

PRESIDENT CLINTON RELEASES \$100 MILLION IN GRANTS TO SUPPORT PUBLIC CHARTER SCHOOLS

August 28, 1999

In his weekly radio address, President Clinton announced that the U.S. Department of Education will distribute almost \$100 million in grants to support public charter schools. The awards include \$41 million in new grants and \$54 million in continuation grants. Charter schools are public schools founded by parents and teachers, and are open to all. In exchange for high levels of accountability for student achievement, they are given more autonomy and flexibility than traditional public schools in staffing decisions, curricula design and other areas.

INVESTING IN CHARTER SCHOOLS – INVESTING IN ACCOUNTABILITY.

The grants that the President released today will help new charter schools cover the costs of planning, opening or expanding a new school. The money may be used to purchase materials and supplies, hire staff, and provide high-quality professional development for teachers. Public charter schools also use federal funds to develop accountability systems for student achievement that are aligned with state standards. This year, successful charter schools with at least three years of experience will also be able to use funds to share best practices with other schools or to help those starting new public charter schools learn from their experience.

PRESIDENT CLINTON'S LEADERSHIP KEY TO GROWTH OF CHARTER SCHOOLS

When President Clinton was first elected, there was only one public charter school operating in the United States. This year, according to the U.S. Department of Education, more than 1700 public charter schools will be operating. Federal leadership and assistance has played a key role in this rapid growth by supporting the development and growth of individual public charter schools and helping to disseminate effective practices and strategies among schools. Thirty-six states, Puerto Rico and the District of Columbia now have laws on the books that enable the creation of charter schools.

CHARTER SCHOOLS: IMPROVING PUBLIC EDUCATION AND EMPOWERING PARENTS

- **Public charter schools exemplify a standards-based approach to education.** Every charter school works with a public authority to establish clear performance standards. A charter school that fails to meet the terms of its charter is closed down. The federal grant program for charter schools, which was reauthorized with the President's leadership in 1998, gives priority to states that have strong standards of academic accountability. Charter schools receiving funding from the federal government must also be measured by the same state assessments as any other public school.
- **Public school choice empowers parents and helps build a public school system that meets the individual needs of every student.** States and school districts around the country are using public charter schools, inter-district choice options, and other innovations to offer parents and children high-quality and well-tailored educational options. Surveys find high levels of support and satisfaction among parents of public charter school students. A recent national survey found that 65 percent of parents rated their child's public charter school as better than their former public school (only 6 percent rated them worse). The U.S. Department of Education reports that seven out of ten charter schools have a waiting list of students who want to enroll.

Education Q&A
Charter School Grants Radio Address
August 28, 1999

Q: What are the grants that the President announced in today's radio address, and why are they significant?

A: Today the President announced the release of almost \$100 million in grants to support public charter schools. These grants are significant because they will help develop, open or expand new and innovative charter schools around the country. When the President was first elected there was one charter school operating in the country. According to the U.S. Department of Education, more than 1700 will be open this year. Federal leadership and the President's commitment to charter schools has played a key role in this phenomenal growth.

Q: What is the difference between a charter school, a traditional public school and a private school?

A: Charter schools are public schools started by parents, teachers and communities, and open to all students. In exchange for high levels of accountability defined in a public performance contract or charter, they are given more flexibility and autonomy in staffing decisions, curriculum design and other areas. All charter schools are accountable to a public authority for the academic achievement of their students, and they must be open to all students. If they are oversubscribed, they must hold a lottery for admission.

Q: How will the schools use these grants?

A: The grants that the President released today support a variety of activities to help public charter schools. The grants help new charter schools cover costs associated with planning for a new school, including purchasing materials and supplies, hiring staff, and procuring high-quality professional development for teachers. Many public charter schools also use federal resources to develop accountability systems aligned with state standards for student achievement. Successful charter schools with at least three years of experience will now be able to use funds to help share best practices or to help those starting new public charter schools learn from their experience.

Q: Why is the President supportive of charter schools?

A: The President is firmly committed to ensuring that all students reach high standards and his education agenda over the past seven years reflects that. The President believes that providing high quality public schools for parents to choose from is an effective strategy towards this end. Public charter schools that are held to the same standards as other public schools in a state, along with inter-district choice and other innovations, are a component of standards-based school reform. Charter schools also set up a competitive dynamic in public school systems by offering more high quality choices for parents. There is a growing body of evidence that this competitive dynamic stimulates innovation in all public schools.

Q: The President has vetoed voucher legislation that has reached his desk. What is the difference between charter schools and vouchers?

A: The President believes that we need to focus our attention and resources on strengthening the public schools, which serve nearly 90% of students. Vouchers siphon critical dollars from neighborhood public schools that are already short on resources in order to send a select group of students to private schools. Charter schools *are* public schools, so they do not drain resources from the public school system, but they do embody a market-based approach to reforming that system. Charter schools are also held accountable to a public authority. The law that authorizes these charter school grants makes it clear that students attending charter schools must meet or exceed the same standards as students attending other public schools. In contrast, schools accepting public money in the form of vouchers are not held accountable for student achievement, teacher quality, or even sound fiscal practices.

Q: Opponents of charter schools have charged that they exacerbate segregation in schools. Why does the President support schools that would impede desegregation?

A: The fear that charter schools will exacerbate segregation has proven to be misplaced. According to the U.S. Department of Education, 7 in 10 charter schools have a student body with a racial/ethnic composition similar to the surrounding school district, while 16 percent of charter schools serve a higher percentage of students of color than their surrounding districts. About 37 percent of charter school students are eligible for free and reduced price lunch, compared to about 38 percent of total public school students in those states with charter schools.

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Public Charter Schools Program
Nonregulatory Guidance
For-Profit Entities, Private School Conversions,
Admissions, and Lotteries

U.S. Department of Education
Office of Elementary and Secondary Education

March 1999

**QUESTIONS ANSWERED ABOUT FEDERAL START-UP GRANTS
UNDER THE PUBLIC CHARTER SCHOOLS PROGRAM**

The Public Charter Schools Program (PCSP) was originally authorized in October 1994, and reauthorized in October 1998, by the Charter School Expansion Act of 1998, Title X, Part C of the Elementary and Secondary Education Act of 1965 (ESEA), as amended, 20 U.S.C. 8061-8067. The program, which provides support for the planning, program design, and initial implementation of charter schools, is intended to enhance parent and student choices among public schools and give more students the opportunity to learn to challenging standards. However, enhancement of parent and student choices will result in higher student achievement only if sufficiently diverse and high-quality choices, and genuine opportunities to take advantage of such choices, are available to *all* students. Every student should have an equal opportunity to attend a public charter school.

This nonregulatory guidance applies only to charter schools receiving Federal start-up grants under the PCSP. It addresses questions the Department has received regarding various provisions of the PCSP statute, including those related to student admissions to public charter schools, the use of lotteries, private school conversions, and the involvement of for-profit organizations in charter schools. These guidelines do not contain all of the information you will need to comply with PCSP requirements, but are intended merely to provide guidance on the PCSP and on examples of ways to implement it. For additional information about the PCSP, please contact the PCSP Office, U.S. Department of Education, 400 Maryland Avenue, S.W., Room 3E122, Washington, D.C. 20202-6140. Telephone (202) 260-2671.

- **What is the purpose of the PCSP?**

The purpose of the PCSP is to expand the number of high-quality charter schools available to students across the Nation by providing financial assistance for their planning, design, and initial implementation; and evaluating the effects of charter schools, including the effects on students (in particular, student achievement), staff, and parents.

- **In addition to Title X, Part C of the ESEA, what other Federal statutory and regulatory authorities apply to the PCSP?**

Recipients of funds under this program should be aware of the following statutory requirements in addition to Title X, Part C of the ESEA: the definitions set out in Title XIV of the ESEA, which establishes general provisions for all programs

authorized under the ESEA; Title VI of the Civil Rights Act of 1964, which prohibits discrimination on the basis of race, color, and national origin; Title IX of the Education Amendments of 1972, which prohibits discrimination on the basis of sex; Section 504 of the Rehabilitation Act of 1973, which prohibits discrimination on the basis of disability; the Age Discrimination Act of 1975, which prohibits discrimination on the basis of age; Title II of the Americans with Disabilities Act of 1990, which prohibits discrimination on the basis of disability by public entities, including public charter schools and public school districts, regardless of whether they receive Federal financial assistance; and Part B of the Individuals with Disabilities Education Act, which requires States to make available a free appropriate public education to children with disabilities. The Education Department General Administrative Regulations (EDGAR), Parts 75, 76, 77, 79, 80, 81, 82, 85, and 86 also apply to this program.

- **Who is eligible to apply for a PCSP grant?**

State educational agencies (SEAs) in States with a specific State statute authorizing the establishment of charter schools are eligible to apply for PCSP grants. An "eligible applicant," defined as an authorized public chartering agency in partnership with a charter school developer, in such States may apply to the SEA for a subgrant. If a State elects not to participate in the PCSP or is denied funding, an eligible applicant may apply directly to the Department for a grant.

- **How may PCSP planning and implementation grant funds be used?**

SEAs may use PCSP funds to award subgrants to charter schools in the State, and charter schools may use the funds only for post-award planning and design of the educational program, and initial implementation of a charter school. SEAs may also reserve up to 5 percent of PCSP grant funds for administrative expenses related to operating the charter school grant program, and up to 10 percent of the PCSP grant funds to support dissemination activities. These dissemination activities are carried out through separate dissemination grants to charter schools.

- **What are dissemination grants?**

Dissemination grants are awarded to charter schools to support activities that help open new public schools (including public charter schools) or share the lessons learned by charter schools with other public schools. The following activities may qualify as dissemination activities: (a) assisting other individuals with the planning and start-up of one or more new public schools, including charter schools, that are independent of the assisting charter school and its developers, and that agree to be held to at least as high a level of accountability as the assisting charter school; (b) developing partnerships with other public schools designed to improve student performance; (c) developing curriculum materials, assessments, and other materials that promote increased student achievement and are based on successful practices within the assisting charter school; and (d) conducting evaluations and developing materials that document the successful practices of the assisting charter school that are designed to improve student performance in other schools.

A charter school may not use dissemination grant funds, either directly or through a contractor, for marketing or recruitment activities designed to promote itself or the programs offered by it or by a contractor to parents or the community. In particular, grant funds may be used to develop materials documenting successful practices of the charter school for the educational purpose of assisting other schools in improving student achievement, but not for the purpose of recruiting students or promoting the program of the school or its contractor. Any charter school receiving a dissemination grant should provide thorough and high-quality information that meets the needs of

other schools trying to learn from the charter school's experience.

- **Who is eligible to apply for a dissemination grant?**

A charter school may apply for a dissemination grant, regardless of whether it has applied for or received a planning or implementation grant under the PCSP, if the charter school has been in operation for at least three (3) consecutive years and has demonstrated overall success, including (a) substantial progress in improving student achievement; (b) high levels of parent satisfaction; and (c) the management and leadership necessary to overcome initial start-up problems and establish a thriving, financially viable charter school. For more information about dissemination grants, see section 10304(6) of the ESEA, 20 U.S.C. 8064(6).

