities, while maintaining accountability for students meeting challenging state or local standards of performance.

The U.S. Department of Education (ED) and the President are avid supporters of increasing the choices available to all public school students. As articulated in ED's Strategic Plan, promoting choice in public schools is one of ED's primary objectives, with the goal of ensuring that increasing numbers of students and families have, and take advantage of, options within the public school system.

Currently, ED supports the expansion of public school choice primarily through its Public Charter Schools and Magnet Schools Assistance programs and the work of the Equity Assistance Centers. Further, there is legislative authority for promoting choice in the Title I and Goals 2000 programs. However, there is no centralized approach or initiative that seeks to promote the development or research of a growing array of additional choice options such as inter- and intra-district choice, postsecondary options for high school students, and district-operated focus schools.

Public school choice includes a range of options that allow families to select among public schools, and, in some cases, to participate in other educational opportunities within the public school system that do not involve changing their primary school setting. Taken together, the extensive variety of public school choice options flourishing around the country has vastly expanded the extent to which students in public schools can actively participate in shaping their educational experiences.

Importantly, this range of options reflects a variety of objectives that form the basis for the type of choice mechanism chosen and implemented. For example, magnet school programs are often used as vehicles for assisting schools in reducing minority group isolation. Large-scale interdistrict programs are often undertaken as a way of infusing competitive forces into the educational system and increasing the choices available to families and students within the public school students. Yet another example of an objective for choice is to evaluate the effects of a new model of education on schools and students; this purpose is embodied by the statute that authorizes ED's Public Charter Schools Program. It is important to note that there are instances in which the objectives of choice mechanisms are viewed as counter-productive. For example, Milwaukee administrators are currently fighting to remove the unrestricted open enrollment policy that allows any student—regardless of race—to transfer to or from Milwaukee and neighboring suburban districts, arguing that the policy is in complete disregard of the city's desegregation objectives.

States and districts vary dramatically in the ways that they provide—or do not provide—choice within the public schools. For example, Minnesota allows every student to choose to attend the public school of their choice, regardless of its proximity to students' attendance zones. State education dollars follow the student regardless of district lines. Minnesota was also the first state to enact charter school authorizing legislation, and is one of two states that allows income tax deductions or credits for certain expenses related to public school attendance. At the other end of the continuum, however, there are several states that have

high quality

field

→ they (not) met her and the way

no statewide policies that address public school choices. Most states do have some form of public school choice policy in place, and often have combinations of several vehicles available to students and families.

Further, many districts initiate public school choice systems in the absence of, or as a complement to, state-level policies. Regardless of the source of the initiative, districts certainly are most often the entity that implements these initiatives, and have done most of the work to date designing choice systems in the public schools. One example of a highly developed and widely heralded program exists in Cambridge, MA. In this district, parents must choose a school for their children because there are no assigned or zoned schools. Parents voice their preferences, and school assignments are made randomly in a manner that maintains racial balance.

As outlined above, public school choice takes on many different faces. A summary some of the most common types of options available to public school students and their features and participation rates follows.

Common Public School Choice Options

- **Interdistrict choice.** Eighteen states have statewide public school choice programs—sometimes called ‘open enrollment’ policies—in which students can attend the school of their choosing *across* district boundaries. Key differences among these programs include whether participation is voluntary or mandatory, how state educational funding is treated for participating students, the extent to which transportation funds are available, and the extent to which the racial/ethnic make up of participating districts is considered.
- **Intradistrict choice.** State-initiated intradistrict choice initiatives are in place in about nine states. These initiatives involve the voluntary transfer of students among public schools *within* district boundaries, but states differ according to whether district participation is mandatory or voluntary (most are mandatory), and whether there are limitations placed on transfers to control for space or desegregation issues. These initiatives include unrestricted choice among schools, as well as programs often termed ‘controlled choice,’ in which typically parents and students are required to rank their top selections for schools, and the district honors these preferences to the extent possible without creating or exacerbating minority group isolation.
- **Magnet schools.** Magnet programs seek to enhance educational quality and often to alleviate minority isolation in schools by offering a distinctive curriculum that attracts students from outside their assigned neighborhood attendance zone (magnet schools funded by the federal Magnet Schools Assistance Program must have this desegregation objective). They are primarily an urban phenomenon, most commonly found in large urban school systems where there are above-average levels of minority student enrollments. More than 60% of all large urban districts currently offer magnet programs. According to a 1993 survey of schools, there are approximately 5,200 schools with magnet programs. Other sources report that these magnet programs enroll roughly 1.5 million students nationwide.
- **Charter schools.** Charter schools are created through a contract, or “charter,” in which local educators, parents, community members, and/or school boards are granted freedom from a variety of state and local regulations in exchange for operating a public school that achieves the goals of the charter, sometimes including improved student performance. Thirty-three states, the District of Columbia and Puerto Rico have enacted legislation authorizing charter schools. More than 800

charter schools were in operation during the 1997-98 school year, serving an estimated 120,000 students. Charter schools are heavily concentrated in seven states (AZ, CA, CO, FL, MI, NC, and TX).

- **Postsecondary options.** Twenty-one states have postsecondary option programs that allow high school juniors and seniors to take courses in colleges, universities, or vocational-technical institutes. These options vary in terms of whether the activities apply towards high school graduation requirements, college credit, or both, as well as how and to what extent they are subsidized. About 12 of the 21 states with such options meet the costs of the postsecondary education courses taken for college credit
- **District-operated focus schools.** Districts also sometimes operate 'focus' schools within selected traditional public schools. These schools are similar to magnet and charter schools in that they have a specialized mission or philosophy that caters to the individual needs of students, but operate as a part of an otherwise traditional public school. Estimates of the scope of these programs are unavailable.

Public Funds for Private School Options

The options outlined above include some of the most common types of choice available to public school students. However, they comprise only a part of the school choice spectrum that includes educational choices that involve the transfer of public funds to be used towards the cost of private education services. These options most commonly include direct public subsidies to families—often those below a certain level of income—to use towards tuition at participating private schools. Such initiatives are often called voucher or scholarship programs. Currently, state-sponsored but city-targeted voucher programs are operating in Milwaukee, WI and Cleveland, OH; these programs are targeted towards low-income and minority students and provide respective per-pupil allocations to participating students to put towards private—including sectarian—school tuition. Both programs are currently involved in legal battles regarding the constitutionality of their allowance of public funds to be used towards tuition in religiously affiliated schools. Wisconsin's program for Milwaukee has been in operation since 1991, and current estimates of the number of participating students are approximately 6,000 students. Cleveland's program began serving students in the 1996-97 school year and now serves approximately 3,000 students. There are also voucher-like programs in rural towns in Maine and Vermont that allow students to attend private schools with public funds if no public school options are available to them. While currently only these few programs exist, proposals to use public education funds towards private education continue to show up on dockets in state legislatures across the country.

A growing number of states are also considering the use of the tax system to promote greater accessibility to private schools by allowing families to deduct expenses from their taxable income that are used toward the purchase of some form of private education (i.e., tuition costs, tutoring costs). Currently, Iowa and Minnesota are the only states that authorize income tax deductions and credits for private elementary and secondary school tuition and fees, but activity on the issue has occurred recently in at least 15 other state legislatures.

Lastly, although not involving the expenditure of public funds, a vastly growing network of privately funded voucher programs is beginning to impact the public school system by drawing large numbers of students out of the public school system and provoking harsh criticisms of the public schools in those—typically urban—areas. Privately-funded voucher programs are operating in 30 cities, but are

choose among public schools that differ with respect to educational setting, pedagogy, and academic content. ?

2. Public school choice and the competition it brings to the public schools can help improve public education generally without abandoning the fundamental concept of community-based public schools. Empowering parents to choose among a set of schools invites market-like pressures into the public school system. As parents 'vote with their feet,' this competition can lead to overall improvement in the public schools in a number of ways. First, schools that develop specialized or focus schools can lead to model programs that can be replicated in other public schools. Second, the pressure to attract and retain students can provide incentives for surrounding neighborhood schools to change and improve in order to meet the needs of the community. Finally, this competition can function as a tool for driving improvements in school systems that better fit instructional offerings to student needs by acting as a gauge for educational 'demand.'

There are many anecdotal stories to suggest that choice programs—both public and private—do have effects on the systems in which they operate. Charter schools, magnet schools, and other focus schools have been known to serve as models for other public schools. A notable research example of a public school choice program that has had an impact on school systems is in Massachusetts. The statewide interdistrict choice policy in Massachusetts has sparked programmatic change in small 'sending' districts (i.e., those districts who sent transfer kids to another 'receiving' district) that has resulted in a smaller loss of transfer students over time.

The idea that competition can help our schools is controversial, because it mirrors many of the arguments that voucher advocates have been making for years. However, it is both logical and consistent. While we acknowledge many of the problems in our schools that voucher advocates point to as reason to support a radical overhaul of the system, we don't see choice as a way to 'escape a failing system.' Rather, we can build on the many successes in public education, and embrace public school choice as a promising reform within the public school system that retains the appropriate focus of our concerns—improving public schools for the betterment of all children.

3. Public school choice can improve student performance. Research suggests that public school choice fosters a sense of ownership among school staff, students, and parents that promotes successful efforts towards common goals. Coupled with our continued support of systemic, standard-based reforms that drive school improvement, choice can be a strong force for raising student achievement. Cambridge, MA and New York City #4 are examples of public school choice programs that have shown increases in student achievement. There is also evidence to suggest that students in urban public magnet schools outperform their counterparts in both traditional public and private schools. While the research base on this question is still emerging, this reform does have promise for improving student outcomes when combined with strong school improvement measures.

These strengths notwithstanding, there are some concerns that public school choice will have adverse, unintended effects on schools and students. The primary issues center on questions of equity and the application of market power in public schools. Both bear discussion:

- A growing body of evidence suggests that unrestricted public and private school choice tends to 'skim' the brightest students, the better educated families, and nonminorities. As these students leave struggling schools and districts, those students in most need of help are increasingly

Choice/competition in leader of public/private

? Best they are much do?

Is there any central result? e.g.?

No, it is controversial because it is expensive & there are possible negative consequences

Data?

(NO) The way work

Next

concentrated in disadvantaged schools. This dynamic has been shown to occur even in programs that are heavily targeted to serve disadvantaged students. For example, in San Antonio, TX, students and families who chose a public or private school had more years of education, higher incomes, higher employment levels, and a lower probability of being African-American than non-choosing families. Also, while a study of interdistrict public school choice in Massachusetts suggests that minority representation is not 'fatal' to the program, the authors still note that it is nonetheless an important problem.

Charter

- Public schools may have difficulty responding to unchecked competition because unlike a true market structure, they are obligated to comply with regulations that govern public schools. Further, they may lack adequate funding to change in a way that responds to the demand of students and families. Because all of the underlying assumptions that govern markets are not naturally inherent to public schools, the marriage of competition and market-like pressures within public agencies can be problematic. It can introduce confusion into the system and unfairly punish schools that do not respond adequately.

|| All effective market are regulated through market have very pressure

Yes

These issues underscore the importance of supporting public school choice that are specifically designed to meet a set of carefully constructed principles. School choice should not be viewed as a dichotomy in which the Department supports it or doesn't. Rather, the range of objectives, mechanisms, and their subsequent effects dictates a more sophisticated stance. To address this need, we have drafted a set of principles upon which we believe public school choice programs should be based. These principles flow both from the reasons public school choice is a promising reform as well as the possibilities for unwanted effects that could stem from choice in the public schools. The principles outlined in the next section have been designed to maximize the potential benefits of public school choice while minimizing the potential harm that could arise from it.

See similar things here

Key Principles of Public School Choice

The seven key principles of public school choice are:

Intent is critical to any market to meet its goals

Public

- Public schools of choice are public. First and foremost, public schools of choice must be nonsectarian, not charge tuition, abide by the civil rights, health, and safety laws that apply to all public schools, and operate under the supervision of public agencies. While promoting choice and variety among schools, it is critical to retain the core elements of public schools as institutions that operate within the scope of public authority. Choice within the public system of education must support the development of schools that can serve the unique needs of students, while ensuring that a basic, quality education is provided to everyone.

IDEA

Yes

- Public school choice must allow parents to match the educational needs of their children to individual schools. Choice in the public schools must offer a variety of educational settings to students and families. Recognizing that no one school can meet the unique needs of every student, public school choice must provide opportunities for students and families to choose among public schools that reflect a range of pedagogies, instructional settings, and academic content.

→ needs met with choice suggest building on beyond that existing this is very work

- Public schools of choice must promote high standards for all students. Consistent with ED's strong conviction that all students can achieve to high levels, public schools of choice must ensure that students and teachers are held to high standards of performance. Choice schools, like all public schools, must focus on continuously improving the quality of teaching and learning so that

students have the tools they need to maximize their potential. While providing an education that accommodates the individual learning styles of students, public schools of choice must retain an emphasis on what students should be able to know and do in core subjects. Ensuring that students who attend public schools of choice are held to challenging state or local standards is essential.

4

Public schools of choice must be genuinely open and accessible to all students. It is absolutely essentially that public school choice programs attend to the many inequities of access that exist across students and families of varying backgrounds. To be truly open and accessible to all students—regardless of race, sex, national origin, disability, religion, English proficiency or economic status—public schools of choice must pursue strategies to ensure that meaningful choice is available to all eligible students and families. Two critical aspects of choice programs that promote equitable access include fair and open school admission policies and concentrated attention to minimizing the barriers that exist among groups of students and families.

First, the standards for admission to public schools of choice must be fair and non-discriminatory. It is important to note that this stipulation does not necessarily exclude the use of admissions criteria for specialized schools, as is sometimes the case in magnet and charter schools that have specialized missions and areas of emphasis. However, choice schools must use criteria for admission very carefully, and with thoughtful consideration as to how those criteria might adversely affect certain groups of students, particularly those that are traditionally underserved.

Public schools of choice must also make every effort to reach out to students and families to eliminate potential barriers that may preclude all eligible students from participating. These barriers tend to center on some form of isolation, such as language or poverty. A barrier that has repeatedly been identified as problematic by policymakers and researchers is access to transportation. If a family wishes to send their child to a school that is not physically proximate to their home, financial barriers may exist for them to exercise this choice. A lack of access to transportation could easily limit or eliminate altogether their choice. A system of public school choice must address any disparities that may arise due to distance, through expanded school bus routes, subsidization of public transportation, or other means.

2.3

Paul

Complete information about public school choice options must be made available to all families, especially those that are traditionally underserved. Families cannot choose schools that best serve their children's individual learning needs without good information about available educational opportunities. To allow every family the opportunity to make good decisions about the best option for their child, public schools of choice must work closely with school districts and members of the community to ensure that information about public school choices reaches all families. Concentrated efforts to get the word out are particularly important for improving access for low-income and minority families, who are often less connected to public institutions—like schools—than their wealthier counterparts. Thus, parent information centers, school fairs, dissemination of report cards and other school-level data, and other mechanisms that are designed to reach families in every neighborhood and on every block are a necessity for ensuring that all students participate and benefit equitably from the options available.

Common
information
by
district

Previous and ongoing efforts to ensure that all students and families know about their educational choices have underscored the importance of this principle. Studies of choice programs in urban areas have found that even concentrated outreach undertakings have not always succeeded in reaching all parents. The experience of school districts to date also suggests that straightforward

methods for disseminating information (e.g., printing flyers and mailing them to every home) may not be sufficient to educate families on the range of available options and steps they need to take to make choices. Innovative, creative means for addressing this problem are often required; some cities have sent officials into laundromats and other community establishments to talk one-on-one with parents. The way in which information is transmitted, then, is an important consideration for designing a public school choice program.

Public schools of choice must be accountable to the public to achieve and document their performance. Providing regular information to the public about their performance is essential for public schools of choice to remain accountable to their community for serving the best interests of all children. This information should include indicators of performance such as the extent to which the school has met identified school objectives, improved student achievement outcomes, and managed school resources responsibly. In this way, the needs of the community as a group are addressed.

4) Public schools of choice should be used as a tool for strengthening public education generally. Public schools of choice should not operate in isolation from traditional public schools or district and state agencies. Effective public school choice programs and the fair and healthy competition that choice promotes among public schools can support an overall improvement in the quality of all schools in a variety of ways. Choice schools that feature special pedagogical philosophies, missions, or governance structures should be seen as laboratories for testing different ways of helping our children reach high standards of learning. Widely shared lessons learned from these models can strengthen public education overall by supporting the replication of promising practices in other schools. Choice can also provide an incentive for surrounding neighborhood schools to change and improve in response to the pressures of attracting and retaining students, and function as a tool for driving improvements in school systems that fit instructional offerings to student needs.

The Federal Role

The final issue to consider when reviewing the various options available for reauthorization is the extent to which an expanded or modified federal role would promote choice above and beyond what states and districts would have initiated otherwise. Clearly, choice programs in many forms are already proliferating across the country. As with all federal initiatives in education, we must use our scarce resources in a way that provides incentives for states and districts to act in ways that they otherwise would or could not have in the absence of federal initiative.

The next section outlines a set of options for consideration in promoting and furthering public school choice options, including a new ESEA title that embodies the seven principles outlined above.

PART II: A NEW FEDERAL INITIATIVE TO PROMOTE CHOICE

The next issue to consider is the extent to which an expanded or modified federal role would promote choice above and beyond what states and districts would have initiated otherwise, or to encourage the further development of certain types of programs as a result of new initiatives. Clearly, choice mechanisms, in many forms, are already proliferating across the country. As with all federal initiatives in education, we must use our scarce resources in a way that provides incentives for states and districts to act in ways that they otherwise would or could not have in the absence of federal initiative.

ISSUE: KEY PRINCIPLES

Whether to adopt the set of principles for public school choice proposed below, or recommend modifications to the proposed principles.

PRINCIPLES OF PUBLIC SCHOOL CHOICE

1. **Public schools of choice are public.** They operate under the supervision of public agencies, are nonsectarian, do not charge tuition, and abide by the civil rights, health, and safety laws that apply to all public schools.
2. **Public schools of choice must allow parents sufficient variety in educational offerings to match the needs of their children to individual schools.** Choice in the public schools should offer a variety of educational settings, pedagogies, and academic content from which students and families can choose. Recognizing that no one school can meet the unique needs of every student, public school choice must provide a range of educational opportunities designed to attract students and promote their achievement.
3. **Public schools of choice must promote high standards for all students.** Choice schools, like all public schools, must focus on continuously improving the quality of teaching and learning so that students have the tools they need to maximize their potential. While providing an education that accommodates the individual learning styles of students, public schools of choice must retain an emphasis on what students should be able to know and do in core subjects. Ensuring that students who attend public schools of choice are held to challenging state or local standards is essential.
4. **Public schools of choice must be genuinely open and accessible to all students.** To ensure equitable access and participation, public schools of choice must actively pursue strategies to ensure that meaningful choice is available to all students and families. First, these schools must have fair and non-discriminatory school admission policies. They also must make every effort to reach out to students and families to eliminate potential barriers that may preclude all eligible students from participating.
5. **Complete information about public school choice options must be made available to all families, especially those that are traditionally underserved.** To allow every family the opportunity to make good decisions about the best option for their child, public schools of choice must work closely with school districts and members of the community to ensure that information about public school choices reaches all families. This principle is critical for ensuring the equitable

participation of low-income, minority, and other groups who often lack access to the information to make good educational choices

6. Public schools of choice must be accountable to the public to achieve and document their performance. Providing regular information to the public about their performance is essential for public schools of choice to remain accountable to their community for serving the best interest of all children. This performance should include indicators such as the extent to which the school has met identified school objectives as well as improved student achievement outcomes and managed the school responsibly.
7. Public schools of choice should be used as a tool for strengthening public education generally. Effective public school choice programs should be replicated in other public schools, and the preferences of students and families voiced through the process of choosing schools should be actively pursued as a tool for driving improvements in school systems that better fit instructional offerings to student needs.

ISSUE: NEW AUTHORITIES

Whether to support an expanded public school choice initiative that would include closer coordination and a more coherent strategy in administering existing choice programs and that would encompass any or all of the options for new programs and strengthened technical assistance to support public school choice.

Option 1: Create a New Discretionary Program for Inter-district Choice

On September 22, the White House asked us to create a new choice program that would encourage districts to work collaboratively to implement inter-district choice options for public school students. The primary objective of this program would be to foster increased interaction among students of different classes, races, and cultures. While we have had insufficient time to develop a complete proposal, what follows is the first attempt at drafting an option to create this program and set the dialogue for further discussions.

Discussion:

The goal of this new program would be to attract students from inner city schools that are racially isolated into predominantly white schools in a neighboring district, and vice versa. There would be innovative, excellent schools that provide a unique learning environment that students and their families are free to choose to attend. This program would be a competitive program for LEAs (or States) for planning and implementing an inter-district school choice program for public school students. It would provide possible incentives to encourage school districts to work together to overcome barriers to effective inter-district programs (see Appendix D)

Districts would be permitted to use a combination of magnet schools, charter schools, and other schools with specialized curriculum to attract students. An emphasis would be placed on creating urban/suburban partnerships, partnerships with colleges and universities, and other arrangements that facilitated inter-district school choice.

Pros and Cons:

Pros

Such a program would expand opportunities for students who currently attend racially isolated schools to attend a school and interact with students whose background is different from their own on the basis of

race, ethnicity, economic status and so forth.

The program would have the flexibility to permit schools and school districts to develop new strategies for the implementation of inter-district programs.

Like other choice programs, participation on the part of students and their families would be completely voluntary.

Cons

Inter-district programs often require longer planning periods in order to overcome barriers, especially financial and social barriers, that often hamper the potential effectiveness of such programs.

Implementation of a new program could require a substantial increase in resources necessary for the effective administration of the program.

Option 2: Create a Public School Choice Model (PSCM) demonstration authority

Create a demonstration authority specifically designed to support the creation, support, and dissemination of public school choice model projects.

Discussion:

The purpose of this authority would be to support projects and activities that have demonstrated success in implementing a public school choice program at the SEA, LEA, or school level and are willing to serve as a model, in conjunction with one or more ED-sponsored technical assistance provider(s), to assist other SEAs, LEAs and schools with the development, implementation, expansion or improvement of choice programs.

The PSCM would operate as a two-tier discretionary grant program. Tier one projects would focus on effective system-wide coordination of two or more public school choice approaches at either the State level or the school district level, as appropriate. This would allow for the exploration of ways to align choice approaches into a comprehensive choice system and provide models that demonstrate what changes need to be made to existing systems of choice to ensure their efficacy and equity. Tier two projects would focus on school level implementation of a specific type of school choice program, with priorities placed on those types of programs currently supported by the Department of Education --magnet schools and charter schools.

Key features of the program would include the following:

An emphasis on rewarding successful programs, practices and activities;

School-level programs that provide evidence of success based on student outcomes, parental involvement, student recruitment and selection practices, and other performance indicators with a public accountability and reporting process;

State and LEA-level programs and activities that demonstrate how two or more public school choice strategies (e.g., charter schools, magnet schools, controlled choice, inter-district choice, etc) are used together to maximize access to high-quality educational programs for parents and students, especially those who traditionally have not participated in such programs;

Collaboration with one or more ED-sponsored technical assistance providers in making available in-

What does the PSCM represent?

Are there other LEA cases worth doing?

If so, why?

depth information (including, where appropriate, on-site demonstrations) about successful strategies for the implementation of choice programs; and

Highly flexible use of funds. Consistent with the idea of rewarding success, recipients would be afforded significant flexibility in how they used funds awarded to them to enhance, strengthen or assess their programs. Restrictions might be limited to the inclusion of a requirement that a certain percentage of funds be allocated to technical assistance activities and legally necessary prohibitions on the use of funds.

Pros and Cons:

Pros

The program would provide a unified approach to developing models of school choice programs that would emphasize the role that various public school choice strategies can play in concert with one another, rather than pitting one strategy against another.

The program would have the flexibility to include all public school choice options and strategies such as magnet schools and charter schools that ED supports directly, as well as other public school choice strategies that do not receive such direct support.

Emphasis would be placed on rewarding success in implementation of programs and achieving intended results.

Our knowledge about what works in the area of public school choice will be significantly increased.

Use of the existing ED technical assistance infrastructure would expand the availability of in-depth information about choice programs and issues and strategies related to the successful implementation of those programs and place technical assistance providers and successful implementers of public school choice programs in a collaborative working relationship.

This supports the attainment of each of the performance indicators for Objective 1-6 of ED's strategic plan and would significantly bolster implementation of several key elements in the plan to expand public school choice.

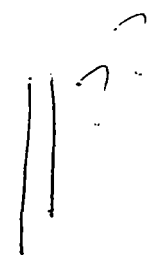
Cons

The PSCM program would represent a new discretionary grant program that the Department would be required to administer.

The program would require additional appropriated funds, although the annual level of appropriation could be relatively modest, based on the following assumptions: First, that most if not all grants can be relatively modest in size --in the range of \$100,000 to \$200,000 per year for up to 4 years; and second that the total number of grants would be in the range of 100 (at least 80% of which would be grants to schools).

Recommendation:

Creating this authority would promote the identification of models to help parents, educators, and communities design effective school choice programs; and it would strengthen efforts to disseminate information on strategies for expanding high-quality school choice programs that improve student achievement.



Support for this option is strongly recommended.

individual

Yes

Option 3: Provide improved technical assistance for public school choice

Obtain legislative authority to enable public school choice staff to provide additional funding to the Comprehensive Regional Assistance Centers (CCs), the Equity Assistance Centers (EACs), and the Regional Educational Laboratories and other ED-sponsored technical assistance providers, as needed, to enable them to address special needs associated with public school choice.

Now
TA
Shortfalls
TA

Discussion:

The number of charter schools, magnet schools, open enrollment plans, and other choice programs is increasing, in part as a result of the support and leadership provided by the Department. However, there are concerns that students receive high quality instruction and that students from different social, economic, racial and ethnic backgrounds have equitable access to the programs. These concerns often are couched in terms of "accountability," but it also is a planning and design issue.

the skill

The Department should provide more extensive, coordinated and focused technical assistance in the area of public school choice. Existing TA providers could meet the existing need, provided they are awarded sufficient resources and there is central coordination of their public school choice assistance activities. For example, the Equity Assistance Centers, the Eisenhower Regional Mathematics and Science Education Consortia and the Regional Educational Laboratories have information and resources needed by many public school choice planners and implementers. The Comprehensive Regional Assistance Centers would be key TA providers for supporting public school choice. These Centers provide comprehensive training and technical assistance, related to administration and implementation of ESEA programs to ESEA grantees. However, the statute for the Centers also establishes a long list of priorities to be addressed, none of which focuses on the special technical assistance needs of States, school districts, and communities implementing public school choice.

be the best

for priority of it

Using this authority, TA providers would have resources and training activities to address various choice-related needs, including the increased need for family and community involvement outreach activities and strategies, tips and training on conducting lotteries, assistance on allowable admissions policies, professional development, and training modules.

Dept. is the answer!

Pros and Cons:

Pros

This approach supports ED's effort to consolidate and coordinate its technical assistance activities. It utilizes existing TA sources by providing the resources they would need to carry out significant TA in the area of public school choice.

This approach would establish public school choice as a legitimate priority of selected TA providers, thus facilitating the delivery of these services.

This approach is more cost-effective than creating choice-specific TA centers

Cons:

ED's Choice staff would have to expend a significant amount of time coordinating and negotiating services

from various providers.

Planners and implementers of public school choice would receive services from multiple providers and therefore may need guidance from ED regarding the best provider for a given TA need.

More funds will be needed by the Comprehensive Centers to support an increased level of TA for public school choice.

Recommendation:

The Department plays a significant role in providing technical assistance. This option is a logical extension of the existing efforts to provide comprehensive assistance.

Support for this option is strongly recommended.