- **Is a for-profit entity that holds a legal charter eligible to apply for a PCSP grant or subgrant?**

A for-profit entity does not qualify as an eligible applicant for purposes of the PCSP. A charter school receiving PCSP funds may enter into a contract with a for-profit entity to have the for-profit entity manage the charter school on a day-to-day basis. However, it should be emphasized that if the charter school enters into such a contract, the charter school must be held by the State and the cognizant chartering authority to the same standards of public accountability and requirements that apply to all public charter schools, including State student performance standards and assessments that apply to all public schools; and the charter school must supervise the administration of the PCSP grant and is directly responsible for ensuring that grant funds are used in accordance with statutory and regulatory requirements (See EDGAR, Part 75, Subpart F).

- **Is a private school eligible to receive PCSP funds?**

Only charter schools that meet the definition of a charter school under the ESEA are eligible to receive PCSP funds. Section 10310(1) defines a charter school as, among other things, a "public school" that is created by a developer as a public school, or adapted by a developer from an existing public school, and operated under public supervision and direction. See ESEA § 10310(1) for the definition of a charter school for purposes of the PCSP.

- **Can a private school be converted into a public charter school?**

As stated above, the ESEA defines a charter school as a newly created public school or one adapted from an existing public school. There is no provision nor mechanism in the law for converting private schools into public charter schools. The ESEA does not foreclose a newly created public school from using resources previously used by a closed private school or from involving the parents and teachers who may have been involved in the closed private school. However, any newly created public school must be just that; it cannot be a continuation of a private school under a different guise. The public charter school must be separate and apart from any private school. It must be established as a public school, and comply with applicable State and federal laws regarding public schools.

In its creation, development, and operation, the charter school cannot have any affiliation with a sectarian school or religious institution. Because a newly created public school would not have any "previously enrolled" students, *all* students would need to apply for admission and would have to be selected by lottery if there are more applicants than spaces available. Similarly, the charter school must inform the community of its public school status and have a fair and open admissions process. Outreach and recruitment efforts, such as radio advertisements or community

meetings, should be designed to reach all segments of the parent community. The charter school must recruit in a manner that does not discriminate against students of a particular race, color, national origin, or sex, or students with disabilities. It may not discriminate on the basis of race, color, national origin, sex, or disability in its programs or activities.

- **What is a lottery for purposes of the PCSP?**

A lottery is a random selection process by which applicants for admission to a public charter school are admitted to the charter school.

- **Under what circumstances must a charter school use a lottery?**

A charter school receiving PCSP funds must use a lottery if more students apply for admission to the charter school than can be accommodated. A charter school with fewer applicants than spaces available does not need to conduct a lottery.

- **Are weighted lotteries permissible?**

Weighted lotteries are permitted only when they are necessary to comply with Title VI of the Civil Rights Act of 1964, Title IX of the Education Amendments of 1972, the Equal Protection Clause of the Constitution, or a State law requiring desegregation.

- **May a charter school exempt certain categories of applicants from the lottery and admit them automatically?**

A charter school that is oversubscribed and, consequently, must use a lottery, generally must include in that lottery all eligible applicants for admission. A charter school may exempt from the lottery only those students who are deemed to have been admitted to the charter school already and, therefore, do not need to reapply. Specifically, the following categories of applicants may be exempted from the lottery: (1) students who are enrolled in a public school at the time it is converted into a public charter school; (2) siblings of students already admitted to or attending the same charter school; and (3) children of a charter school's founders (as long as the total number of students allowed under this exemption constitutes only a small percentage of the school's total enrollment). Once a student has been admitted to the charter school through an appropriate process, he or she may remain in attendance through subsequent grades. A new applicant for admission to the charter school, however, would be subject to the lottery if, as of the application closing date, the total number of applicants exceeds the number of spaces available at the charter school.

To be eligible for Federal start-up grants, a charter school's admissions practices must comply with State law and applicable Federal laws. Accordingly, the exemptions discussed above are permissible only to the extent that they are consistent with State law regarding desegregation, the school's charter, and any applicable Title VI desegregation plans or court orders requiring desegregation. A charter school's admissions practices must also comply with Part B of the Individuals with Disabilities Education Act and Federal civil rights laws, including, but not limited to, Title VI of the Civil Rights Act of 1964; Section 504 of the Rehabilitation Act of 1973; and Title II of the Americans with Disabilities Act of 1990, as applicable.

- **May a charter school receiving PCSP funds set minimum eligibility criteria for admission to the charter school?**

The ESEA does not specifically prohibit charter schools from setting minimum qualifications for determining who is eligible to enroll in a charter school and, thus, to

be included in the lottery. Charter schools receiving PCSP funds are required, however, to inform students in the community about the charter school and give them an "equal opportunity to attend the charter school." Thus, a charter school may set minimum qualifications for admission only to the extent that such qualifications are (a) consistent with the statutory purposes of the PCSP; (b) reasonably necessary to achieve the educational mission of the charter school; and (c) consistent with civil rights laws and Part B of the Individuals with Disabilities Education Act. A major purpose of the PCSP, for example, is to assist "educationally disadvantaged" and other students to achieve to challenging State content and performance standards.

In light of this purpose, it is unlikely that an elementary charter school could justify establishing minimum qualifications for admission, regardless of the school's mission or purpose. On the other hand, a secondary charter school might be able to justify certain admission requirements that target disadvantaged students and are consistent with the above-described purposes. For example, an alternative secondary school might have admissions qualifications related to a purpose to serve students who have dropped out of school, or a secondary school for the performing arts might require that applicants for admission be able to demonstrate a minimum level of competence in the performing arts. Such requirements might measure the capacity of the student to benefit from and contribute to the purpose of the school.

In establishing any such admissions criteria, a secondary charter school should consider multiple measures of a student's ability to benefit from the educational program, and must ensure -- consistent with Federal civil rights laws and Part B of the Individuals with Disabilities Education Act -- that such factors are not used in a manner that inappropriately restricts access to the charter school. It should not, for example, use a test as a sole criterion to determine a student's ability to benefit from the school's program. The secondary charter school should target all segments of the parent community in its outreach efforts, and should recruit in a manner that does not discriminate against students of a particular race, color, national origin, or sex, or against students with disabilities.

▶ **Jordan Tamagni**
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Tamagni

**PRESIDENT WILLIAM J. CLINTON
RADIO ADDRESS ON CHARTER SCHOOLS
MARTHA'S VINEYARD, MASSACHUSETTS
August 28, 1999**

Good morning. This week, students all over the country are getting ready for the first day of school. Like every year, parents will send their children off to school with new backpacks and fresh hopes that they will get the world class education they need and deserve. Today, I want to talk about our continuing efforts to strengthen and renew our nation's public schools - by encouraging more choice, more competition, and more creativity.

For more than six-and-a-half years, my administration has taken action to raise standards, raise expectations, and raise accountability in every public school in America. I have proposed a comprehensive plan to strengthen and renew our nation's public schools - from reducing class size to improving teacher quality ... from modernizing and rebuilding thousands of schools to finishing the job of connecting every library and classroom to the Internet ... from putting an end to social promotion to expanding afterschool programs.

This is an education agenda for the 21st Century. But with school enrollments reaching record levels around the country, we know we must draw on every resource we possess to ensure that all of our children have the chance to reach their highest potential. We must do more to promote the creativity, competition, and accountability that can turn around failing schools, and make good schools even better.

That is why I have been encouraging more states to pass charter school laws - and promoting the idea of charter schools across the country. Charter schools are innovative public schools started by educators, parents, and communities, open to students of every background or ability. In return for greater flexibility, charter schools must set and meet the highest standards - and they stay open only as long as they do. Just as important, charter schools don't divert tax payer dollars from our public school system -- they use those dollars to improve all our public schools.

I am proud of the progress we have made so far. When I was first elected President, there was only one charter school in the entire country. This year, there will be more than 1,700 -- well on our way to meeting my goal of establishing 3,000 charter schools nationwide.

For an increasing number of families, charter schools are the right choice. In fact, there are waiting lists at 7 out of 10 existing charter schools, as more parents realize that more innovation and creativity produce results. Let me give you just one example. When Bowling Green Elementary School in Sacramento ranked third from the bottom in its district, parents and teachers decided to take control. Since becoming a charter school, Bowling Green has seen student performance soar -- with greater gains in test scores than any school in the district.

The charter school movement is a real grass-roots revolution in education -- and we must do everything we can to support it. Today, I am pleased to announce nearly \$100 million in funding for charter schools around the country. These funds will help teachers and parents open new charter schools in 32 states, the District of Columbia and Puerto Rico. They will help existing charter schools hire more well-trained teachers, buy more books, computers, and educational software, and ensure that classrooms are safe and accessible for all students. Finally, these funds will help charter schools develop accountability systems to measure whether they are meeting -- or exceeding -- state standards.

Charter schools are living proof of what parents and teachers can do to reinvigorate public education. Investing in them means investing in accountability and excellence. But just as our children are returning to class, the Republican leadership's risky tax plan would undermine these investments and force deep and irresponsible cuts in education and other national priorities. As Congress comes back to Washington, let's remind them what the creators and students of America's charter schools already know: We are all accountable for our children's future.

Thanks for listening.

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August 28, 1999

RADIO ADDRESS BY THE PRESIDENT TO THE NATION

Message Creation Date was at 29-AUG-1999 19:18:00

THE WHITE HOUSE

Office of the Press Secretary
(Edgartown, Martha's Vineyard)

For Immediate Release August 28, 1999

RADIO ADDRESS BY THE PRESIDENT
TO THE NATION

Edgartown School
Edgartown, Martha's Vineyard

10:06 A.M. EDT

THE PRESIDENT: Good morning. This week, students all over the country are getting ready for the first day of school. Like every year, parents will send their children off to school with new backpacks and fresh hopes that they'll get the world-class education they need and deserve. Today I want to talk about our continuing efforts to strengthen and renew our nation's public schools, by encouraging more choice, competition, and creativity.

For more than six and a half years now, Secretary Riley and I and our whole administration have worked hard to raise standards, raise expectations, and raise accountability in every public school in America. I have advanced a comprehensive plan to strengthen and renew our nation's schools, and education agenda for the 21st century -- from reducing class size to improving teacher quality, from modernizing and rebuilding thousands of schools to finishing the job of connecting every library and classroom to the Internet, from putting an end to social promotion to expanding after-school and summer school programs.

We've also worked hard to promote the creativity, competition and accountability that can turn around failing schools, and make our good schools even better. That's the big reason I've encouraged states to pass charter school laws and urge communities all across our country to give charter schools a chance.

Charter schools are innovative public schools started by educators, parents and communities, open to students of every background or ability. But they're freer of red tape and top-down management than most of our schools are, and in return for greater flexibility, charter schools must set and meet the highest

standards, and stay open only as long as they do.

Also, charter schools don't divert taxpayer dollars from our public school system; instead, they use those dollars to promote excellence and competition within the system and in so doing, they spur all our public schools to improve.