Option 4 (Legislative): Create a new Choice Institute within OERI

Create a Choice Institute within OERI to coordinate research and model development that focuses on options of public school choice.

Discussion:

The Department's efforts at organizing a comprehensive plan towards looking at public school choice are limited. Research efforts for the two currently funded choice programs, charter schools and magnet schools, are not coordinated, and other methods of public school choice (e.g., open enrollment, and inter- and intra-district choice) are neither funded for support nor included in research or evaluations.

In order to provide a comprehensive and coordinated approach that examines the successful elements of public school choice, while also maintaining the distinctiveness of each individual option, ED must reorganize its research efforts by looking at the various public school choice options as part of an array of options, not as individual programs that happen to provide choice.

Pros and Cons:

Pros

This would provide a centralized authority that would guide new research, consolidate existing research, and provide leadership to coordinate the various elements of public school choice.

Cons:

The creation of another Institute would be expensive. Additionally, it would add another layer of bureaucracy and create confusion in the overall management of OERI. Not a productive method of coordinating existing and future research

Existing institutes exist to cover the various components of public school choice, and a new Institute would be redundant.

Recommendation:

Discussions with some OERI staff suggest that this option would be overly bureaucratic and would not be a good use of existing resources.

Support for this option is not recommended.

Option 5 (Non-legislative): Organize and Consolidate Current Research

Create a work-group that draws on staff from all the offices of the Department to focus on public school choice through evaluations, research, and model development. This work group would set and define a comprehensive research agenda and request a unified budget to implement new research and evaluation activities for public school choice. [Note: If either option under "Organizational Structure" is approved, this work group would work under the supervision of that entity. If neither of the "Organizational Structure" options is approved, sponsorship of this work group would have to be determined.]

Discussion:

See Option 4.

Pros and Cons:

Pros

Consolidates existing staff and research activities in an effective way.

Would provide a coordinated unit that would provide a Department-wide perspective on public school choice.

Cons

Could be difficult for various offices to coordinate without a strong leader with the authority to coordinate these activities.

Without legislative change, the work-group might lapse or wither away over time as other priorities take shape.

Recommendation:

This is a good option that provides flexibility and accountability within the Department while maintaining a strong role in developing a consistent agenda on public school choice.

Support for this option is strongly recommended.

ISSUE: ORGANIZATIONAL STRUCTURE

Whether to support either of two proposed changes to the current organizational structure of the Office of Elementary and Secondary Education. Neither option requires legislative action.

Option 1: Establish a Program Office for Public Choice

Create a program office for "Public School Choice" that coordinates the work of the Public Charter School Program, the Magnet School Assistance Program and a new and evolving Public Choice Program. The Public School Choice Office would be headed by a program director who reports directly to the Assistant Secretary for Elementary and Secondary Education.

oh
Now

Cam?

Discussion:

The Department does not have a coherent strategy or agenda regarding choice in education. Choice is either viewed from the vantage of the Charter Schools program or the Magnet Schools Program, but not in a comprehensive, organized, coherent structure of looking at the phenomenon of choice in public education. The Department largely ignores other public school choice options since we do not fund a grant program to support those other options.

Establishing a Public School Choice Office would provide a cohesive structure under which a coherent and consistent strategy for supporting choice in public education would emerge. This Office would oversee the operation of the Charter School and Magnet Schools programs and be responsible for establishing the Department's position on other choice options that are not supported by grants from the Department but may be consistent with the Department's principles for public school choice. The Choice Office would also be responsible for operating the model development program discussed in New Authorities, Option 3. This Office would enable better coordination and cooperation throughout the Department among various activities, including grant making, research, technical assistance, model development, and external and internal communication on choice-related issues.

The Public Schools Choice Office would consolidate the existing staff (approximately 12 FTE) from the Magnet and Charter program offices, and would require additional staff to oversee the research activities, implement an effective outreach strategy, assist in the creation of a seamless voice on public school choice, and provide assistance in the grant review and technical assistance activities. The new Office of Choice would encompass between 12 and 18 FTEs.

Pros and Cons:

Pros

A coordinated Office would elevate the importance of public school choice, without necessarily adding resources. The Department could publicly acknowledge the commitment to expanding public school choice, and reinforce for the field the importance of addressing all forms of public choice as part of a continuum rather than isolated reforms.

The Office could better coordinate work on issues that generate controversy. By coordinating actions, the Department could remain more responsive to States and schools, while at the same time addressing these issues in a way that is sensitive to Department positions on related issues -- such as vouchers, skimming, and supporting school reform.

Many SEAs create similar offices of Public School Choice. These offices allow State agencies to develop familiarity with all the choice options available within a State. Similar structure within ED would improve our work with State contacts.

Cons

Staff resources and time could be directed away from their primary mission of supporting the individual programs.

The Charter Schools program could receive more attention since it is primarily a choice program.

The field could react negatively to the inclusion of the Magnet Schools program under a Choice Office.

Recommendation:

This option would provide a unified and clear approach to supporting choice in public education and would enable the Department to coordinate its rhetoric and programs supporting public school choice in a comprehensive and cohesive manner

Support for this option is strongly recommended.

→ by whom?

Option 2: Establish a Special Assistant for Choice within ODS or OS

Discussion:

Designating an individual to be responsible for coordinating the Department's efforts on public school choice would provide the Department with a centralized voice that would be able to promote the Department's views and policies on public school choice. This individual would ensure that the Department speaks with a consistent and clear voice on the research, model development, and technical assistance for the various methods of public school choice available to students.

Pros and Cons:

Pros

An individual with the authority to organize the Department's efforts at supporting public school choice into a cohesive team would provide leadership to the diverse and dispersed efforts at supporting and promoting public school choice.

Providing a coherent and consistent voice on public school choice would allow the Department to further discussions on public school choice.

Cons

Separating the decision-making from the program implementation within OESE would not be an efficient use of Department staff or resources and would create an additional layer of unnecessary coordination and oversight.

Recommendation:

This option would be a burdensome addition to the Department's efforts in choice by removing it from the program offices and placing it in a separate office. Instead of streamlining efforts, this would create a new authority and responsible entity and would not be productive.

Support for this option is not recommended.

PART III: CHARTER SCHOOLS

Background:

The first charter school law was passed in 1991. Currently 33 States, Puerto Rico and the District of Columbia have charter school laws, and more than 1,100 charter schools will be open in September, 1998. The President has repeatedly called for the creation of 3,000 charter schools by the beginning of the next century.

The Public Charter Schools Program (PCSP) is designed to address the most pressing challenges facing charter schools: a lack of access to start-up funding. Each year the National Evaluation of Charter School's survey indicates that the lack of access to start-up funding is the greatest obstacle to operating a charter school. In the 1997 report, the survey found that 59 percent of schools listed this lack of start-up funds as difficult or very difficult to overcome. This is 17 percent more than the next most pressing obstacle -- lack of planning time.

In 1993, the President proposed the creation of a public charter schools program, which became law in 1994 as part of the reauthorization of the Elementary and Secondary Education Act. The program's primary task is to address the schools' most pressing obstacle. The program does so primarily by awarding grants to eligible State educational agencies (SEAs) that then award subgrants to individual schools. In cases where eligible SEAs elect not to participate or do not have approved applications, the Secretary may award grants directly to schools. The program provides grants to over 400 charter schools in 19 States, Puerto Rico, and the District of Columbia. FY 1997 funds provided more than \$44 million to new and continuing grants, with the average State receiving more than \$2 million, and the average school receiving between \$50,000 and \$70,000. Schools can receive only one grant or subgrant for a period of up to three years. These funds can be used by grantees for planning (up to eighteen months), and initial implementation of a charter school (no more than two years).

The reauthorization issues discussed in this paper have origins directly related to either: (1) legislation pending in Congress; or (2) concerns voiced about some aspects of charter schools that may need closer scrutiny. Items numbered one through four of the eight areas to be considered under this reauthorization address issues related to the pending legislation, and items five through eight address special areas of concern.

Pending Legislation

Legislation, *endorsed by this administration*, is pending in Congress. This legislation would reauthorize the Federal charter school program this year. If such legislation passes (an increasingly unlikely event) the "re-reauthorization" of the program next year will be shaped by the nature of changes enacted this year. If pending legislation does not pass, there may be components of the current legislation that have to be included in the proposed reauthorization.

Areas of Concern Needing Special Scrutiny

Recently, the Office of the Inspector General conducted an informal review of charter schools in Arizona, Colorado, and Michigan. That review has identified several areas not considered in the pending amendments in Congress that need to be considered during reauthorization:

Use of a Lottery in Student Admission - Some charter schools, with at least the tacit approval of SEAs, are not admitting students on the basis of a lottery. Section 10306(1)(H), ESEA requires that "charter

schools" (used here to refer to schools receiving PCSP funding) admit students on the basis of a lottery, if more students apply for admission than can be accommodated. When questioned by the OIG about this, one SEA official said that, since ED has never defined the term "lottery," he was using his own definition. An official at another SEA said that there was wording in its application for PCSP funding that allowed charter schools to select students by an equitable selection process such as a lottery. He further maintained that admitting students on a first-come/first-served basis is similar to a lottery system. *ED needs to continue its efforts to develop an operational definition for the term "lottery" and disseminate this information to SEAs and charter schools.*

yes
PCSP

For-profit Entities Awarded PCSP Funds - OIG was informed by an SEA official that at least eight for-profit charter schools received PCSP subgrants in her state. Also, a Center for Education Reform [CER] survey reported that for-profit entities are participating in PCSP in other states, and that for-profit organizations were applicants or operators of 7 percent of charter schools nationwide during the 1996-97 school year. *ED should examine and clarify the role for-profit companies play in charter schools to ensure that the education of students has top priority.*

Take action on schools!

Private School Conversion to Public Charter School Status - OIG found that there is at least the potential for schools to use PCSP funding to serve select populations that are normally served by private schools. Some private schools that have been "converted" to public charter schools may have maintained their select clientele. The CER survey indicated that during the 1996-97 school year 14 percent of charter schools had at one time been private schools. *ED should consider recommending that the program statute be amended to require specifically that the recruitment, selection, admission, and counseling procedures of schools receiving PCSP funds ensure that their educational offerings are effectively publicized for and truly made available to all segments of the community.*

Disseminate more

Eight areas under consideration for the reauthorization of charter schools:

1. The quantity of charter schools nationally;
2. The quality of charter schools;
3. The accountability (academic and fiscal) of schools and charter granting entities;
4. The flexibility given to charter schools;
5. The promotion of equity in and through charter schools;
6. The use of lotteries in admissions;
7. The participation of schools that were previously existing private schools; and
8. The involvement of for-profit and contracting organizations in charter schools

For many of these issues a range of strategies have been identified. While not mutually exclusive, in most cases the Department can address an issue by selecting from among several options, including:

1. technical assistance
2. guidance
3. regulation
4. statutory change
5. leveraging changes in State and local policy

Changes in State and local policy can only be suggested or encouraged. Such changes can be facilitated through technical assistance, guidance, regulation or statutory change. But in addition, ED may impact State policy by:

1. prioritizing States according to elements of State law for the delivery of program funds

2. developing and disseminating model legislation that incorporates desired aspects.

Areas for Reauthorization

1: Quantity of Charter Schools/Incentives for Effective State Laws

Background:

best quality

The primary objective of the charter school program will remain supporting the creation of significant numbers of charter schools. Given the rapid growth in the number of charter schools, the challenge will be to promote high-quality charter schools that are held accountable for results. The most important lever for generating large numbers of successful charter schools is State policy. Despite the availability of Federal start-up grants, it is the determining factors of State policy that truly affect the numbers of charter schools in a given State. While 35 States and entities have charter school laws, three States -- Arizona, Michigan and California -- have more than half the nation's charter schools. Other States -- such as Texas, Florida and North Carolina -- have new laws and fewer schools but also have tremendous growth rates. The majority of States, meanwhile, have laws that generate fewer schools.

is it

Consequently, one of the most promising strategies for promoting more charter schools is to establish priorities for providing Federal funding to States that create incentives for States to enact laws that lead to more schools. (For further discussion on the role of state policy in shaping charter school programs and possible Federal activity to inform State policy, see Appendix B)

Currently, pending legislation would provide incentives for states that:

- remove caps on the numbers of charters allowed;
 - allow entities in addition to local school districts authorized to grant charters;
 - grant a larger degree of regulatory freedom; and
 - have a regular review of each charter school's progress toward meeting the terms of its charter.
- Need other*

Options:

1. Depending on the outcome of pending legislation in Congress, these and other priorities could be rewarded through the distribution of Federal dollars to States with policies that match desired priorities. The appropriate criteria that the programs dollars should encourage will require a more extensive discussion than the scope of this paper allows. State policies that the program could encourage through the distribution of Federal dollars include:

- State provision of start-up funds;
 - State-provision of facilities funds;
 - State-provision of equitable per pupil funding
- ? ←*
you →

2. ED could release model charter school laws and allow states to consider suggestions for more effective laws. State laws vary considerably. Differences in policy affect the scope and nature of charter school programs. Congress has already suggested that the Department develop and disseminate model charter school laws. States may favorably consider suggested policies that promote high-quality, accountable charter schools. (Also see Appendix B, for strategies for informing States of effective laws, and on the pros and cons of adopting a model law.)
- Yes*
Now!

Pros and Cons:

Pros	Cons
<p><i>Do this</i></p> <p>1. Further prioritize States according to laws</p> <ul style="list-style-type: none"> generate more charter school laws leverage money for broader impact on core issues increase numbers of schools, strengthen the degree of flexibility allowed as well as the level of support provided and the amount of accountability required of charter schools <p>2. Release model laws</p> <ul style="list-style-type: none"> Adopting a model law could add to quality of policy, without dictating results or allowing Congress to determine elements of models 	<ul style="list-style-type: none"> could antagonize States and advocates for States' rights Congress could amend legislation to build in support for aspects of laws that threaten accountability or equity antagonize groups who are opposed to charters

Recommendation:

Option 1 is not recommended at this time. Depending on legislation pending currently, an abundance of "priorities" would become too complex to administer. If no legislation passes this year, a set of priorities should be established reflecting ED's positions on many of the issues presented in this paper. The utility of priorities in State funding will decrease as more are included, consequently the total mix of priorities in State law must reflect core objectives of the Department. Option 2 is strongly recommended. The creation of model legislation by ED is already authorized under the current legislation. Creating such models could leverage significant changes in State policy.

2: Quality of Charter Schools/National Activities to Support Charters

Background:

The provision of start-up funds supports the quality of charter schools by allowing them to overcome the financial and logistical obstacles encountered in the early stages. The additional federal funds can create the opportunity to focus on many other program improvements of individual schools. In addition, the Department has authority to use 10 percent of the total funds to support national activities. Congress is considering limiting the national activity proportion to five percent, or five million dollars (whichever is least).

The program currently uses national activities funds to support things such as: evaluation, technical assistance and networking among charters to support the provision of other services to charter schools through the Department's Comprehensive Assistance Centers and Equity Assistance Centers. (For more discussion of recommended activities to support charter schools, see Appendix A as well as Appendix C.)

Options:

- Yes*
- Retain adequate national activities funds (at the 10 % level) to support charter schools. Useful activities include:
 - national, regional and local meetings of charter schools to share best-practices;
 - evaluation;
 - electronic communications through the "uscharterschools" website,

Do this now

yes (can be low now) should consider action

Ok - I agree

Do this

- assistance and materials to help SEAs and LEAs with the charter granting and review;
- communication and outreach to other organizations and communities that can assist and promote the development of high-quality charter schools; and
- impact on the rest of the education system.

2. Create an "Exemplary Charter School Award"

ED could seek authority to conduct a competition to recognize outstanding charter schools. A State and national competition would provide visibility to exemplary schools, and help disseminate success by determining which schools deserve designation as an exemplary school.

*Tricky
explain*

Pros and Cons

Pros	Cons
<p>1. Retain 10% of funds for national activities</p> <ul style="list-style-type: none"> ◆ strengthen accountability and work by districts and other charter granting entities ◆ improve networking among good schools ◆ build public understanding/support for charters ◆ build networks among the rest of the education establishment, thus leveraging additional resources 	<ul style="list-style-type: none"> ◆ draw resources away from grant programs that support school start up ◆ draw criticism for "inappropriately" broad Federal role ◆ people may push for " earmarked" activities that do not match our priorities, such as support for capital expenses
<p>2. Create Exemplary Charter School Award</p> <ul style="list-style-type: none"> ◆ provide visibility and recognition of high quality schools ◆ determine which successes warrant dissemination ◆ support in-depth evaluation of charter schools 	<ul style="list-style-type: none"> ◆ administrative burden ◆ cost <p><i>Can be done simultaneously</i></p>

Recommendation:

oh

Options 1 and 2 are both strongly recommended. Decreasing the proportion of funds from 10 % to 5% of national activities would limit ongoing activities primarily to the completion of current research. Work on technical assistance that would impact quality and accountability would be curtailed. An exemplary charter school award would promote visibility for successful schools, while encouraging evaluation.

3: Accountability of Charter Schools and Charter Granting Entities (CGEs)
Background:

Charter schools are based on the premise that a group of people will receive freedom to run a school as they see fit, if they demonstrate that the school meets the terms of its charter and that it is meeting the standards of public education that we hold for all schools -- i.e., operating in a safe manner, providing a non-sectarian education, and not discriminating in any way that violates students' civil rights. Various writers -- see the recent *US News and World Report* Articles, and the *New York Times Sunday Magazine* for two examples -- have alleged that there is inadequate accountability in the charter school movement. (For more information on steps to strengthen accountability in charter schools, see Appendix C.)

*As 2
could be*

→ right

Options:

1. Modify the prioritization of State funding according to the presence of policy elements that strengthen accountability. Possible policies to reward include: terms of the charter not to exceed five years; required evaluations of state programs, or state-sponsored evaluations of the entities that grant charters. oh
2. Directly fund, or use subgrants, to support work by CGEs and LEAs to create accountability plans. Such plans could incorporate: solicitation and review of applications; oversight of schools; evaluation; and consideration of charter renewal. Such plans could also be developed for each school, with additional support.
3. Clarify that an allowable use of Federal start-up grants would be to develop accountability plans for each school. ok
4. Mandate that a proportion of each Federal start-up grant be used to develop an accountability plan for each school.

Pros and Cons

Informative about school // *Fairly well distributed to all*

Pros	Cons
<p>1. Prioritize accountability</p> <ul style="list-style-type: none"> ◆ generate more accountability ◆ leverage cost and burden for broader impact on core issues <p><i>will be you mean?</i></p>	<ul style="list-style-type: none"> ◆ could antagonize States and advocates for States' rights ◆ Congress could amend legislation to build in support for aspects of laws that threaten accountability or equity
<p>2. Fund accountability plans</p> <ul style="list-style-type: none"> ◆ ensure stronger accountability ◆ can be done under existing national activities 	<ul style="list-style-type: none"> ◆ larger role for Federal funding ◆ only covers selected schools ◆ could take resources from portion of national activities
<p>3. Clarify allowable use of funds for accountability plans</p> <ul style="list-style-type: none"> ◆ no mandate included ◆ no additional resources 	<ul style="list-style-type: none"> ◆ little leverage
<p>4. Mandate accountability plans</p> <ul style="list-style-type: none"> ◆ leverage additional resources ◆ scope covers all grantees 	<ul style="list-style-type: none"> ◆ is a mandate ◆ take resources from total used to meet other obstacles

Said more minor with bit accountability

what & how?

Discuss

Recommendation:

Option 1 is recommended only if the program is not overburdened with additional priorities by the passage of pending legislation. Options 2 and 3 are strongly recommended. Existing and additional funds should be directed toward strengthening accountability. States and districts are reluctant to put adequate resources into evaluation and the development of accountability plans. Funding some "model" efforts may encourage other SEAs and CGEs to increase their attention to accountability. Option 4 is not recommended. The charter school movement is based on a minimum of regulation and direction. Placing additional mandates on charter schools would undermine the concept.

with AS require public accountability

no → Talk work

4: Flexibility Given to Charter Schools:

Background:

The other half of the "autonomy for accountability" exchange is freedom from rules and regulations. Currently charter schools in some states enjoy regulatory freedom. The Department could encourage greater regulatory freedom at the State and local level by providing incentives for States that provide adequate deregulation. ← what does this mean?

At the Federal level, the national evaluation finds that Federal regulations are one of the least significant barriers facing charter schools. Only six percent of schools list Federal regulations as a difficult or very difficult obstacle. This percentage puts Federal rules behind 14 higher-rated obstacles. However, recent research by the Government Accounting Office finds that barriers still exist. Additionally, feedback from individual operators (shared through recent focus groups and at the Department's National Charter Schools Conference) indicates that many Federal programs are not readily accessible to charter schools. Operators often describe difficulties with:

- reluctant SEA and LEA administrators;
- difficulties associated with generating estimates of enrollments before schools open; and
- lack of knowledge of the specific issues and peculiarities that come with charter schools on the part of Federal, State and local officials.

Options:

1. Clarify eligibility and reporting requirements of charter schools for Federal programs, or have each separate program clarify such requirements.] *you now*
2. Provide guidance and direction to LEAs and SEAs in how they administer Federal programs for charter schools.] *you now*
3. Inform other Federal agencies and ED programs about the needs of charter schools.] *you now*
4. Prioritize Federal funds for states according to the amount of flexibility granted.] *you now*
5. Include provisions granting deregulation to charter schools in model laws.] *NO*
6. Work with charter schools to examine application for, and use of, waivers by charter schools. → *what does this mean?*
7. Work with charter school operators to review ED programs to ensure there are no unnecessary obstacles to accessing Federal funds.

have are not regulate they are charter school!

as you now

look for a reasonable balance → Charter schools now have less accountability the most points should!

what is model law - what are you modeling

Pros & Cons:

Pros	Cons
<p>1. Clarify administration of Federal programs</p> <ul style="list-style-type: none"> ◆ case administration for all involved ◆ may not take legislation for most cases 	<ul style="list-style-type: none"> ◆ may require regulating ◆ Congress may overstep changes ED plans
<p>2. Provide guidance to LEAs and SEAs</p> <ul style="list-style-type: none"> ◆ leverage existing resources for charter schools ◆ little additional costs of delivering resources 	<ul style="list-style-type: none"> ◆ complicated issue requiring case-by-case analysis of schools' legal and financial relationships with local and State entities
<p>3. Inform ED and other agencies</p> <ul style="list-style-type: none"> ◆ leverage all Federal resources ◆ not require legislation 	<ul style="list-style-type: none"> ◆ difficulty of interagency communication
<p>4. Prioritize funds by flexibility</p> <ul style="list-style-type: none"> ◆ leverage State action ◆ covers State-level obstacles 	<ul style="list-style-type: none"> ◆ antagonize States/advocates for States' rights ◆ Congress could amend legislation to threaten accountability or equity ◆ State context of regulation varies
<p>5. Include flexibility provisions in model laws</p> <ul style="list-style-type: none"> ◆ no cost or burden to Federal programs ◆ not require legislation 	<p><i>you do not need this</i></p> <ul style="list-style-type: none"> ◆ adopting model laws could antagonize issue-based and organization-based groups
<p>6. Examine use of waivers</p> <ul style="list-style-type: none"> ◆ provide discretion to Department ◆ avoid legislative solutions that go beyond Department's intended level of flexibility -- ensuring civil rights and special education 	<ul style="list-style-type: none"> ◆ none
<p>7. Analyze ED programs to find obstacles</p> <ul style="list-style-type: none"> ◆ helping "reinvent" government ◆ obstacles encountered may be helpful if removed more broadly, expanding scope of benefits from charters to rest of system 	<ul style="list-style-type: none"> ◆ none

*Not
as a
sole
action*

[Handwritten box around pros 5]

NO

NO

Recommendation:

Options 1, 2 and 3 are strongly recommended. Such action is necessary to appropriately administer these programs for the growing number of schools. Option 4 is not recommended. Priorities should be focused on areas increasing accountability, quality and the number of charter schools. Options 5, 6 and 7 are strongly recommended. Model laws should encourage the real exploration of flexibility among charter schools. Additional information on obstacles or the use of waivers would be useful to understand the benefits of innovation in charter schools that may be of benefit to other public schools.

NO

5: Promoting Equity In and Through Charter Schools

Background:

One of the most important issues raised by charter schools involves serving poor and minority students and the potential concentration of students of homogeneous backgrounds in these schools. This issue is central to any discussion of school choice. The national evaluation of charter schools finds that most charter schools roughly represent the demographics of the districts in which they are located. A small percentage, around five percent, have higher concentrations of white students than the districts in which they are located; and a larger percent, around 20 percent, have significantly more students of color than the districts in which they are located. *Really?*

Perhaps this issue is reflective of larger changes and trends in public education, but it could also be linked to the opportunities that charter schools provide communities. Charter schools can be used by people to create schools with a focused mission, designed to provide an education that will help particular students succeed. ED discussions of this issue need to address charter-specific issues as well as larger concerns the Department has for equity in public schooling. Likewise, Department-wide attempts to explore this issue may want to consider any lessons or experiences emerging from the charter school movement when shaping other Federal initiatives.

Options:

1. Expand work with Equity Assistance Centers designed to increase equitable access to charter schools; *yes now*
2. Convene a national group of education and community leaders to discuss implications of charter school movement for equity in public education; *yes now*
3. Expand the attention to equity issues in existing studies; *yes now*
4. Begin a separate study of equity issues among charter schools; *yes*
5. Specify language in model laws addressing equity in charter schools; *yes*
6. Clarify language regarding special education and demographics in the definition of charter school law. *yes*

*with don the
man?*

Pros & Cons

Pros	Cons
<p>1. Expand work of Equity Assistance Centers</p> <ul style="list-style-type: none"> ◆ leverage existing financial resources/expertise ◆ flexibility in application of assistance, based on local context 	<ul style="list-style-type: none"> ◆ additional cost <p style="text-align: right;"><i>yes now!</i></p>
<p>2. Convene a national group</p> <ul style="list-style-type: none"> ◆ Gather experience and input ◆ reflect range of attitudes 	<ul style="list-style-type: none"> ◆ may raise issues outside scope of area ◆ may expand interest in additional options <p style="text-align: right;"><i>yes now!</i></p>
<p>3. Expand existing studies</p> <ul style="list-style-type: none"> ◆ low cost ◆ quickly implemented <p style="text-align: right;"><i>yes</i></p>	<ul style="list-style-type: none"> ◆ burden or delay existing studies <i>why?</i> ◆ limited ability/expertise, to deal with issues <p style="text-align: right;"><i>yes now</i></p>
<p>4. Begin a separate study of equity issues</p> <ul style="list-style-type: none"> ◆ not burden existing studies ◆ focus study on appropriate data, analysis and expertise <p style="text-align: right;"><i>yes</i></p>	<ul style="list-style-type: none"> ◆ additional cost ◆ slower implementation ◆ administrative burden of growing number of individual studies <p style="text-align: right;"><i>get the option</i></p>
<p>5. Specify language in model laws</p> <ul style="list-style-type: none"> ◆ no legislation required — <i>ok?</i> ◆ leverage State policy which more directly affects schools <p style="text-align: right;"><i>??</i></p>	<ul style="list-style-type: none"> ◆ no power over State policy ◆ difficult to determine what policy is best <p style="text-align: right;"><i>? maybe</i></p>
<p>6. Clarify language in charter school law</p> <ul style="list-style-type: none"> ◆ power over States policy ◆ leverage State policy through incentives <p style="text-align: right;"><i>spnd ed</i></p>	<ul style="list-style-type: none"> ◆ open issue to congressional debate ◆ difficult to determine what policy is best <p style="text-align: right;"><i>? maybe</i></p>

Recommendation:

Options 1 and 2 are strongly recommended. Options 3 and 4 should be decided on the basis of the feedback gained under option 2, and conducted without additional legislation under current authorization. Option 5 is recommended. Option 6 is not recommended.