I am proud of the progress we've made so far. When I was first elected President, there was only one charter school in the entire country. This year, there will be more than 1,700 of them. We're well on our way to meeting my goal of establishing 3,000 charter schools nationwide in the first year of the new century.

For an increasing number of families, charter schools are the right choice. In fact, there are now waiting lists at seven out of 10 existing charter schools, as more parents realize that more innovation and creativity can produce good results for their children.

Let me give you just one example. When Bowling Green Elementary School in Sacramento ranked third from the bottom in its district, parents and teachers decided they had to do something to take control and turn the situation around. So they set up a charter school there. Since becoming a charter school, Bowling Green has seen student performance soar -- with greater gains in test scores than any other school in the school district.

The charter school movement is a real grass-roots revolution in education. We must do everything we can to support it. Today, I am pleased to announce nearly \$100 million in funding for charter schools all around America. These funds will help teachers and parents open new charter schools in 32 states, the District of Columbia and Puerto Rico.

They will help existing charter schools hire more well-trained teachers, buy more books, computers, and educational software, and ensure that classrooms are safe and accessible for all students. Finally, these funds will help charter schools develop accountability systems to measure whether they are meeting -- or exceeding -- state standards.

Charter schools are living proof of what parents and teachers can do to reinvigorate public education. Investing in them means investing in accountability and excellence, and a much better future for our children.

But just as our children are returning to class, the Republican leadership's risky tax cut plan would undermine these investments by forcing deep and irresponsible cuts in education and other important national priorities. So, as Congress comes back to Washington, let's remind them what the creators and the students of America's charter schools already know: We're all accountable for our children's future; and an investment in it is our best investment in all our future.

Thanks for listening.

END 10:11 A.M. EDT

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CHARTER SCHOOL EXPANSION ACT OF 1998

Page 112 STAT. 2682

PUBLIC LAW 105-278-OCT. 22, 1998

Public Law 105-278
105th Congress

An Act

To amend title VI and X of the Elementary and Secondary Education Act of 1965 to improve and expand charter schools. <<NOTE: Oct. 22, 1998 - [H.R. 2616]>>

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, <<NOTE: Charter School Expansion Act of 1998. Grants.>>

SECTION 1. SHORT TITLE. <<NOTE: 20 USC 6301 note.>>

This Act may be cited as the ``Charter School Expansion Act of 1998''.

SEC. 2. INNOVATIVE CHARTER SCHOOLS.

Title VI of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7301 et seq.) is amended--

(1) in section 6201(a) (20 U.S.C. 7331(a))--

(A) in paragraph (1)(C), by striking ``and'' after the semicolon;

(B) by redesignating paragraph (2) as paragraph (3);

and

(C) by inserting after paragraph (1) the following:

``(2) support for planning, designing, and initial implementation of charter schools as described in part C of title X; and''; and

(2) in section 6301(b) (20 U.S.C. 7351(b))--

(A) in paragraph (7), by striking ``and'' after the semicolon;

(B) by redesignating paragraph (8) as paragraph (9);

and

(C) by inserting after paragraph (7) the following:

``(8) planning, designing, and initial implementation of charter schools as described in part C of title X; and''.

SEC. 3. CHARTER SCHOOLS.

(a) Purpose.--Section 10301(b) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8061(b)) is amended--

(1) in paragraph (1)--

(A) by inserting ``planning, program'' before ``design''; and

(B) by striking ``and'' after the semicolon;
(2) in paragraph (2), by striking the period and inserting
``; and''; and
(3) by adding at the end the following:
``(3) expanding the number of high-quality charter schools
available to students across the Nation.''.

(b). Criteria for Priority Treatment.--Section 10302 of such Act of
1965 (20 U.S.C. 8062) is amended--

[[Page 112 STAT. 2683]]

(1) in subsection (c)(2)--
(A) in subparagraph (A), by striking ``and'' after
the semicolon;
(B) in subparagraph (B), by striking the period and
inserting ``; and''; and
(C) by adding at the end the following:
``(C) not more than 2 years to carry out
dissemination activities described in section 10304(f)
(6)(B).'';
(2) by amending subsection (d) to read as follows:

(d) Limitation.--A charter school may not receive--
``(1) more than one grant for activities described in
subparagraphs (A) and (B) of subsection (c)(2); or
``(2) more than one grant for activities under subparagraph
(C) of subsection (c)(2).''; and
(3) by adding at the end the following:

(e) Priority Treatment.--
``(1) In general.--
``(A) Fiscal years 1999, 2000, and 2001.--In
awarding grants under this part for any of the fiscal
years 1999, 2000, and 2001 from funds appropriated under
section 10311 that are in excess of \$51,000,000 for the
fiscal year, the Secretary shall give priority to States
to the extent that the States meet the criteria
described in paragraph (2) and one or more of the
criteria described in subparagraph (A), (B), or (C) of
paragraph (3).

``(B) Succeeding fiscal years.--In awarding grants
under this part for fiscal year 2002 or any succeeding
fiscal year from any funds appropriated under section
10311, the Secretary shall give priority to States to
the extent that the States meet the criteria described
in paragraph (2) and one or more of the criteria
described in subparagraph (A), (B), or (C) of paragraph
(3).

``(2) Review and evaluation priority criteria.--The criteria
referred to in paragraph (1) is that the State provides for
periodic review and evaluation by the authorized public
chartering agency of each charter school, at least once every 5
years unless required more frequently by State law, to determine
whether the charter school is meeting the terms of the school's
charter, and is meeting or exceeding the academic performance
requirements and goals for charter schools as set forth under
State law or the school's charter.

``(3) Priority criteria.--The criteria referred to in
paragraph (1) are the following:

``(A) The State has demonstrated progress, in
increasing the number of high quality charter schools
that are held accountable in the terms of the schools'
charters for meeting clear and measurable objectives for
the educational progress of the students attending the

schools, in the period prior to the period for which a State educational agency or eligible applicant applies for a grant under this part.

``(B) The State--

``(i) provides for one authorized public chartering agency that is not a local educational agency, such as a State chartering board, for each individual or entity seeking to operate a charter school pursuant to such State law; or

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``(ii) in the case of a State in which local educational agencies are the only authorized public chartering agencies, allows for an appeals process for the denial of an application for a charter school.

``(C) The State ensures that each charter school has a high degree of autonomy over the charter school's budgets and expenditures.

``(f) Amount Criteria.--In determining the amount of a grant to be awarded under this part to a State educational agency, the Secretary shall take into consideration the number of charter schools that are operating, or are approved to open, in the State.''

(c) Applications.--Section 10303 of such Act (20 U.S.C. 8063) is amended--

(1) in subsection (b)--

(A) in paragraph (1), by inserting ``and'' after the semicolon;

(B) by redesignating paragraph (2) as paragraph (3);

(C) by inserting after paragraph (1) the following:

``(2) describe how the State educational agency--

``(A) will inform each charter school in the State regarding--

``(i) Federal funds that the charter school is eligible to receive; and

``(ii) Federal programs in which the charter school may participate;

``(B) will ensure that each charter school in the State receives the charter school's commensurate share of Federal education funds that are allocated by formula each year, including during the first year of operation of the charter school; and

``(C) will disseminate best or promising practices of charter schools to each local educational agency in the State; and''; and

(D) in paragraph (3) (as redesignated by subparagraph (B))--

(i) in subparagraph (E), insert ``planning, program'' before ``design'';

(ii) in subparagraph (K), by striking ``and'' after the semicolon;

(iii) by redesignating subparagraph (L) as subparagraph (N); and

(iv) by inserting after subparagraph (K) the following:

``(L) a description of how a charter school that is considered a local educational agency under State law, or a local educational agency in which a charter school is located, will comply with sections 613(a)(5) and 613(e)(1)(B) of the Individuals with Disabilities Education Act;

``(M) if the eligible applicant desires to use subgrant funds for dissemination activities under

section 10302(c)(2)(C), a description of those activities and how those activities will involve charter schools and other public schools, local educational agencies, developers, and potential developers; and'';
and

- (2) in subsection (c), by striking ``10302(e)(1) or''; and
- (3) in subsection (d)(1)--

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(A) by striking ``subparagraphs (A) through (L)'' and inserting ``subparagraphs (A) through (N)''; and
(B) by striking ``subparagraphs (I), (J), and (K)'' and inserting ``subparagraphs (J), (K), and (N)''.

(d) Administration.--Section 10304 of such Act (20 U.S.C. 8064) is amended--

- (1) in subsection (a)--

(A) in paragraph (4), by striking ``and'' after the semicolon;

(B) in paragraph (5), by striking the period and inserting a semicolon; and

(C) by adding at the end the following:

``(6) the number of high quality charter schools created under this part in the State; and

``(7) in the case of State educational agencies that propose to use grant funds to support dissemination activities under section 10302(c)(2)(C), the quality of those activities and the likelihood that those activities will improve student achievement.'';

- (2) in subsection (b)--

(A) in paragraph (5), by striking ``and'' after the semicolon;

(B) in paragraph (6), by striking the period and inserting ``; and''; and

(C) by adding at the end the following:

``(7) in the case of an eligible applicant that proposes to use grant funds to support dissemination activities under section 10302(c)(2)(C), the quality of those activities and the likelihood that those activities will improve student achievement.'';

- (3) in subsection (f)--

(A) in paragraph (1), by inserting before the period the following: ``, except that the State educational agency may reserve not more than 10 percent of the grant funds to support dissemination activities described in paragraph (6)'';

(B) in paragraph (2), by inserting ``, or to disseminate information about the charter school and successful practices in the charter school,' after ``charter school'';

(C) in paragraph (5), by striking ``20 percent'' and inserting ``10 percent''; and

(D) by adding at the end the following:

- ``(6) Dissemination.--

(A) In general.--A charter school may apply for funds under this part, whether or not the charter school has applied for or received funds under this part for planning, program design, or implementation, to carry out the activities described in subparagraph (B) if the charter school has been in operation for at least 3 consecutive years and has demonstrated overall success, including--

(i) substantial progress in improving student achievement;

(ii) high levels of parent satisfaction; and
 (iii) the management and leadership
 necessary to overcome initial start-up problems
 and establish a thriving, financially viable
 charter school.

(B) Activities.--A charter school described in
 subparagraph (A) may use funds reserved under paragraph

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(1) to assist other schools in adapting the charter
 school's program (or certain aspects of the charter
 school's program), or to disseminate information about
 the charter school, through such activities as--

(i) assisting other individuals with the
 planning and start-up of one or more new public
 schools, including charter schools, that are
 independent of the assisting charter school and
 the assisting charter school's developers, and
 that agree to be held to at least as high a level
 of accountability as the assisting charter school;

(ii) developing partnerships with other
 public schools, including charter schools,
 designed to improve student performance in each of
 the schools participating in the partnership;

(iii) developing curriculum materials,
 assessments, and other materials that promote
 increased student achievement and are based on
 successful practices within the assisting charter
 school; and

(iv) conducting evaluations and developing
 materials that document the successful practices
 of the assisting charter school and that are
 designed to improve student performance in other
 schools.''.