6: Lotteries:

Background:

The current authorization requires that any charter school receiving Federal start-up funds must use a lottery to select students if more students apply than the school can accommodate. The language provides no more guidance in what constitutes a lottery, or what sorts of preferences are appropriate when conducting a lottery. Several States have similar language requiring schools to use lotteries (CA, MI for example) and have since issued State-guidance on how to administer lotteries. Other States have no such requirement. Congress placed the lottery language to address concerns about equitable access to charter schools, and to reflect the practice in some of the first States with charter schools. (From personal communication with Jon Schroeder, former staff to Sen. Durrenberger, May 1998.) For more information

on how one State's charter school operators view lotteries, see Appendix D. This document summarizes feedback from a focus group meeting with operators.)

In lotteries, specific issues that arise, include:

- preferences for siblings;
- preferences for attendance zones of existing public schools that convert to charter status;
- preferences for children of school organizers, teachers and staff;
- preferences or thresholds to match students to a school's mission -- for example, preferences for deaf students at a school for the deaf, or for mothers and fathers at a school designed to serve teen parents; and
- the use of entrance requirements, tests, prerequisite courses or student/family interviews.

The first national survey reported that 39 percent of the respondents reporting using a lottery, 41 percent used a "first-come-first-served" system, and that ten percent used a combination of the two. Under ten percent used "some other process." Recent focus groups with school organizers provided extensive feedback about their concerns regarding lotteries. Many operators felt so strongly about this issue that they would turn down Federal start-up dollars before using a lottery. They feel that they can achieve equitable admissions, and meet the mission of their school through other means

sent
we
finds
them

Options:

1. Issue further guidance on lotteries. (The Department has drafted a letter from the Assistant Secretary to all chiefs and State charter school program administrators, clarifying basic positions on siblings, children of founders, teachers and staff, and on children in attendance zones of existing public schools that convert to charter status. This letter is still in process. Further guidance may address controversial issues.)
2. Regulate the use of lotteries in charter schools. — ?
3. Change the lottery language in the law to allow various exemptions or preferences.
4. Clarify the lottery language in the law to rule out all exemptions
5. Allow the Secretary to waive this requirement when the school or charter granting entity can demonstrate the another method is necessary to helping the school meet its mission, and that such action will not prevent equitable access to the school or violate the civil rights of any prospective students.

yes
now

The Sec should
not be dealing
with schools

Pros & Cons

Pros	Cons
<p>1. Guidance</p> <ul style="list-style-type: none"> ◆ need not regulate, or risk Congress changing position through legislative process 	<ul style="list-style-type: none"> ◆ limited impact <i>yes now</i>
<p>2. Regulations</p> <ul style="list-style-type: none"> ◆ need not risk Congress changing position through legislation 	<ul style="list-style-type: none"> ◆ have avoided regulating thus far NO <i>NO</i> ◆ may prompt legislative changes
<p>3. Legislative changes to allow exemptions</p> <ul style="list-style-type: none"> ◆ clearly stipulate what should be done ◆ would avoid need to regulate 	<ul style="list-style-type: none"> ◆ Congress may allow unintended exemptions NO <i>NO</i> ◆ proposal may not be adopted by Congress
<p>4. Legislative changes to eliminate exemptions</p> <ul style="list-style-type: none"> ◆ avoid possible abuses by schools 	<ul style="list-style-type: none"> ◆ eliminate approaches that are creative ◆ in contradiction with most State laws, leading to potential abandonment of Federal program <i>NO</i>
<p>5. Create waiver authority</p> <ul style="list-style-type: none"> ◆ maintain flexibility envisioned as part of charter school process ◆ maintain discretion over what is appropriate flexibility 	<ul style="list-style-type: none"> ◆ may receive overwhelming number of exemption requests <i>NO</i> ◆ possible allowance of undesirable waivers ◆ would require legislative changes

Recommendation:

Option 1 is recommended. Option 2 is not recommended, unless adequate protections cannot be agreed to under current legislative authority. Option 3 is not recommended unless options 1 and 2 cannot lead to adequate protections. Options 4 and 5 are not recommended. Eliminating all exemptions would be unfortunate, and counter to most States' laws. Limited exemptions or preferences make administration of charter programs more practical in communities and remove disincentives for people to commit the time and work necessary to create charter schools. Appropriate direction to States to ensure any exemptions or preferences protect students' civil rights and maintain the open nature of charter schools is necessary. Extended waiver authority could lead to requests that under mine open-nature of charter schools.

7: Conversion of Existing Private Schools

Background:

The conversion of previously existing private schools to charter status generates controversy. Currently only a handful of State charter schools laws allow this (see MI, AZ, NC, TX). Even in States with a prohibition against the direct conversion of private schools, it remains possible to dissolve an existing school and apply for a new charter with a different group that includes many people and resources from the original school. ED's primary concern has been existing schools converting in a way that does not open the "new school" to children who were not previously enrolled in the school. If this is the case, the charter mechanism can be used to provide public funds for the original private school. If, however, the school is open to all students, the experience and resources from the original school may provide help that ensures a successful school. The Department is examining this issue through focus groups and additional

investigations should provide more information in the coming months. Current legislation does not appear to provide a mechanism for prohibiting the conversion of existing private schools, as long as such schools create a new public charter school under State law.

Options:

1. Use guidance to describe appropriate steps for enrollment in converted private schools.
2. Use regulations to describe appropriate steps for enrollment in converted private schools.
3. In statute specify steps for appropriate enrollment practices in converted private schools.
4. In statute prohibit existing private schools from converting to charter status
5. Create a priority to give preference to States that prohibit the conversion of private schools
6. Include language in model laws that prohibits converting private schools or clarify appropriate steps for conversion.
7. Take no action to restrict or discourage the conversion of private schools to charter status.

eye now

Let's Sum

Pros & Cons

Pros	Cons
<p>1. Use guidance, re: appropriate steps</p> <ul style="list-style-type: none"> ◆ avoid legislating or regulating ◆ increase numbers of charters and resources 	<ul style="list-style-type: none"> ◆ possible abuses ◆ possibly add support to vouchers
<p>2. Use regulations, re: appropriate steps</p> <ul style="list-style-type: none"> ◆ increase numbers of charters and resources 	<ul style="list-style-type: none"> ◆ could contribute to confusion with vouchers ? ? ◆ have to regulate
<p>3. In statute, specify appropriate steps</p> <ul style="list-style-type: none"> ◆ increase numbers of charters and resources 	<ul style="list-style-type: none"> ◆ allow States to continue converting schools ◆ Congress may not include steps in language, expanding scope of private school involvement
<p>4. In statute, prohibit</p> <ul style="list-style-type: none"> ◆ avoid possibility of abuse ◆ separate charters from vouchers clearly 	<ul style="list-style-type: none"> ◆ lose resources of private schools to charters ◆ Congress may not include steps in language, expanding scope of private school involvement
<p>5. Prioritize States that prohibit converting</p> <ul style="list-style-type: none"> ◆ avoid mandate ◆ allow States to determine best approach ◆ leverage State policy ◆ create incentive without mandating 	<ul style="list-style-type: none"> ◆ possible abuses ◆ continue confusion regarding differences between charters and vouchers ◆ many priorities becomes unworkable
<p>6. Include language in model laws that prohibits or clarify appropriate steps.</p> <ul style="list-style-type: none"> ◆ avoid mandate, yet clarify voucher distinctions ◆ allow States to determine best approach 	<ul style="list-style-type: none"> ◆ abuses could occur
<p>7. Take no action to restrict or discourage the conversion of private schools to charter status</p> <ul style="list-style-type: none"> ◆ charter movement benefits from resources of private schools 	<ul style="list-style-type: none"> ◆ abuses could occur

Recommendation:

The least burdensome, yet effective option of 1, 2 or 3 should be enacted. If option 1 is not sufficient, option 2 should be enacted. If options 1 and 2 are not possible, then option three should be enacted. The prohibition of private schools (option 4) is not recommended, unless options that clarify appropriate practices (options 1, 2, 3) cannot be enacted. In the event that appropriate steps for use of conversions cannot be enacted, a prohibition against conversions should be enacted (option 4). Option 5 is not recommended. Based on decisions reached regarding the prohibition of private conversions, option 6 is recommended, granted the model law reflect the appropriate steps. Option 7 is not recommended.

8: Involvement of For-Profit and Contracting Organizations in the Charter Movement

Background:

A growing number of charter schools involve for-profit organizations in their management and operation.

Active organizations include:

- Edison
- Advantage Schools
- Sabis
- Beacon Education Management
- Charter Schools Administration Services
- Excel Education Centers
- The Leona Group

Contractor model
incentive ←

Like converting private schools, involving these companies' provides additional resources and expertise that charter schools need; but, it also raises larger policy questions. Many States limit the involvement of such groups, or force them to contract with public, non-profit groups, that then work with the organizations through contracts. The involvement of these groups in public education also occurs outside of charters through contracts with school districts to create new schools or operate existing schools. As many as half of the Michigan charter schools are created through such groups, and the use of multiple sites for individual charters has grown in Arizona recently. Some estimates of charter schools operating with such organizations or as franchises put the total number of 80 individual schools, or roughly 10 percent of all charter schools. (For more discussion of this issue, see Appendix C for a review of the role of such organizations and steps the Department could take to decrease any competitive advantages such organizations now enjoy over charter schools that start from scratch without such organizational backing.)

Options:

1. Clarify through guidance, the steps necessary to ensure that contracting organizations are appropriately working with independent groups earning charters, rather than receiving charters directly.
2. Through guidance, prohibit contracting organizations from receiving Federal funds.] *use more the guidance!*
3. Clarify through regulations, the steps necessary to ensure that contracting organizations are appropriately working with independent groups earning charters, rather than receiving charters directly. *IG*
4. Through regulations, prohibit contracting organizations from receiving Federal funds.
5. Clarify statute, clarify the steps necessary to ensure that contracting organizations are appropriately working with independent groups earning charters, rather than receiving charters directly.
6. Through statute, prohibit contracting organizations from receiving Federal funds.] *?? - directly*
7. Include language restricting or prohibiting contracting organizations from receiving charters directly in model laws, or stipulate appropriate levels of involvement. *publicly*
8. Create a priority to give a preference to States that restrict the direct involvement of such entities in the charter schools. *Prohibit*

will be low now

- 9. Provide support to independent organizations that provide the logistical, managerial and financial support to charter schools. (Such support has been a primary reason why independent organizations seek partnerships with for-profit contractors.)
- 10. Take no action to restrict or discourage the involvement of contracting organizations.

NO

should
be
be
be
of
revenue

Pros & Cons:

Pros	Cons
<p>1. Use guidance to describe appropriate steps for contracting organizations</p> <ul style="list-style-type: none"> ◆ schools maintain access to resources ◆ avoid legislating or regulating 	<ul style="list-style-type: none"> ◆ will support development of such groups <p style="text-align: right;"><i>use note</i></p>
<p>2. Prohibit through guidance</p> <ul style="list-style-type: none"> ◆ maintain grass-roots nature of charters ◆ strengthen competitive stance of independent charter schools ◆ avoid regulating 	<ul style="list-style-type: none"> ◆ schools lose access to such resources
<p>3. Use regulations to describe appropriate steps for contracting organizations</p> <ul style="list-style-type: none"> ◆ schools maintain access to resources ◆ avoid legislating 	<ul style="list-style-type: none"> ◆ will have to regulate
<p>4. Prohibit through regulations</p> <ul style="list-style-type: none"> ◆ maintain grass-roots nature of charters ◆ strengthen competitive stance of independent charter schools 	<ul style="list-style-type: none"> ◆ schools lose access to such resources
<p>5. Through statute, describe appropriate steps for contracting organizations</p> <ul style="list-style-type: none"> ◆ schools maintain access to resources 	<ul style="list-style-type: none"> ◆ will support development of such groups
<p>6. Prohibit through statute</p> <ul style="list-style-type: none"> ◆ maintain grass-roots nature of charters ◆ strengthen competitive stance of independent charter schools 	<ul style="list-style-type: none"> ◆ schools lose access to such resources
<p>7. Include language restricting or prohibiting contracting organizations in model laws</p> <ul style="list-style-type: none"> ◆ defer to States ◆ some schools maintain access to the resources of such organizations 	<ul style="list-style-type: none"> ◆ States may chose not to limit involvement ◆ limited impact of model laws
<p>8. Provide support to independent organizations</p> <ul style="list-style-type: none"> ◆ all schools have access to such resources ◆ do not create infrastructure of contractors 	<ul style="list-style-type: none"> ◆ additional cost ◆ difficulty in determining quality ◆ expanded Federal role
<p>9. No action</p> <ul style="list-style-type: none"> ◆ all schools have access to such resources 	<ul style="list-style-type: none"> ◆ growing infrastructure of organizations, may compete with public education system

Recommendations:

Some level of control over the type of operation by contracting organizations is recommended. (Options 1, 3, and 5 each would define appropriate steps). The least burdensome method that still ensures an appropriate level of control should be enacted. Options 2, 4 and 6 are not recommended. Options 7 and 8 are recommended. Option 9 is not recommended.

Technical Fixes

In addition to these major areas, there are several "technical fixes" that may be necessary to the current legislation. Topics that need minor clarifications include language in the legislation that references sections that have been deleted later, language about the types of laws States must pass to be eligible for funding, or other issues that may arise after a careful reexamination of the statute.

Good job

PART IV: MAGNET SCHOOLS ASSISTANCE PROGRAM

Background:

Federal support for magnet schools began in the early 1970's as a Special Projects activity under the Emergency School Aid Act (ESAA). In the early stages of the effort to desegregate schools, the goal was to eliminate dual school systems, which were primarily in the South and the result of de jure discrimination against blacks. Later, special theme schools with high quality instruction (i.e. magnet schools) were used by Courts and by desegregating school districts as an alternative to forced busing, as a way of achieving desegregation on a voluntary basis. It was believed that if white parents were given the choice of having their children attend top quality schools, they would select those schools even if it meant traveling across town to a previously all-black school. This concept proved to have merit and the number of magnet schools for desegregation has quadrupled since 1981 (from 1,019 to over 4,000).