(f) National Activities.--Section 10305 of such Act (20 U.S.C.
 8065) is amended to read as follows:

SEC. 10305. NATIONAL ACTIVITIES.

(a) In General.--The Secretary shall reserve for each fiscal year
 the greater of 5 percent or \$5,000,000 of the amount appropriated to
 carry out this part, except that in no fiscal year shall the total
 amount so reserved exceed \$8,000,000, to carry out the following
 activities:

(1) To provide charter schools, either directly or through
 State educational agencies, with--

(A) information regarding--

(i) Federal funds that charter schools are
 eligible to receive; and

(ii) other Federal programs in which charter
 schools may participate; and

(B) assistance in applying for Federal education
 funds that are allocated by formula, including
 assistance with filing deadlines and submission of
 applications.

(2) To provide for the completion of the 4-year national
 study (which began in 1995) of charter schools.

(3) To provide for other evaluations or studies that
 include the evaluation of the impact of charter schools on
 student achievement, including information regarding--

(A) students attending charter schools reported on
 the basis of race, age, disability, gender, limited
 English proficiency, and previous enrollment in public

school; and

((B) the professional qualifications of teachers within a charter school and the turnover of the teaching force.

((4) To provide--

((A) information to applicants for assistance under this part;

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((B) assistance to applicants for assistance under this part with the preparation of applications under section 10303;

((C) assistance in the planning and startup of charter schools;

((D) training and technical assistance to existing charter schools; and

((E) for the dissemination to other public schools of best or promising practices in charter schools.

((5) To provide (including through the use of one or more contracts that use a competitive bidding process) for the collection of information regarding the financial resources available to charter schools, including access to private capital, and to widely disseminate to charter schools any such relevant information and model descriptions of successful programs.

((b) Construction.--Nothing in this section shall be construed to require charter schools to collect any data described in subsection (a).''

((g) Commensurate Treatment; Records Transfer; Paperwork Reduction.--Part C of title X of such Act (20 U.S.C. 8061 et seq.) is amended--

(1) by redesignating <<NOTE: 20 USC 8066, 8067.>> sections 10306 and 10307 as sections 10310 and 10311, respectively; and

(2) by inserting after section 10305 the following:

''SEC. 10306. <<NOTE: 20 USC 8065a.>> FEDERAL FORMULA ALLOCATION DURING FIRST YEAR AND FOR SUCCESSIVE ENROLLMENT EXPANSIONS.

((a) <<NOTE: Deadline.>> In General.--For purposes of the allocation to schools by the States or their agencies of funds under part A of title I, and any other Federal funds which the Secretary allocates to States on a formula basis, the Secretary and each State educational agency shall take such measures not later than 6 months after the date of the enactment of the Charter School Expansion Act of 1998 as are necessary to ensure that every charter school receives the Federal funding for which the charter school is eligible not later than 5 months after the charter school first opens, notwithstanding the fact that the identity and characteristics of the students enrolling in that charter school are not fully and completely determined until that charter school actually opens. The measures similarly shall ensure that every charter school expanding its enrollment in any subsequent year of operation receives the Federal funding for which the charter school is eligible not later than 5 months after such expansion.

((b) Adjustment and Late Openings.--

(1) In general.--The measures described in subsection (a) shall include provision for appropriate adjustments, through recovery of funds or reduction of payments for the succeeding year, in cases where payments made to a charter school on the basis of estimated or projected enrollment data exceed the amounts that the school is eligible to receive on the basis of actual or final enrollment data.

((2) Rule.--For charter schools that first open after November 1 of any academic year, the State, in accordance with

guidance provided by the Secretary and applicable Federal statutes and regulations, shall ensure that such charter schools that are eligible for the funds described in subsection (a) for

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such academic year have a full and fair opportunity to receive those funds during the charter schools' first year of operation.

SEC. 10307. SOLICITATION <<NOTE: 20 USC 8065b.>> OF INPUT FROM CHARTER SCHOOL OPERATORS.

To the extent practicable, the Secretary shall ensure that administrators, teachers, and other individuals directly involved in the operation of charter schools are consulted in the development of any rules or regulations required to implement this part, as well as in the development of any rules or regulations relevant to charter schools that are required to implement part A of title I, the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.), or any other program administered by the Secretary that provides education funds to charter schools or regulates the activities of charter schools.

SEC. 10308. RECORDS TRANSFER. <<NOTE: 20 USC 8065c.>>

State educational agencies and local educational agencies, to the extent practicable, shall ensure that a student's records and, if applicable, a student's individualized education program as defined in section 602(11) of the Individuals with Disabilities Education Act (20 U.S.C. 1401(11)), are transferred to a charter school upon the transfer of the student to the charter school, and to another public school upon the transfer of the student from a charter school to another public school, in accordance with applicable State law.

SEC. 10309. PAPERWORK REDUCTION. <<NOTE: 20 USC 8065d.>>

To the extent practicable, the Secretary and each authorized public chartering agency shall ensure that implementation of this part results in a minimum of paperwork for any eligible applicant or charter school."

(h) Part C Definitions.--Section 10310(1) of such Act (as redesignated by subsection (e)(1)) (20 U.S.C. 8066(1)) is amended--

(1) in subparagraph (A), by striking "an enabling statute" and inserting "a specific State statute authorizing the granting of charters to schools";

(2) in subparagraph (H), by inserting "is a school to which parents choose to send their children, and that" before "admits";

(3) in subparagraph (J), by striking "and" after the semicolon;

(4) in subparagraph (K), by striking the period and inserting "; and"; and

(5) by adding at the end the following:

(L) has a written performance contract with the authorized public chartering agency in the State that includes a description of how student performance will be measured in charter schools pursuant to State assessments that are required of other schools and pursuant to any other assessments mutually agreeable to the authorized public chartering agency and the charter school."

(i) Authorization of Appropriations.--Section 10311 of such Act (as redesignated by subsection (e)(1)) (20 U.S.C. 8067) is amended by striking "\$15,000,000 for fiscal year 1995" and inserting "\$100,000,000 for fiscal year 1999".

(j) Title XIV Definitions.--Section 14101 of such Act (20 U.S.C. 8801) is amended--

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(1) in paragraph (14), by inserting `` , including a public elementary charter school, '' after ``residential school''; and
(2) in paragraph (25), by inserting `` , including a public secondary charter school, '' after ``residential school''.

(k) Conforming Amendment.--The matter preceding paragraph (1) of section 10304(e) of such Act (20 U.S.C. 8064(e)) is amended by striking ``10306(1)'' and inserting ``10310(1)''.

Approved October 22, 1998.

LEGISLATIVE HISTORY--H.R. 2616 (S. 1380):

HOUSE REPORTS: No. 105-321 (Comm. on Education and the Workforce).

SENATE REPORTS: No. 105-301 accompanying S. 1380 (Comm. on Labor and Human Resources).

CONGRESSIONAL RECORD:

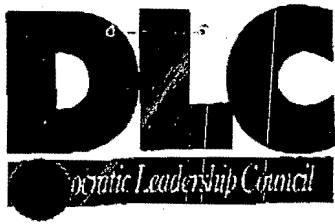
Vol. 143 (1997): Nov. 4, 7, considered and passed House.

Vol. 144 (1998): Oct. 8, considered and passed Senate, amended.

Oct. 9, 10, House concurred in Senate amendment.

WEEKLY COMPILATION OF PRESIDENTIAL DOCUMENTS, Vol. 34 (1998):

Oct. 22, Presidential statement.



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August 1999

Charter Schools

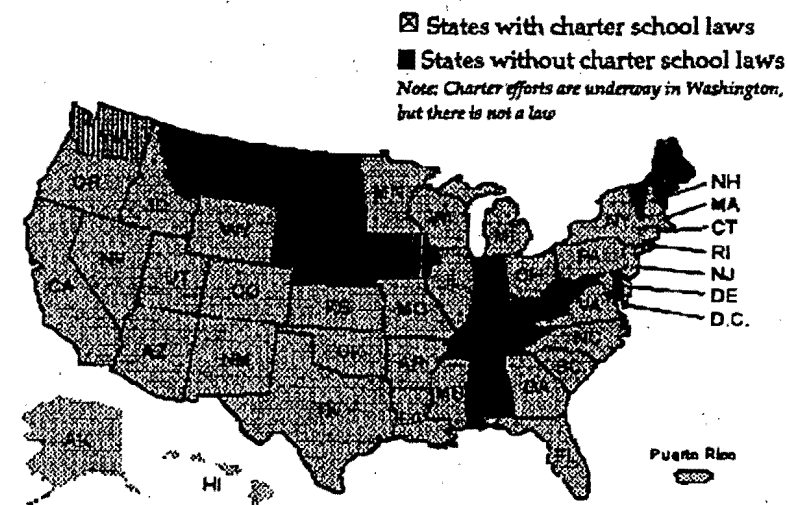
Policy Success Story Begins to Emerge

Bryan Hassel

In 1990, the Progressive Policy Institute (PPI) published Ted Kolderie's *Beyond Choice to New Public Schools: Withdrawing the Exclusive Franchise in Public Education*, a blueprint for what we now call "charter schools."¹ Kolderie mapped out a new approach to education reform in which state policymakers would invite groups of citizens to start new public schools, give those schools freedom from onerous laws and regulations, require them to attract families to survive, and hold them strictly accountable for results. In addition to serving their own students, these charter schools would spur a competitive response from traditional school districts, improving education for all students.

In the intervening years, charter school laws have swept the nation, and charter schools are now operating in over half the states. Political leaders from both parties—including President Clinton and U.S. Secretary of Education Richard Riley—have backed the concept enthusiastically. What results have these ten years produced? Are charter schools living up to the bold vision articulated by Kolderie? This brief assesses what we know about charter school programs today. It summarizes key research on charter schools, explores the benchmarks of success we ought to be charting, and looks at how well individual schools and the charter strategy are living up to these benchmarks.

Fig 1: States with Charter School Laws, June 1999

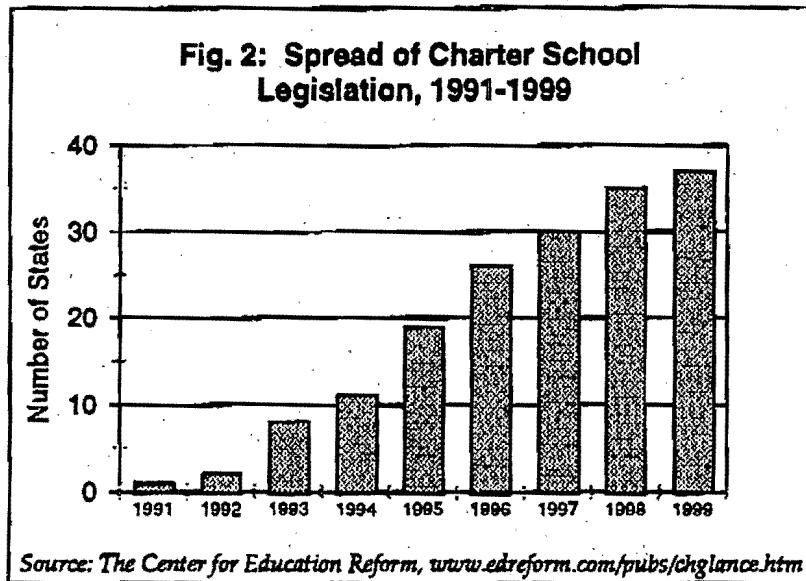


Source: U.S. Charter Schools, www.uscharterschools.org/chrt_exch/exlist.htm

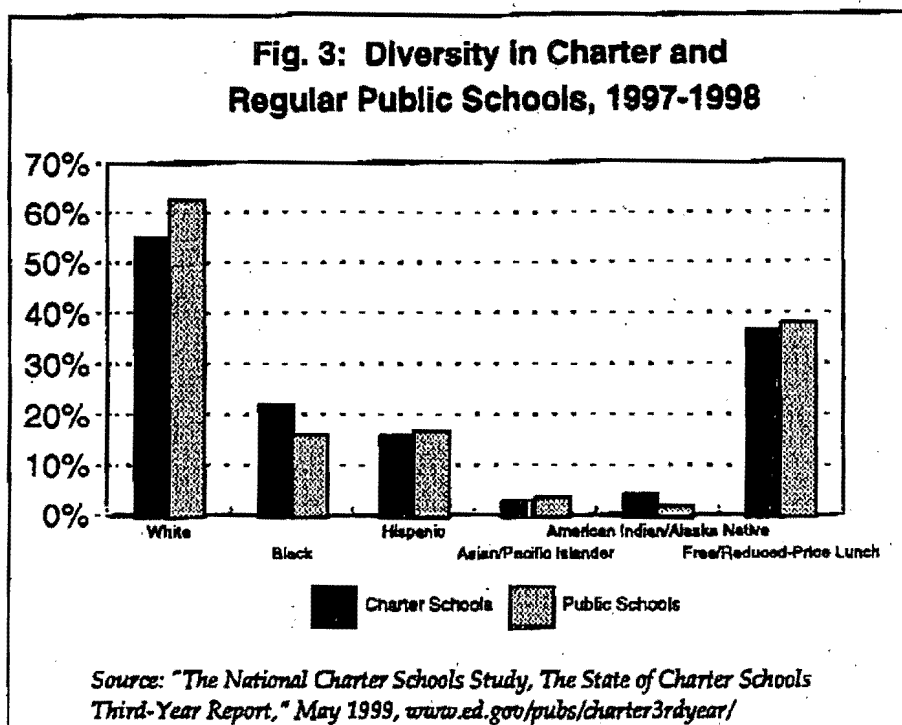
What the Research Says

Research on charter school programs has proliferated nearly as quickly as charter schools themselves. In addition to a wide-ranging national study sponsored by the Department of Education, numerous independent analyses have been conducted, including evaluations of state and district programs and examinations of central charter school issues, like accountability and the impact of charter schools on school districts. Though there is still a great deal to learn, findings have come to the fore in six key areas:

- ▶ **Rapid growth.** Charter school programs have become the norm rather than the exception, with laws on the books in 36 states and the District of Columbia. In April 1999, 1,205 charter schools were operating in 27 states, educating more than 300,000 students.² Charter schools are operating in urban and rural districts, are serving a variety of student populations, and are often quite different from one another and existing district schools.³



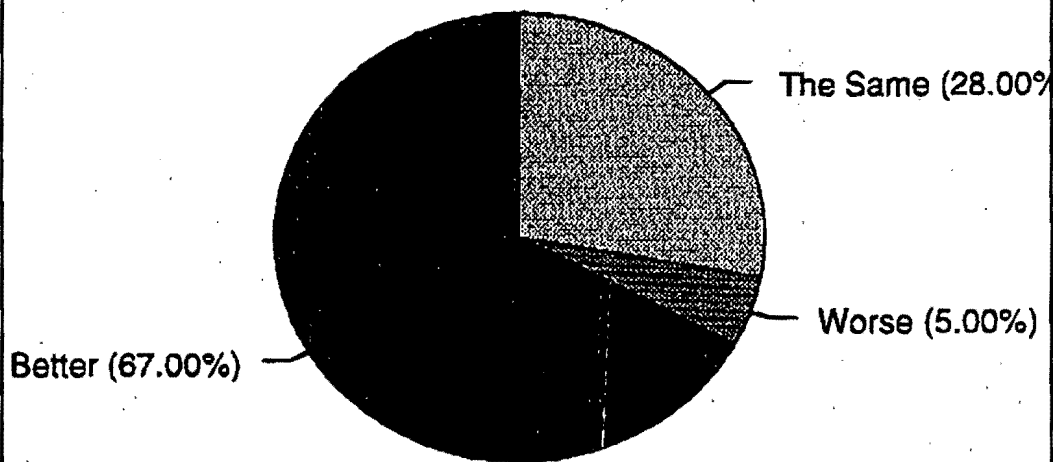
- ▶ **Wide variation in laws.** Though most states now have something called a "charter school law," these laws are as different as night and day. Some come very close to the ideal Kolderie set forth in his 1990 PPI monograph; others represent little change from the status quo. For example, 15 of the first 35 charter laws allow local school boards to veto applications. Fifteen make charter schools part of their local school districts, denying them legal independence. Only 17 of the laws permit full per-pupil operating funding to follow the child from a district to a charter school; fewer than five allow capital funding to follow the child. And many laws restrict the number of charter schools that can open, the types of people and organizations that can propose charter schools, or both.⁴
- ▶ **Diverse appeal.** Contrary to fears, charter schools are not serving an exclusively elite or white student population. Some 52 percent of charter school students in



1997-98 were white, compared to 56 percent in all public schools in their states. These comparisons vary, however, from school to school, with many schools serving relatively high percentages of students of color. About 37 percent of charter students were eligible for a free or reduced-price lunch, versus 38 percent of all public school students. Though many charter schools exist to serve students with disabilities, the overall percentage of exceptional children in charter schools was somewhat below that of all public schools (8 percent vs. 11 percent).⁵

- ▶ **Start-up challenges.** Most charter schools are smaller than regular public schools, and some seven in ten started from scratch. Many studies have documented the daunting start-up challenges faced by these fledgling schools, including: inadequate facilities, inadequate per-pupil funding, inadequate planning time, local or state political opposition, difficulty establishing the administrative systems required by left-over public school laws that apply to charter schools, and turnover and turmoil among boards and staffs.⁶ Charter schools have responded to these challenges with creativity and resolve, but the obstacles to starting a charter school remain daunting.
- ▶ **Emergent impacts.** Though the impact of charter schools will be years in the making, experience to date allows some conclusions about how charter schools are working. Information has begun to emerge about three topics:
 - **Parent satisfaction.** Parent surveys have found high levels of support among charter school parents. In one national survey, for example, 65 percent of parents rated their children's charter schools better than their former public schools; less than 6 percent rated them worse.⁷ Fully seven in ten charter schools report a waiting list.⁸

Fig. 4: How Parents Compare Charter and Regular Public Schools



Source: Gregg Vanourek, Bruno V. Manno, Chester E. Finn Jr., and Louann A. Berlin, "Charter Schools as Seen by Students, Teachers and Parents," in Paul E. Peterson and Bryan Cassel, eds., *Learning from School Choice* (Washington: Brookings, 1998), p. 189.

— *Innovative approaches.* Charter schools are pioneering unique approaches to educating students and managing schools. One of the most striking differences between charter schools and conventional public schools is their size: the typical charter school in 1997-98 enrolled 132 students, compared to 486 in a typical public school.⁹

— *Academic achievement.* Data on student achievement in charter schools is still limited, and well-structured comparisons with district schools are rare. Though state evaluations of charter schools are beginning to include achievement data and the national study will as well, most information has been anecdotal, describing particular schools' achievements. Some of this information is previewed below.¹⁰

— *Impact on school districts and their responses.* The most comprehensive study on this question found that while many districts have not felt a large impact from charter schools or responded to their presence with new educational initiatives, a large minority (one-quarter) have "responded energetically to the advent of charters and significantly altered their educational programs."¹¹

► *Accountability a work-in-progress.* In theory, when charter schools fail to attract students, to meet their academic goals, or to live up to the terms of their charter,

they can be shut down. How well is charter school accountability functioning in practice? At one level, accountability systems appear to be working. The Center for Education Reform reports that charter-granting agencies have revoked or refused to renew 27 charters for reasons including inadequate educational programs, mismanagement, inadequate enrollment, and facility problems.¹² The willingness of authorizers to shut down schools indicates that charter schools' autonomy has been coupled with substantial scrutiny. According to one national study of charter school accountability, charter schools are also quite accountable to families, their "customers," who have proven willing to withdraw students when dissatisfied.¹³ Critics and supporters of charter schools alike, however, have also suggested that charter school accountability systems need to be strengthened, particularly with regard to accountability for academic results.¹⁴ Though some charter-granting agencies have developed exemplary systems, charter schools in other places are operating without a clear understanding of the goals they will have to achieve in order to gain renewal.

Benchmarks of Success

As more information about charter schools flows in, how will policymakers know whether charter school policies are working? As Ted Kolderie and others have suggested, the question has two dimensions. First, are *individual charter schools* working as schools? Second, is the charter school *strategy* working as an instrument of education reform?¹⁵

The table below sets out benchmarks for assessing charter school policies on both dimensions. The left-hand column lists five types of benchmarks that are important. What contributions are charter schools making to *student learning*? Are families and students *satisfied customers*? Are charter schools *viable as organizations*? Are charter schools *truly public schools*? And finally, are charter schools having a *positive impact on the educational system*? The first four of these categories imply benchmarks at the level of both individual schools and the charter strategy as a whole—examples of these benchmarks are listed in the next two columns. The fifth area—impact on the broader system—only implies benchmarks for the charter strategy; we do not expect any particular charter school to have an identifiable impact on other public schools.