*really?
districts?*

The ESAA program, and with it Federal support for magnet schools ended in 1981. In 1984 support for magnet schools was reinstated through the authorization of the new Magnet Schools Assistance Program under the Education for Economic Security Act. The statutory purpose of the program was to assist the desegregation efforts of public school districts by supporting magnet schools that will (1) eliminate, reduce or prevent minority group isolation in schools with substantial proportions of minority students and (2) offer courses of instruction that will improve student achievement in the academic subjects and their grasp of marketable vocational skills. By regulation the Department continued the ESAA statute's definition of "minority isolation" to mean a school with a 50 percent or higher minority student population. In 1988, the Magnet Schools program was reauthorized as part of the Elementary and Secondary Education Act. In 1994, the program was again reauthorized, with changes that would help ensure that the Federally funded magnet schools would contribute to state and local systemic reform efforts and that poor and minority students would have equitable access to the schools.

*I, the
50% or
more?*

The statute requires that Federally funded magnet schools be designed to bring students of different social, economic, racial and ethnic backgrounds together. The magnet schools must be part of an approved desegregation plan -- either voluntary or required, and proposed projects must show how they plan to improve the racial balance among participating schools; provide high quality educational programs for participants; and foster positive interaction among students of different backgrounds.

While more research is needed to reach firm conclusions, there is evidence that magnet schools are making a difference for many children, particularly children in poor urban school districts.

18 years

A recent study conducted by the Citizens' Commission on Civil Rights and the Vanderbilt Institute for Public Policy Studies found that the magnet schools in St. Louis, Cincinnati, and Nashville provided poor and minority children educational opportunities that they may not have had otherwise. The study also found that the opportunities provided these children are of the type "that have enabled many to succeed academically and to go on to college or productive employment."

*more...?
poor
children?
the
study?*

*were
then...
study for
desegregation?*

More specifically, low-income students in magnet schools included in the study generally scored better on academic performance tests than their counterparts at non-magnet schools. In St. Louis, magnet students substantially outperformed non-magnet students on state assessments in reading, mathematics, social studies, and science. It is believed that they also performed better than would be predicted from their prior ability and socio-economic background. The low-income students who participated in the St. Louis magnet and inter-district transfer programs were found to be significantly more likely to complete high school than their counterparts in non-magnet schools. Cincinnati magnet schools with substantial numbers of disadvantaged students performed above average on standardized tests. (Difficult Choices. Spring 1997.)

*my...
low...*

Other studies, using data from the National Educational Longitudinal Study (NELS) conducted in 1988 and 1990, concluded that:

Magnet Schools show slightly higher tenth grade achievement levels, higher proportions of students taking college preparatory mathematics, and planning for further education than their students' backgrounds would suggest.

selection?

Minority and low-income children were over-represented nationwide in magnet schools and other "schools of choice". Low-income or minority students were more likely to go to a magnet school than high-income or white children.

umm - -
by
lyll =

Magnet schools are more likely to serve disadvantaged students than comprehensive schools, and the average student in a magnet school was more likely to have higher achievement in reading and social studies than a comparable student in a non-magnet school.

city

A study of the San Antonio School District, where 80% of the children qualify for free or reduced price lunch and where 94.4% (1995-96 Characteristics) of the population is minority, found, after adjusting for past test scores, family background, and parental expectations, statistically significant differences in the achievement test scores of students enrolled in magnet schools and the score of students who applied but were not admitted to those schools

The Magnet Schools contribute to better race relations as well as academic achievement. In a recent Public Agenda Report entitled, "Time to Move On: African-American and White Parents Set an Agenda for Public Schools," both white and black parents were reported to believe that integrated schools improve race relations and enhance their children's ability to thrive in a diverse world. About 6 in 10 of the black and white parents were reported to favor achieving school integration through magnet schools. (The percentage was even higher among parents whose child had enrolled in a magnet program.) Since both groups considered academic achievement to be the highest priority, one can assume that magnet schools are perceived to assist academic achievement as well as good race relations.

The Problem

The changing demographics of the country and of school districts are making it difficult to reduce, eliminate, and prevent minority student isolation in schools. Schools, particularly those in large urban areas, are becoming more minority-isolated. Since minority isolation in schools correlates closely with economic isolation, the isolation that is occurring affects both minority and poor students. It also affects white students and society as a whole. In isolated schools students of different racial, ethnic, and economic groups have fewer, if any, opportunities for positive interaction with one another. The reduced opportunities for positive interactions run counter to needs that are quite apparent today. We are living in a time when reports of racial tension and violence have increased, when our society is becoming increasingly diverse, and when the idea of a global society has become a reality. Our country's economic and social well-being requires a well educated citizenry that is capable of living and working together peacefully and productively. It requires a citizenry that also is capable of functioning well with people from other countries and cultures.

According to the 1990 United States population census, whites comprise approximately 71% of the total population. Between 1980 and 1990, the total population increased by 10%, the white population increased by 8%, the black population increased by approximately 16%, the Asian population increased by 65% and the Hispanic/Latino population increased by 44%. It is expected that by the year 2000 one in three people in the United States will be a member of an ethnic or racial minority (The State of Desegregation).

For schools, the change is even more dramatic. Census Bureau data suggests that the number of black students enrolled in public schools increased 3% from 1972 to 1992. In that same period Latino enrollment increased 89%, while white enrollment decreased by 14%. The drop in white enrollment was not balanced for by growth in white private school enrollment. There were 18% fewer white students in private elementary schools and 23% fewer in private high schools than two decades earlier. This means that most of the change in school population characteristics is the result of low white birth rate, higher minority birth rates, and immigration (NSBA, Sonnenschein, 1989). B v B 1954

The growing minority student population increasingly is being relegated to separate, largely urban, schools. Research data indicates that during the past 10 years, schools have been re-segregating. In 1968 when Brown v. Board of Education was decided 77 percent of black students attended schools with less than 50 percent white enrollment. In 1972, as a result of court-ordered desegregation, that figure dropped to approximately 64 percent and remained relatively constant through 1986. By 1994, however, it had risen to 67 percent and appears to have continued to climb. Isolation of Latino students has increased at an even greater rate than for black students during this period. As of the 1994-95 school year over 75% of Latinos were in schools with majorities of Latino or black students. Many large urban school districts now have minority student enrollments of 70% or greater and the minority enrollments continue to increase in these districts. Also the population of minority children in minority-isolated schools is becoming increasingly diverse. (Orfield, 1997; Banks, 1991).

ISSUE: SHOULD ANY CHANGES IN THE MSAP BE PROPOSED

Should the Department seek changes in the Magnet Schools Assistance Program (MSAP) statute to make it a more effective tool for providing to students educational equity, educational excellence and the ability to function well in a diverse society and world?

RECOMMENDATIONS: *Option #2, including both sub-options is recommended. In addition, we recommend adoption of the proposals offered under options #4 and #5. Options #1 and #3 are not recommended for adoption. A discussion of the options follows.*

Option 1: Do not propose a change in the statute or in the administration of the program.

This option is not recommended for adoption.

The Magnet Schools program has helped to make a difference for poor and minority students. Specifically, magnet schools have helped reduce minority group isolation and provide opportunities for positive interactions among students of different social, ethnic and economic backgrounds. This has been accomplished in spite of residential segregation or changing demographics, and they have promoted the value of diversity within our schools and communities. A study completed in 1996 for the Department found that in spite of the changing demographics and other factors outside their control, grantees either achieved their objectives or made progress in reducing the incidence of racial isolation in 64% of the schools examined. (American Institute for Research, 1996)

The Magnet Schools program also is helping to close the achievement gap between minority or poor students and other students. Students from a wide range of backgrounds, not just our traditionally highest achieving students, are benefiting from the Magnet Schools Assistance Program.

Finally, magnet schools are an integral part of the systemic reform efforts of many school districts. Over the years, magnet schools have been and continue to be a major vehicle for parents and students to exercise choice within the framework of our public schools. Magnet schools offer students and parents

opportunities to find the types of educational programs best suited to their needs and interests. They also often serve as school districts informal laboratories for innovation, change and reform. In Cleveland, Ohio a survey of parents whose children attended a federally funded magnet school revealed that 81.7 percent of the parents were either satisfied or extremely satisfied with the program. When asked about the aspects of the program they valued most highly, the parents cited the quality of teacher/student interactions, the education program offered, and the program's ability to strengthen the academic development of their children.-(MSAP Performance Report)

Pros and Cons:

Pros

1. The issues of school desegregation and diversity are politically sensitive and there are significantly different points of view in the education community as to the changes that should be made. Therefore raising them may make what is likely to be a difficult reauthorization process more difficult for the Department.
2. The program has contributed in positive ways to the achievement of school desegregation and the valuing of diversity.
3. The Department does not have all of the answers regarding what is needed to make the program more effective and relevant to the needs of poor and minority students.
4. We need additional research on the needs and the results of the program's efforts, particularly as they relate to improving educational equity and excellence.
5. To the extent that race would be a factor in student assignments, the diversity approach to achieving educational equity may be subject to legal challenges. The courts have not yet resolved this issue.

Cons

1. A failure to propose changes that can improve the program might be viewed as an abdication by the Department of its leadership and administrative responsibilities for the program.
2. The issues are likely to be raised by the education community during reauthorization and the Department would either be restricted to a reactive role or would appear to have been less than forthcoming on this important topic.
3. The Department would miss an opportunity to make changes in the statute that would enable the Department to administer the program in a way that would increase its effectiveness and relevance to the needs of poor and minority children and to the needs of our society in the 21st century.
4. The White House may decide to advocate a change as part of an expanded public school choice initiative (e.g., inter-district magnets). (See Appendix D.)

Option 2: Propose changes in the statute to address issues associated with the desegregation/equity purpose of the program.

This option is recommended for adoption.

As discussed earlier, the Magnet Schools Assistance Programs has helped to reduce minority student isolation in public schools. However, because of changing demographics and current legal trends, progress

in this area is becoming increasingly difficult.

The program's strategy for promoting desegregation reflects the demographics associated with dismantling dual school systems (black/minority vs. white). Current demographics in school districts are different, bringing, perhaps, the need for different solutions.

Both the statutory language regarding the elimination, reduction or prevention of minority group isolation and the policies and procedures established by the Department to implement the statute, reflect the black vs white, dual school system paradigm. This statutory language and the Department's approach to implementation are not consistent with current reality in many school districts. Many school districts are attempting to serve a highly diverse student population, in terms of race and ethnicity as well as social and economic differences. For example, between 1979 and 1995, the number of children with limited proficiency in English rose from 1.25 million to 2.44 million and in central cities and urban fringe/large towns, 60 percent of the schools had such children. During the coming decades minority children are expected to make an even greater share of the school age population. (Condition, 1997)

The current statute calls for programs that are capable of attracting students from different social, economic, racial and ethnic backgrounds. However, the statutory purposes and the operational policies established by the Department may make it difficult for grantees to achieve this kind of diversity. For example, the regulatory definition of "minority group isolation" stipulates an enrollment of 50 percent or more minority group children and groups all minorities together. Grantees are encouraged through grant selection criteria and through required assurances to ensure that children with different backgrounds have access to the programs but their efforts in this area may be restricted somewhat by the statutory requirement to eliminate, reduce, or prevent minority group isolation in schools and by the regulatory definition of "minority group isolation."

Current legal trends also are making it more difficult to achieve school desegregation. An increasing number of school districts are being declared unitary by the courts and released from the requirements of their court-ordered desegregation plans. Among the large districts released in recent years are Buffalo, New York, Broward County, Florida, Denver, Colorado, St Lucie, Florida, and Corpus Christi, Texas. In many instances the standards that the courts are using to determine that school districts have met their constitutional obligations to desegregate also appear to be easing.

In addition, the use of race for student assignments is being challenged. School districts implementing voluntary plans to reduce minority group isolation or improve racial balance among their schools have traditionally used race as a criterion in making student assignments to schools. In the case of school districts that had been declared unitary and released from their court orders, frequently, the same race-based criteria that had been used in the court order were continued as part of their voluntary plan.

Now, school districts are facing legal challenges to the use of race as a criterion in making student assignments under their voluntary desegregation programs, including magnet schools.

To be eligible for MSAP funding, applicants must have approved desegregation plans. The statute requires that the eligibility of voluntary desegregation plans be determined by the Department's Office for Civil Rights on the basis of whether the plans are adequate under Title VI of the Civil Rights Act. The Office for Civil Rights' review of the voluntary plans had to be expanded this past year to encompass, for plans that use race as a student selection criterion, consideration of whether race is used only to the extent that it satisfies the strict scrutiny standard established by the Supreme Court. Under this standard, any use of race must satisfy a compelling governmental interest - identified for the MSAP as reduction, elimination, or prevention of minority group isolation - and be narrowly tailored. Among the considerations that affect a determination of whether the use of race is narrowly tailored are: (1) whether the district tried or seriously

considered race-neutral alternatives and determined that those measures have not been or would not be similarly effective, before resorting to race-conscious action: (2) the scope and flexibility of the use of race, including whether it is subject to a waiver; (3) the manner in which race is used, that is, whether race determines eligibility for a program or whether race is just one factor in the decision making process; (4) the duration of the use of race and whether it is subject to periodic review; and (5) the degree and type of burden imposed on students of other races.)

Also, the use of race to achieve educational benefits other than required desegregation is a critical issue that has not yet been resolved by the courts. Three recent Federal District Court opinions illustrate this controversy. In Arlington, Virginia, a judge found that the non-remedial interest in diversity is not compelling. In Boston, Massachusetts and Montgomery County, Maryland, judges found that diversity is a compelling interest. The Arlington and Boston cases are on appeal to the Fourth and First Circuit Courts of Appeals.