Benchmarks of Success		
	Individual Schools	The Charter Strategy
<i>Student Learning</i>	-Demonstrate progress toward goals	-Overall progress toward goals is sufficient
<i>Customer Satisfaction</i>	-Attract sufficient enrollment	-Overall demand for charter schools is high
<i>Organizational Viability</i>	-Create viable systems of management and governance	-Schools receive fair share of resources -Schools face minimal regulatory burdens -Support systems exist for schools
<i>Public-ness</i>	-Are truly open to all students -Comply with applicable laws and regulations	-Diverse mix of students attend charter schools -Clear accountability systems exist for charter schools
<i>Impact on Educational System</i>	(not applicable)	-Significant number of schools form -Schools have a substantial impact on districts -Public school sector responds with improved educational/governance systems

Individual Schools Meeting the Benchmarks

Many charter schools are meeting the benchmarks set forth in the table. The schools described briefly below have all attracted large numbers of interested families, established workable management and governance arrangements, and lived up to their obligations under the law. The information below, drawn directly from two recent studies of exemplary charter schools, focuses on two of the most important benchmarks: the *learning* their students have achieved and their *openness* to a diverse mix of students.¹⁶

- ▶ **Bowling Green Elementary School (Sacramento, CA).** As a district public school, Bowling Green ranked third from the bottom among schools in Sacramento. Since converting to charter status in 1993, the school has risen to the top half of the district's elementary schools on the Iowa Tests of Basic Skills. Gains on local tests have outpaced all other schools in the district. More than eight in ten students are children of color, and four in ten are limited in their English proficiency.
- ▶ **City Academy (St. Paul, MN).** Targeting high school dropouts, City Academy was the nation's first charter school. In its first three years, 90 percent of its graduates qualified for postsecondary education, and all of the school's 1995 graduates were accepted into college. During 1996-97, students on average made *at least three years academic gain* in reading and math.
- ▶ **City on a Hill Charter School (Boston, MA).** When the school opened, less than four in ten of its students could do math on grade level; after one year almost six in ten could. Over half were more than two years behind grade level in reading; a year later, less than four in ten trailed the norm by that much. Over 70 percent of this school's high school students are children of color, and nearly half are eligible for free or reduced-price lunch.
- ▶ **Pueblo School for the Arts and Sciences (Pueblo, CO).** PSAS's high school students participate in the ACT Portfolio program, in which their work is rated by national scorers. More than nine in ten students with two years of data have made "highly significant improvement" in science; nearly six in ten have made "highly significant" or "significant improvement" in language arts. Half of PSAS's K-12 students are children of color, and nearly as many are eligible for free or reduced-price lunch.
- ▶ **SABIS International Charter School (Springfield, MA).** One of the lowest performing public schools in Springfield, six in ten of this school's students scored below level when the school converted to charter status. During the 1996-97 school year, students averaged a gain of 1.64 years on the Iowa Tests of Basic Skills, and six in ten students were *above* grade level. Six in ten students are children of color, and more than half are eligible for free and reduced-price lunch.
- ▶ **Vaughn Next Century Learning Center (Los Angeles, CA).** Serving a population in which more than nine in ten students are Hispanic and most are limited in their

English proficiency, Vaughn increased its language arts scores from the 9th to the 39th percentile and its math scores from the 14th to the 57th percentile in its first two years of operation. The number of students proficient enough to receive instruction in English tripled over five years. In 1997, the U.S. Department of Education named the school one of the 34 Blue Ribbon Schools nationwide.

- ▶ **Wesley Elementary Charter School (Houston, TX).** Nearly all of Wesley's students are children of color, and more than 80 percent qualify for a free lunch. In 1998, more than 90 percent of the school's students passed state tests in reading, writing, and math.

Is the Charter Strategy Working?

The benchmarks for the charter strategy fall into three categories. First, on a few benchmarks, the charter strategy is clearly a success. *Demand* for charter schools is high, evidenced by their proliferation across the country, families' willingness to enroll some 300,000 children, and waiting lists at seven in ten charter schools. Though diversity varies from school to school, charter schools are attracting a *diverse mix* of students. There is no evidence that charter schools are serving a disproportionate share of white or upper-income students. And *support systems* are beginning to emerge for charter schools, ranging from nonprofit "charter school resource centers" and associations to for-profit service-providers.

Second, on several benchmarks, action is needed by state and federal policymakers to fulfill the full promise of charter schools. In particular:

- ▶ Charter school finance policies in many states do not provide charter schools with a *full share* of school resources, particularly with regard to capital funds. Charter schools often receive no funding for lease or mortgage costs—they are forced to dig into classroom dollars to make these payments. And state laws often make it difficult for charter schools to tap tax-exempt debt markets.
- ▶ Many *regulatory systems*, in both state and federal domains, are ill-suited to autonomous public schools. Charter schools, most with enrollments below 200, are often unable to fulfill economic reporting and procedural requirements that were designed with large multi-school districts in mind.
- ▶ States too often *re-impose constraints* on charter schools. A bill under consideration in California that would subject charter schools to local collective bargaining agreements is a recent high-profile example, but many other restrictions are already on the books.
- ▶ Accountability systems need to be clarified in most charter states. What goals must charter schools achieve in order to obtain renewal? How will progress be measured? What steps will be taken when performance lags? A set of national standards and benchmarks in reading and math would make it easier for charter-

granting agencies to design these systems while leaving schools wide flexibility to pursue innovative approaches across the curriculum.

- ▶ Many state charter laws make it so difficult to start a charter school (through caps on numbers or veto power granted to local boards) that it is difficult to envision charter schools having the *hoped-for impact* in those states.

Finally, on two of the most critical benchmarks—*overall progress* toward goals for student learning and *positive system responses*—we continue to await evidence. It is important to realize at this early stage that the evidence that does come in on these points will be mixed. As the examples above indicate, some charter schools will do quite well relative to comparable schools and their own goals; but others will not. Some districts will respond with constructive improvement; others will not.

Policymakers will need to strive to make sense of a complicated picture, sorting through individual anecdotes to arrive at broad policy judgments. Neither the extraordinary success of a small number of celebrated schools nor the spectacular failure of a small number of vilified schools should color this judgment too much. Instead, policymakers should keep the focus on the bigger picture—whether the charter school *strategy* is working as a means to improve education.

Bryan C. Hassel is director of Public Impact, an education and policy consulting firm based in Charlotte, NC. He is co-editor (with Paul E. Peterson) of Learning from School Choice (Brookings, 1998) and author of The Charter School Challenge: Avoiding the Pitfalls, Fulfilling the Promise (Brookings, 1999).

For further information about PPI publications, please call the publications department at 202-544-6172, write: Progressive Policy Institute, 518 C Street, NE, Washington, DC 20002, or visit PPI's site on the World Wide Web at: <http://www.dlcppi.org/>.

Endnotes

¹ Ted Kolderie, *Beyond Choice to New Public Schools: Withdrawing the Exclusive Franchise in Public Education* (Washington, DC: Progressive Policy Institute, 1990).

² Center for Education Reform, "Charter School Highlights and Statistics," updated April 1999. Web: <http://edreform.com/pubs/chglance.htm>.

³ RPP International, *A National Study of Charter Schools: Second Year Report* (Washington: US Department of Education, 1998), Web: <http://www.ed.gov/pubs/charter98>; Gregg Vanourek, Bruno V. Manno, Chester E. Finn, Jr., and Louann A. Bierlein, "The Educational Impact of Charter Schools," Part IV of *Charter Schools in Action: Final Report* (Washington: Hudson Institute, 1997), Web: <http://www.edexcellence.net/chart/charttoc.htm>; Bruno V. Manno, Chester E. Finn, Jr., Gregg Vanourek, and Louann A. Bierlein, "How Charter Schools Are Different: Lessons and Implications," Part VI of *Charter Schools in Action: Final Report*.

⁴ Bryan C. Hassel, *The Charter School Challenge: Avoiding the Pitfalls, Fulfilling the Promise* (Washington: Brookings, forthcoming in 1999), Chapter 7.

⁵ RPP International, *The State of Charter Schools: Third Year Report*, pp. 30-37, Web: <http://www.ed.gov/pubs/charter3rdyear>. Overall public school data from the 1996-97 school year.

⁶ For example, see Chester E. Finn, Jr., Bruno V. Manno, Louann A. Bierlein, and Gregg Vanourek, "The Birth-Pains and Life-Cycles of Charter Schools," Part II of *Charter Schools in Action: Final Report*; RPP International, *A National Study of Charter Schools*; RPP International, *The State of Charter Schools*; Charter Friends National Network, *Paying for the Charter Schoolhouse: Policy Strategies for Charter School Facility Financing* (St. Paul, MN: The Network, 1999), Web: <http://www.charterfriends.org/facilities.html>; Seymour B. Sarason, *Charter Schools: Another Flawed Educational Reform?* (New York: Teachers College Press, 1998).

⁷ Gregg Vanourek, Bruno V. Manno, Chester E. Finn, Jr., and Louann A. Bierlein, "Charter Schools as Seen by Students, Teachers, and Parents," in Paul E. Peterson and Bryan C. Hassel, eds., *Learning from School Choice* (Washington: Brookings, 1998).

⁸ RPP International, *The State of Charter Schools*, p. 1.

⁹ RPP International, *The State of Charter Schools*, pp. 20-21.

¹⁰ For example, Stella Cheung, Mary Ellen S. Murphy, and Joe Nathan, *Making a Difference? Charter Schools, Evaluation and Student Performance* (Minneapolis, MN: Center for School Change, 1998); Paula Morgado and David May, "Achievement," Part I of *Charter Schools: A Progress Report* (Washington: Center for Education Reform, 1999), Web: <http://edreform.com/pubs/chachie.htm>.

¹¹ Eric Rofes, *How Are School Districts Responding to Charter Laws and Charter Schools? A Study of Eight States and the District of Columbia* (Berkeley, CA: Policy Analysis for California Education, 1998), pp. 11-

12. See also Robert Maranto, Scott Milliman, Frederick Hess, and April Gresham, "Arizona Charter Schools and District Schools," in Maranto, Milliman, Hess and Gresham, eds. *The Frontiers of Public Education: Lessons From Arizona Charter Schools* (Boulder, CO: Westview, forthcoming in 1999).

¹² David DeSchryver, "The Closures," Part II of *Charter Schools: A Progress Report*, Web: <http://edreform.com/pubs/CharterClosures99.htm>.

¹³ Paul T. Hill, Lawrence C. Pierce, and Robin Lake, "How Are Public Charter Schools Held Accountable?" Working Paper, University of Washington, 1998.

¹⁴ Amy Stuart Wells and colleagues, *Beyond the Rhetoric of Charter School Reform: A Study of Ten California School Districts* (Los Angeles: UCLA Charter School Study, 1998), pp. 19-24, Web: <http://www.gseis.ucla.edu/docs/charter.pdf>; Bruno V. Manno, Chester E. Finn, Jr., Louann A. Bierlein, and Gregg Vanourek, "Charter School Accountability: Problems and Prospects," Part IV of *Charter Schools in Action*.

¹⁵ Ted Kolderie, "What Does It Mean to Ask, 'Is "Charter Schools" Working?'" Working paper, Charter Friends National Network, 1998. Web: <http://www.charterfriends.org/working.html>.

¹⁶ Cheung, Murphy, and Nathan, *Making a Difference?*, pp. 15-19; Morgado and May, "Achievement."

The State of Charter Schools Third-Year Report — May 1999

Executive Summary

What sets charter schools apart from other public schools is their charter — a contract with a state or local agency that provides the school with public funds for a specified time. This contract frees charter schools from a number of regulations that otherwise apply to public schools. In exchange, the charter schools are accountable for improving student performance and achieving goals set out in the charter.

This Third-Year Report of the National Study of Charter Schools provides descriptive information on charter schools that were operating in the 1997-98 school year. Subsequent reports of the National Study will address broad policy issues concerning the charter school movement and its potential effects on America's system of public education.

Growth Trends: The charter movement continued to expand in 1998

- An additional 361 charter schools opened in 1998, bringing the total to 1,050 charter schools in operation in 27 states plus the District of Columbia. Including multiple branches of a school operating under the same charter, the total number of charter school sites operating was 1,129 as of September 1998.
- The demand for charter schools remains high — 7 of 10 report that they have a waiting list.
- Thirteen charter schools closed in 1997-98. In total, 32 charter schools — which is about three percent of all charter schools — have closed since the first charter school opened in 1992.
- The number of students in charter schools increased in 1997-98 by about 50,000, bringing the total to about 160,000 students. This total represents only 0.6 percent of all public school students in the 23 charter states plus the District of Columbia that had open charter schools as of June, 1998.
- During the 1998 legislative session, four new states — Idaho, Missouri, Virginia, and Utah — passed charter legislation, bringing the total to 33 states and the District of Columbia¹. Several charter states amended their laws — two increased the number of charters that can be granted; two expanded the number of agencies allowed to grant charters; one that previously only allowed pre-existing public schools authorized newly created charter schools; two authorized funds for capital improvement needs of charter schools; and one state increased the length of the charter term.

Characteristics of Charter Schools: Most charter schools are newly created, small schools. The charter schools that opened during 1997-98 were more likely to be newly-created, small schools than charter schools opening in prior years.

- Even more so than in the past, recently opened charter schools are small. Currently, the median enrollment of all charter schools is about 132 students per school, whereas all public schools in the charter states have a median of about 486 students. The median size reported in the Second-Year Report was about 149 students per charter school.
- Many charter schools have atypical grade configurations. For 1997-98, one of four charter schools spanned K-12, K-8, or were ungraded compared to fewer than one in ten with similar configurations for all public schools.
- Seven of ten charter schools are now newly created schools, compared to six of ten for 1996-97. These schools are smaller, on average, than converted pre-existing public schools. Nine of the 33 states with charter laws allow private schools to convert to charter schools. Private school conversions represent 11 percent of all charter schools.

- Most charter school teachers are certificated, but in those states that allow non-certificated teachers charter schools have a somewhat lower percentage of certificated teachers than charter schools in other states.
- About two of three charter schools of a subsample of charter schools had a student to computer ratio of fewer than 10 students per computer. The National Study estimates a median ratio for all charter schools of 6 to 1.

Students of Charter Schools: Nationwide, students in charter schools have similar demographic characteristics to students in all public schools. However, charter schools in some states serve significantly higher percentages of minority or economically disadvantaged students.

- Our data contain no evidence that charter schools disproportionately serve white and economically advantaged students.
- White students made up about 52 percent of charter school enrollment and about 58 percent of public school enrollment in 1997-98. These figures are the same as in 1996-97.
- Charter schools in several states — Connecticut, Massachusetts, Michigan, Minnesota, North Carolina and Texas — serve a much higher percentage of students of color than all public schools in those states.
- Seven of ten charter schools have a student racial/ethnic composition that was similar to its surrounding districts. About 16 percent of charter schools serve a higher percentage of students of color than their surrounding districts.
- The estimated percentage of LEP students in charter schools is 10.1 percent, which is a slight drop from the 12.7 percent reported for 1996-97. The comparable figure for all public schools in the 23 charter states and the District of Columbia is approximately 10.7 percent.
- Without regard to differences across states, the reported percentage of students with disabilities at charter schools is 8 percent, which is somewhat less than the 11 percent for all public schools in these states.

The Founding of Charter Schools: Most charter schools aim to realize an alternative vision of schooling.

- Nearly seven of ten newly created charter schools seek to realize an alternative vision of schooling, and an additional two of ten were founded especially to serve a special target population of students. Four of ten public schools report that they converted to charter status in order to gain autonomy from district and state regulations.
- Many private schools that converted to charter status sought public funds so that they could stabilize their finances and attract students.

Challenges Implementing Charter Schools: Practically all charter schools have had to overcome obstacles during their development.

- Most charter schools continue to cite resource limitations as a serious implementation difficulty.
- Newly created charter schools were more likely to cite resource limitations as a major difficulty than pre-existing charter schools.
- About three of ten charter schools that were formerly public schools reported that state or local board opposition or regulations presented obstacles to their school's implementation. About one in five schools that were formerly public indicated that they had difficulty with teacher unions or

collective bargaining agreements.

Autonomy and Accountability: Charter schools, particularly newly created ones, have considerable autonomy. They provide standard financial and student achievement reports to different constituencies depending on the state's approach to accountability.

- The majority of charter schools felt they had primary control over most areas critical to school operations. Fewer charter schools felt they had control over student admissions, budget, student assessment, and school calendar. Compared to newly created charter schools, a lower proportion of pre-existing public schools said they had primary control.
- Most charter schools provide one or more non-instructional services (e.g. health services, social services, and before and after schools care). Three of ten newly created charter schools that provided services chose to provide services themselves, with the remainder provided by districts and other outside providers. In contrast, about six of ten pre-existing charter schools rely on districts. Pre-existing private schools were equally likely to provide services themselves and use an outside provider.
- Nearly nine of ten charter schools were monitored for accountability in terms of financial accounts; seven of ten for student achievement and for student attendance; and six of ten for compliance with regulations and instructional practices.
- The states differ greatly in how they approach accountability, with some following a "centralized" state agency approach, others a "market" driven approach, and still others a "district-based" approach that relies on local accountability within a framework of state testing.
- More than 80 percent of charter schools (based on a subsample of schools) said they made reports during the 1997-98 school year for accountability purposes to one or more constituencies, including their chartering agency, school governing board, state Department of Education, parents, the community, or private funders.
- Almost 90 percent of charter schools (based on a subsample of schools) used student achievement tests, augmented by other measures of student performance and school success to make reports to their chartering agency, the schools governing board, and/or parents.

New York enacted charter legislation in December 1998.

####

[Acknowledgments]



[About This Report]



"Medler, Alex" <Alex_Medler@ed.gov>

08/26/99 11:17:23 AM

Record Type: Record

To: Andy Rotherham/OPD/EOP

cc:

Subject: verbage, charters, impact on systems

This is from an earlier email, but seems right on target. It was possible inclusion in an oped Mike Smith was having written, but I don't think Colleen included anything from it in the final.

Alex

> -----Original Message-----

> From: Medler, Alex

> Sent: Friday, July 09, 1999 11:08 AM

> To: O'Connor, Colleen

> Cc: Fiegel, John; Morton, Mikel; Hankerson, Leslie

> Subject: charters

>

> Here are some schools with good stories, where federal support has helped
> get better impact on the system.

>

> City on a Hill

> In Boston, City on a Hill Charter School used a grant from the U.S.

> Department of Education to collaborate with the other public schools in

> Boston. City on a Hill was created by two teachers from Boston's public

> schools who envisioned a school for inner-city children that incorporated

> a strong sense of community service and high academic expectations into a

> small setting. One of the schools' founders, Sarah Katz, also believes

> that with freedom and innovation comes a responsibility to contribute to

> the improvement of public education in general. She used Federal funds to

> bring together mathematics instructors and curriculum developers from all

> over the city to work to improve mathematics instruction in Boston. The

> collaboration takes strategies and lessons from the innovative practices

> at City on a Hill; but equally important, the charter school convenes a

> broad group of excellent educators from all over the city who can work

> together to solve common problems.

>

> Fenton Avenue Charter School

> Fenton Avenue Charter School, in Los Angeles California, was a regular

> public elementary school before converting to charter status. The

> schools' directors, Joe Lucente and Irene Sumida, and their staff have

> used the flexibility of their charter to redirect the school's resources

> to reduce class size, expand technology, refurbish the facilities and

> grounds, and most importantly, to do whatever it took to increase

> performance. The school serves more than 1,200 children, 97 percent of

> whom are minority while more than 90 percent qualify for free or reduced
> price lunch. Between the 1993-94 and 1996-97 school years, their scores
> on the Aprenda test in both math and reading increased by more than 15
> percent. Lucente and Sumida now spend a considerable amount of time
> helping developers of new charters as well as those in traditional public
> schools. Among the many words of advice these leaders have to share, they
> explain how to effectively combine funds from various categorical programs
> to run school-wide program. Lucente just spent a week at a
> Department-funded institute coaching teams of people planning new
> charters.

>

> New Visions Charter School

> Bob DeBoer, the director of the New Visions Charter School in Minneapolis,
> Minnesota, created a school where he could thoroughly implement programs
> he developed that help young children with reading deficiencies and
> attention deficit disorders. DeBoer uses a combination of physical and
> visual training to help youngsters learn the basic skills that later help
> them master reading; and his use of bio-feedback shows tremendous progress
> with helping children stay calm and focused. His programs, which were
> recently highlighted at the Department's National Charter Schools'
> conference, are now used by public schools from Minnesota to North
> Carolina.

>

> Core Knowledge Charters in Colorado

> A group of charter schools in Colorado share a Core Knowledge approach.
> They also operate in a state where the development of standards allows
> districts to develop their own standards and assessments, as long as they
> meet or exceed the state's own rigorous standards. These schools combined
> funds from their Federal charter school start-up grants to develop
> assessments that meet the state's standards, satisfy the local district's
> needs for accountability, and which reflect their curriculum. This summer,
> the leaders from these charters are working with a local university to
> convene a seminar on reading assessment. Since, many of Colorado's public
> schools incorporate the Core Knowledge sequence into their instruction,
> they anticipate a strong turn-out of teachers from both chartered and
> non-chartered public schools.



"Medler, Alex" <Alex_Medler@ed.gov>

08/26/99 09:25:02 AM

Record Type: Record

To: Andy Rotherham/OPD/EOP

cc:

Subject: RE: charters and other things

I also enjoyed getting together. Should be interesting work ahead of us,

to be awarded:

41,013,358 in new grants

54,231,269 in continuations

95,244,627 total

300,000 to 500,000 on hold for new grants, that cannot be processed fast enough to be included in this announcement. (We have to finalize whether schools that originally were slated to receive funds are eligible or not, and if not find out if the next schools are eligible, or adjust awards of other recipients up.)

I'll email more soon,
Alex

> -----Original Message-----

> From: Andy_Rotherham@opd.eop.gov [SMTP:Andy_Rotherham@opd.eop.gov]

> Sent: Wednesday, August 25, 1999 5:37 PM

> To: alex_medler@ed.gov

> Subject: charters and other things

>

> Alex:

>

> I really enjoyed meeting you today and want to work closely over the next

> few months.

>

> Can you email me the exact dollar amounts of the grant release, I have

> \$41,392,918 for new schools but no number for continuing support.

>

> Thanks.

>

> Andy

>



"Medler, Alex" <Alex_Medler@ed.gov>

08/26/99 12:13:50 PM

Record Type: Record

To: Andy Rotherham/OPD/EOP

cc: "Fiegel, John" <John_Fiegel@ed.gov>

Subject: number of charter schools operating this fall/ and verbage on dis semination grants.

Below you will find totals on grant awards, estimate of number of charter schools operating, activities these grants support, and some verbiage on the new dissemination grant opportunities.