Public opinion regarding the value of desegregation is mixed. Some question whether school desegregation is consistent with current social needs. They question whether minority students need to be educated with white students in order to have access to high quality educational opportunities comparable to those enjoyed by white students. Some have expressed the belief that high quality teaching and learning can occur in racially and economically isolated schools. However, according to the recent Public Agenda Report, 86% of black parents and 74% of white parents believe that integration would mean a better chance that all kids will have good schools and, with the exception of [forced] busing, both groups support policies aimed at achieving integration.

Research has documented the fact that serious problems of inequity exist for students who attend minority-isolated schools. Further, the research shows that there is a link between segregation by race and segregation by economic status. Minority children are over-represented among the poor and among those at risk for poor school outcomes. In 1995, both black and Hispanic children were more than twice as likely as white children to live in poverty. Further, minority children are more likely than white students to attend high poverty schools. In 1993-94, 65 percent of black and Hispanic students were in schools. These schools do not have resources comparable to those enjoyed by low poverty schools. For example:

Students in mathematics classes in more affluent public secondary schools are more likely to be taught by teachers who majored or minored in mathematics than were students in high-poverty public secondary schools.

Public schools with high levels of students in poverty are less likely to be connected to the Internet or have library media centers with computers than schools with lower levels of student poverty.

Teacher salaries are higher in low poverty public schools than they are in high poverty public schools. (In 1993-94 teachers in low poverty schools earned 28% more in total school earnings.)

In 1989-90, after adjusting for differences in the cost of living and the educational needs of students, the Nation's richest school districts spent 36% more per student than the Nation's poorest districts.

Fourth-graders in high-poverty public schools are less likely to be in schools with gifted and talented programs or extended day programs than fourth-graders in low poverty schools.

Finally, the climate in high-poverty schools is less conducive to learning than that in low-poverty schools. Public school teachers in high-poverty schools are more likely to report that physical conflicts, weapons, and verbal abuse of teachers are problems. Also, there generally is a low level of parental involvement in

high-poverty schools. (Condition, 1997)

The inequities that accrue as a result of the poverty status of students often are compounded for children who suffer from multiple forms of discrimination, such as children who are poor and minority. Low expectations, the denial of information and opportunities, overrepresentation in lower track classes, high incidence of severe disciplinary actions, and under-representation in gateway courses and programs are among the disparities experienced by minority children, including some children who are not poor.

In light of all of the inequities, it is not surprising that research shows that children from racial and ethnic minority groups do not perform as well in school as white students. Children who have difficulty in speaking English have a higher school dropout rate than other children. For example, in 1995, Hispanic students were more likely than white students to drop out of school (12 compared to 5 percent, respectively). Other examples, include the following:

In 1994, 4th, 8th and 12th grade whites and Asians scored higher than blacks and Hispanics in history and geography. Whites also scored higher on reading and writing proficiency tests than blacks and Hispanics.

In 1994, there continued to be a large gap between the mathematics and science proficiency scores of white students and minority students.

In 1996, 93% of whites had a high school diploma or the equivalent, compared to 86% for blacks and 61% for Hispanics. (25 - 29 year olds)

Many minority children attend urban schools and the majority of these students attend schools that are either predominantly or completely racially segregated. Further, as indicated earlier, most of them attend schools in which 50 percent or more of the students are poor. (Condition, 1997)

While research on the educational and social effects of diversity is limited, there is evidence that suggests that children who attend integrated schools and classes gain some important benefits. Learning environments can be enhanced by what students with a variety of backgrounds and interests bring with them. Today's students live in a world in which they will need to live, work and interact with people who are different from themselves. As one of the attorneys who argued on behalf of Boston's efforts to use race as a factor in admitting students to its special programs noted, "There are some things kids just need to be taught that it's not easy to teach in a monochromatic environment." The recently published study by William Bowen and Derek Bok examines the affect of affirmative action in the selection of black students into elite higher education institutions. Their study found there were positive results for white and black students. For example, although the black students entered the colleges with lower test scores and grades, they earn advanced degrees at rates identical to those of their white classmates, are slightly more likely than whites from the same institutions to obtain professional degrees in law, business and medicine and tend to be more active in civic and community activities than their white classmates. The black and white students both reported that their interaction at college helped them relate to members of different racial groups later in life.

Earlier studies showed similar benefits for students who attended desegregated elementary and secondary schools. A 1982 study by Braddock and McPartland demonstrated that after controlling for individual differences in academic preparation and geographic location of high schools and colleges, high school desegregation experiences were related to college attendance [by blacks], especially attendance at desegregated colleges.

A 1984 study by Braddock and McPartland found that blacks who attended desegregated schools develop

networks, select college majors, and find jobs in non-traditional occupations to a greater extent than their peers from segregated schools.

The following sub-options are proposed as ways to improve the effectiveness of the Magnet Schools Assistance Program as a tool for educational equity, integration and diversity. The sub-options are not mutually exclusive and therefore any number of them might be selected for pursuit by the Department.

Sub-Option A. Add to the MSAP statute authority for support of efforts to promote diversity in schools (social, economic, racial, ethnic) where this approach will best ensure that minority and poor students have access to high quality instruction.

This option is recommended for adoption.

Specifically:

Revise the statute's purpose statement to add the promotion of diversity (social, economic, racial, ethnic) in schools or programs designed to ensure that minority and poor students have access to high quality instruction.

Include in the statute a definition of "minority group isolation" that gives school districts flexibility in determining when a school is minority-isolated (e.g., flexibility to reflect the multi-ethnic demographics of the school district). For example, a new definition would address the distribution of students among groups currently defined as minority by OMB and also within individual minority group classifications, such as bringing together Puerto Rican, Cuban, and Guatemalan students

Expand and rewrite the "Innovative Programs" provision of the statute to address the goal of diversity in schools or programs designed to ensure that minority and poor students have access to high quality instruction in schools.

Include in the statute a priority for inter-district magnet school programs where such programs will result in more integrated learning environments, in more opportunities for positive interactions among students from different backgrounds, and in improved opportunities for poor and minority students to achieve to high standards.

Provide in the "Findings" section of the statute an expanded discussion of the educational and social benefits of bringing together students from diverse backgrounds - e.g., different social, racial, ethnic, and economic backgrounds.

Pros and Cons:

Pros

1. Programs of the type funded currently would continue to be eligible for funding with this change.
2. Under certain conditions, districts that have large but diverse minority populations may be assisted in achieving goals that reflect current needs of their student populations (e.g., achieve greater diversity among minority groups as well as between them and white students).
3. Districts with large minority populations may be aided in their efforts to reduce isolation through the promotion of and incentives for inter-district programs.

Cons

*Possible
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1. Fewer program resources would support the reduction of minority student isolation, as currently defined, and therefore it may be perceived by some that the basic purpose and principles of the statute will be undermined.
2. To the extent that race would be a factor in student assignments, the diversity approach to achieving educational equity may be subject to legal challenges. The courts have not yet resolved this issue.
3. OMB might not approve a proposal that calls for a definition of "minority" that differs from their own ?

Sub-option B. Revise the statute by adding a new provision for the use of up to 10 percent of appropriated funds for operational research and demonstration projects designed to identify and/or develop new ways of achieving diverse and equitable learning opportunities for all students.

This provision could be part of a larger public school choice demonstration authority and would have two primary purposes. One, it would provide demonstration support for successful magnet schools and programs that are willing to serve as a model and to work with one or more ED-sponsored technical assistance providers to assist other LEAs and schools in planning and implementing high quality magnet programs. The second purpose of this new authority would be to support the development and testing of new approaches to reducing the isolation of minority and poor students in public schools. Under this option the "Findings" section of the statute should include an expanded discussion of the educational and social benefits of bringing together students from diverse backgrounds -e.g., different social, racial, ethnic and economic backgrounds

This sub-option is recommended for adoption.

Pros and Cons:

Pros

1. Projects of the type currently funded would continue to be funded.
2. New information needed to make program support for equity more effective would be provided.
3. This activity would contribute to a more rapid expansion of high quality choice options for parents and students.
4. More students will have opportunities for positive interactions with students who are different from themselves.

Cons

1. Some program proponents may object because support for traditional magnet schools would be reduced under current funding levels.

OPTION 3. Do not revise the statute but make administrative and regulatory changes that will enable districts to seek more diverse, multicultural student populations in schools. Specifically:

This option is not recommended for adoption.

Revise the regulatory definition of "minority group isolation" to give school districts more flexibility to,

yes

Possible

respectively). This provision significantly curtails the use of MSAP funds for professional development and capacity building after the first year of a project.

The changes should include the following:

Revise the "Use of Funds" section to permit support for ongoing, high quality professional development that is aligned with state standards and required for effective teaching and learning in the magnet school.

Revise the "Use of Funds" section to permit support for other activities that will increase the capacity of the school district to continue the magnet program after Federal funding ends.

Revise the "Limitations" section to permit the use of up to 50 percent of the grant amount in the first year, and up to 25 percent in the second and third years, for planning, professional development, and other capacity building activities.

Require MSAP applicants to describe how funds that are expected to be available from other ED programs (e.g., Title I, Eisenhower, Bilingual Education, Comprehensive School Reform, Goals 2000, etc) would be used, along with MSAP funds, to implement capacity-building activities that are part of local systemic reform plans.

Pros and Cons:

Pros

1. The changes would promote a greater emphasis on systemic reform and the use of magnets to improve the quality of education for all students in the districts.
2. The changes would increase the likelihood that programs will be continued and at a higher level of quality after federal funding ends.

Cons

1. Some may perceive the change as an attempt to subvert the program from its desegregation purpose.

Option 5. Clarify or eliminate existing priorities that have not been well defined and therefore have not helped the grant selection process.

This option is recommended for adoption.



Specifically:

1. Eliminate the priorities that are not well defined and therefore do not help identify the applications most deserving of funding. This would include elimination of the priorities "Need for Assistance," and connection with "comprehensive community involvement plans"
2. Clarify or revise priorities that are working well but could be made more effective tools for determining the relative quality of applications. This would include defining the priority "innovative educational approaches" and rewriting it to link it to principles of effectiveness. It also would include writing as a separate priority the linking of magnet programs with "systemic reform plans", and
3. Propose additional priorities that may help some districts achieve more significant results. Specifically,

for example, reflect the multi-ethnic demographics of the school district vs the minority/non-minority distribution of students.

Remove the regulation that prohibits the magnet schools from increasing minority enrollments in their feeder schools above the district-wide average for the grade levels involved.

Pros and Cons:

Pros

1. We avoid the possibility of a confrontation on the issue of school desegregation in the reauthorization process.
2. The program would be a little more responsive to current needs than it is at present.

Cons

1. The changes that can be made through regulation would be much more limited than could be made through the legislative process.
2. Congress and the public might perceive the regulatory approach as an attempt to rewrite the statute through administrative fiat, with limited public and Congressional deliberation.

Option 4. Propose statutory changes that could increase the impact of the Magnet Schools Assistance Program on systemic reform. Specifically, propose changes that will increase the impact of federally funded magnet schools on the quality of teaching and learning in public schools and on the quantity and quality of public school choice options.

This option is recommended for adoption.

Possible

In the 1994 reauthorization, a new purpose was added to the Magnet Schools Assistance Program statute. The programs are to assist in achieving systemic reforms and providing all students the opportunity to meet challenging State content and student performance standards. However, the statute does not explicitly authorize the use of funds for key activities that would make the new charge a reality.

In response to the 1994 statutory change, school districts receiving MSAP funds are attempting to align their magnet programs with systemic reform plans. To accomplish this purpose, the school districts need to develop longer-term capacity to implement high quality instructional programs. They need to align curriculum, technology and professional development and provide high caliber professional development on an ongoing basis. They need to identify and adapt strategies and methods for teaching and learning that are based on reliable research and/or proven practices, and staff at the district and school levels need information about available resources and how they can be coordinated to assist their efforts.

Currently the MSAP provides no *explicit* authorization for the use of funds for professional development or other capacity developing activities. The statute authorizes *planning*, under which staff training, curriculum development and other capacity building activities might take place. However, the statute places emphasis on the use of funds for instructional staff necessary for the implementation of magnet programs, and for the acquisition of supplies and equipment to support the implementation of the magnet programs. Further, while the statute provides significant flexibility for the use of funds for planning activities in the first year of a project (up to fifty percent of the amount awarded), the amounts that can be used in the remaining years of a project are much more restricted (fifteen percent and ten percent

- (a) Propose a priority (or fund reservation) for projects that are based on inter-district plans, and
- (b) Propose a priority (or fund reservation) for smaller LEAs seeking to implement smaller projects

Pros and Cons:

Pros

1. The changes will be more useful tools for determining the relative merit of applications.
2. Applicants will receive a clearer message regarding priorities and principles the Department values and about promising strategies for achieving results.
3. Applicants will be relieved of the requirement to respond to essentially useless priorities.

Cons

1. Some may perceive the elimination of priorities as a signal that certain aspects of program design (i.e., need and comprehensive approaches to magnet planning) are not considered valuable.

Magnet Schools References

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Appendix A

Lessons for Charter Schools from the Alternative and Public School Choice Movements

The attached issue paper was solicited to gain input from Joe Nathan on lessons the charter school movement should take from previous education reform efforts that have attempted to promote independent and innovative public schools.

For this paper, Nathan was asked to provide key lessons that previous reform efforts learned over the years that should remain on the radar screens of charter school operators and supporters as this new reform evolves. In this paper, Nathan defines several types of school reforms and describes a history of several decades of efforts to create smaller, innovative and semi-independent public schools that families can choose to attend. The author draws from research, personal experience with charter schools and alternative schools, interviews with individuals involved in education reform and personal reflections based on his experience.

In his brief account of the choice movement's history, Nathan notes several developments that should be kept in mind as the charter school movement matures. These include:

1. the options of choice within public education were originally created to provide innovative and potentially more effective public schools. The idea of public school choice was adapted to magnet schools, which were seen primarily as an instrument for addressing racial segregation. Ironically, Nathan points out, this has left many minority families unable to attend magnet schools because they have been allowed to become selective;
2. many alternative schools were caught by the movement "back to the basics" when they couldn't demonstrate the positive impact of their programs. Many schools were closed as policy makers called for increased performance and higher standards; and
3. districts often attempt to convert alternative schools with a unique focus or mission, into schools that the districts can use as "dumping grounds" for students who do not succeed in traditional public schools.

Nathan offers lessons on seven issues from the public school choice movement that charter schools ought to learn.

1. Quality curriculum and inservice -- charter schools should not reinvent the wheel. They should take advantage of other developments from people working outside their schools. This learning should also take place after the school opens and be part of an ongoing professional development and improvement process.
2. Governance -- charter schools must develop effective governance structures that make decisions and remain workable. He takes lessons from alternative schools of the 1970s and notes eight important lessons, including: do more than oppose old ideas; avoid previous mistakes; build trust; acknowledge cultural differences; define clear goals; build clear structures for decision making; assign responsibility for completing tasks; and avoid burn-out. He also refers to eight lessons from his own research of charter school governance, which include: using clear goals, agendas and time limits for meetings; establishing priorities; using subgroups; agreeing on a process for handling disagreement; fixing problems rather than assigning blame; letting all voices be heard; and celebrating progress.

3. Evaluation -- charter schools and their sponsors should make sure that before a school opens, it has clear goals, at least some of which can be measured, and the instruments to be used in evaluation are agreed upon. Such evaluation should use involve authorities, a variety of measures in addition to standardized tests(rewrite);
4. Higher Education -- Nathan notes that higher education has not contributed adequately to the progress of education reform. He notes that many innovative alternative public schools have been ignored by higher education or rejected in their overtures by these institutions;
5. Personnel and budget control -- charter schools need to maintain control over their staff and finances or else their vision may be eroded over time.
6. Historical perspective -- charter schools ought to study previous reforms, including those outside education, as they begin and develop their schools.
7. Working with the community -- charter schools ought to develop positive working relationships with their communities, build understanding and support for what they are trying to do, and consider directly involving the people, groups and organizations in their community in their school.

Nathan offers a few policy lessons:

1. details of legislation are critical for individual schools, including issues like prohibitions of admissions tests, multiple sponsorship and State-provided start-up funds;
2. "stronger" charter school laws can stimulate improvement in larger education systems -- Nathan cites the stimulus of the Boston charter schools in encouraging the city's school system to embrace its "Pilot Schools" program.

At the conclusion of this paper, Nathan recommends that the Department:

1. work with State charter support groups to share the lessons of previous reforms;
2. promote dialog among charter schools, school reform networks and other innovative school reform networks;
3. publicize the Department's support for effective charter schools and charter school laws;
4. encourage university officials to become more involved in charter schools. For example, include incentives for including charter schools in partnerships supported by Federal grant programs that are designed to promote higher education/k-12 collaboration;
5. encourage greater regulatory flexibility, at the State, local and Federal level; and
6. produce materials describing innovative approaches to space and facilities in successful charter schools.

Background on the Author:

Nathan directs the Center for School Change, at the University of Minnesota's Humphrey Institute for Public Affairs. Dr. Nathan has written extensively on charter schools and school reform. His previous work includes the first national survey of charter schools and a book documenting the early activity of charter schools across the nation. The National Governors' Association asked Nathan to coordinate a major school reform project in the mid 1980's, which produced Time for Results: The Governors 1991 Report on Education. In this project he worked closely with then Governors Riley and Clinton. In August, 1997, the American School Board Journal named Nathan's recent book, Charter Schools, one of the seven "best books written about schools and schooling in the last year." Nathan also helped start, and worked for 7 years in, a k-12, 500 student public school that began in 1971, and is starting its 28th year this fall. This school was recognized by the US Office of Education as a "carefully evaluated, proven innovation worthy of national replication." Nathan then directed a Federally funded project to help other

districts and schools adopt and adapt key ideas from this school. Nathan writes a weekly column for three Minnesota papers and is a frequent guest columnist in several national publications.

Appendix B

Summary Memo on Developing Model Legislation and Working with States

To: Charter School Team
From: Alex Medler
Date: 4/13/98
Re: Charter School Laws Issue Paper

Subject: Charter School Laws:
Should the Department support particular aspects of charter school laws?

The attached issue papers discuss whether or not the Department should develop a model charter school law and what the Department can do to help States that are considering charter school legislation. This memo summarizes the attached documents.

Summary:

Charter schools are a significant element of education reform in the United States. Currently, more than 32 States and territories allow people to create charter schools and nearly 800 charter schools are open. While growth is strong, approximately 500 charter schools are in just three States. The likelihood that we will achieve the President's goal of having 3000 charter schools by the year 2002 is slim given the limited activity in many States. Despite State differences, ED has not taken a position on which charter school law is best. It is now time to revisit the question of whether or not the Department should take a position.

Based on a review of the Department's activities to date, lessons learned in implementing policy, and an analysis of likely outcomes if the Department takes a position, this paper concludes that to achieve the Stated goal of achieving 3000 schools by the year 2002 -- and to increase the chances that these schools will uphold the principles the Department holds for the charter school movement -- the Department should develop a model charter school law. Once such a position is clarified, the Department should take deliberate and appropriate steps to disseminate it. A model law should:

- lead to significant numbers of truly independent charter schools -- either through strong appeals processes or a non-local district sponsor;
- clarify the need of charter schools to remain more accountable to the public than traditional schools; and
- clarify their need to serve all children and to enhance equity in American public education.

Background:

Thus far, the Department has strongly supported charter schools, but not joined debates about the specifics of charter school legislation. The Department's reluctance to join this debate could stem from several issues. Charter schools are relatively new, and -- until recently -- it was too early to draw conclusions about what policy differences meant to implementation. Comparisons of charter school laws have also been controversial and involved partisan political fights. These fights can affect other education reforms and issues in States -- such as standards, vouchers, and the Federal role in education. These fights also involve major constituencies in States. Against this backdrop, the Department has articulated strong support for charter schools but deferred to States in how they establish programs

On the activist side, the Department has provided funding to States that pass charter school laws to help schools in these States overcome start-up costs, set ambitious goals for the charter school movement, spoken out for key principles in their implementation, provided testimony and answered questions for

State-level policy makers on request, and supported the creation of documents that help State leaders consider charter school legislation. Meanwhile, the Department has deferred to States in how they authorize charter schools. While ethics rules prohibit the Department from lobbying State governments, Congress has directed ED to create and disseminate model charter school legislation. ED has yet to act on this directive.

The variety of State laws, and the resultant charter school programs have begun to provide enough information to draw preliminary conclusions about the impact of policy on programs. Some preliminary conclusions include:

- laws with several distinctly weak aspects (such as only allowing the conversion of existing public schools, or not allowing an appeals process or alternative sponsor) lead to few or no schools;
- the "strongest" laws lead to more schools, but can also bring problems in accountability and quality; and
- district control of the charter process does lead to the creation of schools, but they are disproportionately designed for at-risk students.

If the Department decides to not take a position on charter school laws there are several possible outcomes -- some help the Department's primary charter school objective of establishing 3000 schools, while others detract from the likelihood of achieving this objective. Since States continue to pass charter school legislation, it is likely that the objective of having 40 States pass charter school laws by the year 2002 will be achieved with no significant work by the Department. In addition, the number of charter schools will continue to grow.

However, there are at least three risks of not taking a position. First, groups with ideological agendas may successfully redefine and reshape the charter school movement and take credit for it. Second, ineffective laws that produce few schools, or laws with inadequate accountability, might pass. In addition, good laws -- which have the potential of passing -- would not benefit from the Department's direction. Third, Congress might act to describe a model law directly.

There are several unfortunate possible affects, if ideological groups successfully shape the movement, including:

- the concept of charters may be defined differently than ED would hope, i.e., charters could be described as private schools, or their increased accountability could be lost;
- charters that don't serve all children equitably or remain accountable could thrive;
- bipartisan support may be lost;
- charters may be used to influence other education issues, such as vouchers, standards based reforms, and the Federal role in education; and
- a narrow segment of supporters may take credit for the movement

If the Department does take a position, it is likely that better laws will pass, more schools will be created and these schools will more closely reflect the Department's principles. On the negative side, most of the trade-offs from taking a position on legislation could come from antagonizing interest groups and constituencies which perceive an interest in fighting the charter school movement as a whole.

Once a model law was established there are several strategies that could appropriately disseminate the model. These strategies include:

1. continuing to provide grants to States with charter school legislation and charter schools;
2. educating policy makers by providing neutral guidance and information about charter schools and

policy options;

3. providing official testimony when requested;
4. increasing public awareness of charter schools through the media, public forums and other events;
5. providing official model legislation as directed by Congress;
6. educating key constituencies about charter schools; and
7. school visits and public speaking by Department and Administration officials, including the Secretary and President.

Appendix C
Briefing on Accountability and Assistance Needs of Schools

SUMMARY

The attached materials were prepared at the request of OERI and the Public Charter School Program Office. The Center on Reinventing Public Education is conducting the Department's research into accountability in charter schools. The attachments are briefing materials on *"How The Department Of Education Can Help Charter Schools."* They were presented by Paul Hill, on behalf of the Center on Reinventing Public Education, The University of Washington, July 1998.

I. At this preliminary stage, the Center's main conclusions are as follows.

1. Charter school accountability processes and standards are unclear in every State visited;
2. Both charter schools and authorizing agencies shy away from relying on student test results;
3. Many charter schools are too poorly defined instructionally and organizationally to permit informed parent choice;
4. Schools need technical assistance as well as funds for start-up; and
5. Impending decisions regarding the renewal of recently opened charter schools will test the possibility of performance accountability.

II. A primary finding is that schools need assistance sources in addition to start-up funds.

Specifically charter schools need access to:

1. Coherent school wide plans to use as models;
2. Competitively-priced administrative service providers;
3. Capital for leasing or buying facilities;
4. Testing that is curriculum-independent, secure, not biased in favor of regular public schools, and that reports results quickly.

III. In the absence of such help, the scarcity of assistance creates advantaged for well-capitalized schools -- foundation-funded networks, franchises and for-profit providers.

IV. Based on these insights, the researchers recommend that the Department:

Promote local assistance infrastructure with start-up funds for:

1. Incubators to help potential providers develop strong school plans;
2. Charter school assistance networks;
3. Local revolving loan funds;
4. Fee-for-service providers of insurance, financial record-keeping, personnel and benefits;
5. Local developers and brokers for school building space

V. In addition, the authors suggest that the Department sponsor the:

1. Development of tests that fairly compare charter schools with regular public schools;
2. Development of models for how local school districts can hold schools accountable; and
3. Documentation of "good practices" examples of charter authorizer accountability relationships.

An interdistrict magnet program would provide opportunities to create integrated schools that in many instances are not possible within the confines of either urban or suburban school districts, because the demographic make-up of one group tends to include extremely large percentages of minority group students while the demographic make-up of the other tends to include very small percentages of minority students.

With specific respect to the MSAP, an interdistrict approach has the potential of creating viable joint programs for which neither party to the interdistrict project would have been eligible if it attempted to apply separately for its own intradistrict magnet schools.

With respect to the MSAP, an interdistrict approach would afford participating school districts with new opportunities to create challenging and innovative educational programs that they could not otherwise afford to develop. This may be as true for many more affluent suburban school districts trying to either avoid tax increases or trying to cut taxes as it is for urban school districts struggling to adequately fund basic programs.

An interdistrict magnet initiative or priority would also face several barriers and potential liabilities:

Basic funding formulas in many States are driven by average daily attendance (ADA). This creates a disincentive for schools and school districts to permit or encourage their students to enroll in a school that is not in their district and under their jurisdiction.

The development of an interdistrict program requires two (or more) school districts to work together in ways that they are not accustomed to working. This involves making mutually acceptable decisions regarding issues such as the location of magnet schools, magnet school curriculum, student selection procedures, funding support for basic operational costs (with or without Federal funding from the MSAP), and decision-making authority with respect to the magnet school(s).

In many instances, school districts will incur additional costs for student transportation which cannot be supported with Federal funds.

Many school districts are large county-wide systems, making it difficult to link their schools with schools in other districts because of size and geography (e.g., the large county-wide districts in Florida).

In instances where there is significant community concern or a perception that the location of the magnet school is unsafe, that the magnet school will include or tolerate disruptive students, or that academic standards will be watered down, building support for interdistrict magnet programs, particularly among largely white suburban districts, will be extremely difficult.

September 9, 1998

APPENDIX D Interdistrict Magnets

A significant number of large urban school districts have high minority student enrollments (most have student enrollments that are 70% or greater minority). Minority enrollments are continuing to increase in these districts.

In the ten largest school districts, students who are isolated on the basis of race also tend to be isolated by poverty.

Student achievement in predominantly minority isolated and poor schools is well below the national average.

During the last several years, reported incidents of racial violence and tension have increased. At the same time, because schools are resegregating racially, students of all racial and ethnic groups are experiencing fewer opportunities to interact with one another.

Magnet schools provide opportunities for students of different racial, ethnic, social and economic backgrounds to study and learn together. This experience affects both minority and non-minority students and results in these students gaining a better appreciation of people who are different from themselves and in better skills in interacting with individuals from backgrounds other than their own.

Magnet schools' high quality special curricular programs provide challenging academic instruction that also help raise student achievement levels for both minority and non-minority students with various academic backgrounds. The special curricular programs provided by magnet schools are not designed exclusively to meet the needs of the academically elite.

In a limited number of instances, interdistrict magnet programs are supported under the Magnet Schools Assistance Program (MSAP), however these programs account for less than five percent of MSAP funding.

In a large number of metropolitan areas, urban school districts with high and increasing minority enrollments are bordered by suburban school districts whose enrollment is predominantly non-minority. In these areas, interdistrict magnet programs could create or significantly expand opportunities for social and academic growth for students that would otherwise not be available to them in their current schools and districts.

Major advantages of a specific interdistrict magnet initiative or program include the following:

Like other magnet programs, participation on the part of students and their families would be completely voluntary.

In some instances, school districts -- especially middle class suburban school districts -- may not believe that there are adequate incentives to justify what they perceive to be a risky and burdensome venture that requires significant involvement and partnership with other school districts that have less successful track records than their own.