I. Grant amounts:

new grants: \$41,013,358

continuations: \$54,231,269

total awarded: \$95,244,627

on hold pending processing and eligibility determination \$300,000 to \$500,000.

II. Numbers of schools and States with laws:

This year, the U.S. Department of Education estimates between 1735-1796 charters will operate in 32 states, DC and Puerto Rico. While a few schools may open later in the year, the vast majority of these will be open this fall. 36 states, DC and PR have passed charter school laws. (Estimate based on email and telephone survey by PCSP staff Aug. 20-25, 1999.)

III. Activities supported by grants:

Charter schools use the start-up grants to meet the challenges of starting a new school. These challenges include lots of issues: including materials, professional development, hiring staff and minor renovations.

Materials

Schools buy materials for the new school, some have purchased books, computers and software, desks, lockers and chairs.

1. a lot of charter schools choose to make technology a big priority, but that can require additional resources both for the technology and the training. (Recent national study has numbers on higher than average numbers of computers in charters if you want to include.) In Colorado, every charter school uses a portion of its grant to support internet connections. That way the charter schools can communicate with the State Department about programs that may be of interest to them, or they can just ask one another questions about how to overcome the daily challenges of running a charter school;

2. One charter school that serves pregnant and parent teens used a portion of their grant to help stock the materials for their day care center. The day care center allows the students to both attend the school, knowing their new children are being well-cared for; but they also participate in the day-care center where they learn parenting skills.

Professional Development

They also pay for training and professional development. Most charter schools have a particular academic focus or approach to learning. These grants helped teachers get the training they need to succeed in a school with a specific approach. We have charter schools that follow all sorts of academic approaches to learning, like those supported by the New American Schools, like Outward Bound Expeditionary Learning Schools and Roots and Wings or the Modern Red School House, to schools that incorporate the principles of the Coalition of Essential schools or the Core Knowledge Curriculum. Each of these approaches can require specialized training or ongoing development to succeed.

Planning/accountability

Many charter schools have used the money to work with standards to design curriculum and assessments that reflect their school's unique approach to learning, but also meet the public's need to know that they're succeeding. In order to match a charter school's mission and curriculum to state standards can require work by staff to make sure the assessments they use meet the state's need to determine that the school is meeting the standards. A group of charter schools in Colorado, for example, used their Federal grant to develop assessments they could each use that matched their own academic approach and also showed whether their students were meeting or exceeding the state's standards. This is the kind of work that makes standards have real significance at the school level, and the charter schools, because of their heightened accountability, have a big stake in meeting standards and in making sure their assessments measure what they're trying to accomplish with their students.

In Massachusetts, every charter school has used a portion of their start-up grant to develop an accountability plan. They work with outside experts to determine the measures they will use and the benchmarks they will look to evaluate their ongoing progress. This helps the schools improve and measure progress, but it also helps guarantee the kind of accountability that is so important to the charter movement.

Hiring staff early enough for planning

The grants also allow schools to hire their staff earlier. Without these grants, schools may not be able to hire teachers before the school year opens, but there is a lot of planning work that needs to happen before the kids arrive, and while parents and other community members put in literally thousands of hours into the development of many charter schools, there are some things that need to be developed by the professional teachers and staff who will be running the school. A few extra months of planning time can make a big difference for the new staff of a public school.

Minor Renovations

Charter schools have also used grants to make minor renovations of facilities, to make sure that a building is safe and accessible to students with disabilities -- by putting in a ramp, for example.

IV. Dissemination Grants:

Last fall the charter school program was reauthorized in a bipartisan act of support from Congress. In that process Congress endorsed a new form of grant

that I'd asked for -- "dissemination grants." These are grants for successful charter schools, with three years of experience that have demonstrated success. We began providing support to similar collaborations as part of a pilot program two years ago. For example, we supported a collaboration between a charter school in Boston, City on a Hill; and the Boston Public School System. These educators work together to improve mathematics instruction for all their students. That collaboration is working; and these dissemination grants will allow hundreds (hard to document guess here) of other schools to begin similar collaborations.

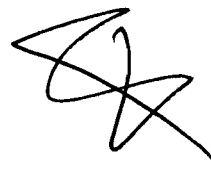
With these dissemination grants, charter schools that can prove they've increased student learning and satisfied their parents, will be able to help other groups open new schools, whether the new schools are charter schools or not; or they will be able to help other existing public schools implement an aspect of their program that is working, like a reading or technology program for example.

These grants can help charter schools contribute to the improvement of our public school systems. While it's exciting to see more than 1700 charters operating this year, it's also exciting to see the signs of collaboration and dissemination that can take the successes of these schools and allow other teachers and principals in other schools take advantage of the lessons their learning.

Here's what a couple of charter school principals hope to do with these grants:

Bob DeBoer, at New Visions Charter School in Minneapolis created a charter school where he could thoroughly implement programs he developed that help young children with reading deficiencies and attention deficit disorders. DeBoer uses a combination of physical and visual training to help youngsters learn the basic skills that later help them master reading; and his use of bio-feedback shows tremendous progress with helping children stay calm and focused -- without using drugs. His programs, which were recently highlighted at the Department's National Charter Schools' conference, are now used by public schools from Minnesota to North Carolina. These dissemination grants will let him work with even more schools interested in using these programs in their own schools.

In Los Angeles, Joe Lucente, the principal at Fenton Avenue charter school is considering bringing in people who are interested in opening their own charter schools to work in fellowships at his charter school. By spending time working at Fenton, these people will develop more of the knowledge and skills that are required in running a charter school. Fenton was a regular public elementary school before converting to charter status. The school's directors, used the flexibility of their charter to redirect the school's resources to reduce class size, expand technology, refurbish the facilities and grounds, and most importantly, to do whatever it took to increase performance. The school serves more than 1,200 children, 97 percent of whom are minority while more than 90 percent qualify for free or reduced price lunch. Between the 1993-94 and 1996-97 school years, their scores on the Aprenda test in both math and reading increased dramatically.

A handwritten signature or mark, possibly a stylized 'X' or a signature, located to the right of the text block.

Alex Medler
US Department of Education
Public Charter Schools Program
voice: (202) 205-9786
fax: (202) 205-5630
alex_medler@ed.gov

**Public Charter Schools Program Grant Slate: New Awards
Fiscal Year 1999**

<u>Rank</u>	<u>PR/Award No</u>	<u>Applicant Name</u>	<u>State</u>	<u>Funding Status</u>	<u>Award Amount</u>
1	S282A990060	Connecticut Dept of Ed	CT	Obligated	\$ 1,203,572.00
2	S282A990042	Florida Dept of Ed	FL	Obligated	\$ 7,276,500.00
3	S282A990017	North Carolina Dept of Ed	NC	Obligated	\$ 4,527,600.00
4	S282A990005	Puerto Rico Dept of Ed	PR	Obligated	\$ 2,625,000.00
5	S282A990064	PPEP Tech	AZ	Obligated	\$ 142,949.00
6	S282A990003	Delaware Dept of Ed	DE	Obligated	\$ 723,529.00
7	S282A990068	Laurent Clerc	AZ	Obligated	\$ 115,838.00
8	S282A990055	New York Dept of Ed	NY	Obligated	\$ 4,423,053.00
9	S282A990041	Arkansas Dept of Ed	AR	Obligated	\$ 368,421.00
10	S282A990081	NJ Dept of Ed	NJ	Obligated	\$ 2,763,120.00
11	S282A990008	Alaska Dept of Ed	AK	Obligated	\$ 526,316.00
12	S282A990004	Illinois Dept of Ed	IL	Obligated	\$ 1,147,368.00
13	S282A990080	Oregon Dept of Ed	OR	Obligated	\$ 2,000,000.00
14	S282A990001	New Mexico Dept of Ed	NM	Not Recommended**	
15	S282A990088	Flagstaff Arts & Ldrshp	AZ	Obligated	\$ 80,350.00
16	S282A990040	D.W. Higgins	AZ	Obligated	\$ 131,593.00
17	S282A990026	Sonoran Desert	AZ	Obligated	\$ 105,000.00
18	S282A990069	Idaho Dept of Ed	ID	Obligated	\$ 842,105.00
19	S282A990018	Utah Dept of Ed	UT	Obligated	\$ 500,000.00
20	S282A990066	Wisconsin Dept of Ed	WI	Obligated	\$ 4,000,000.00
21	S282A990021	Hawaii Dept of Ed	HI	Obligated	\$ 2,631,579.00
22	S282A990033	Project Yes	AZ	Obligated	\$ 95,000.00
23	S282A990047	Davis Elementary	AZ	Obligated	\$ 100,000.00
24	S282A990061	Westwind Academy	AZ	Obligated	\$ 107,000.00
25	S282A990075	Phx Schl Of Acad Exc	AZ	Obligated	\$ 102,638.00
26	S282A990053	Tolani Lake	AZ	Obligated	\$ 102,500.00
27	S282A990077	Mountain Oak	AZ	Obligated	\$ 117,800.00
28	S282A990022	Kearsarge Middle Schl	NH	Obligated	\$ 32,363.00
29	S282A990029	Fountain Hills	AZ	Obligated	\$ 113,100.00
30	S282A990082	ASU	AZ	Obligated	\$ 121,543.00
31	S282A990062	S. Ariz Cmty Acad	AZ	Not Recommended**	
32	S282A990016	N. Ariz prep	AZ	ON HOLD	\$ 100,000.00
33	S282A990072	ANSER	ID	Not Recommended**	
34	S282A990048	East Valley Academy	AZ	Obligated	\$ 114,000.00
35	S282A990050	Desert Pathways	AZ	Obligated	\$ 100,000.00
36	S282A990043	Destiny Schl	AZ	Obligated	\$ 100,000.00
37	S282A990065	Virginia Dept of Ed	VA	Obligated	\$ 631,579.00
38	S282A990067	Sierra Nevada Acad	NV	Obligated	\$ 100,000.00
39	S282A990039	Marshall Blankenship	AZ	ON HOLD	\$ 106,000.00
40	S282A990058	Schl for the Advanmnt of Gifted	AZ	Obligated	\$ 100,000.00
41	S282A990010	Summit Elem Schl	AZ	Not Recommended**	
42	S282A990006	Villa Montessori	AZ	Obligated	\$ 92,000.00
43	S282A990027	AZ Agribusiness & Equine Ctr	AZ	Obligated	\$ 96,000.00
44	S282A990056	Gateways to Success Charter	NV	Obligated	\$ 117,100.00
45	S282A990023	Nampa Charter School	ID	Not Recommended**	
46	S282A990059	New West Charter School	AZ	Deobligated-not recommended	
47	S282A990076	Oklahoma State	OK	Obligated	\$ 800,000.00
48	S282A990002	District of Columbia	DC	Obligated	\$ 1,736,842.00
49	S282A990036	Cambridge Academy	AZ	ON HOLD	\$ 93,000.00
50	S282A990051	Grand Academy	AZ	ON HOLD	\$ 80,560.00
TOTAL					\$ 41,392,918.00

FISCAL YEAR 1999
Public Charter Schools Program Grantees-New Grants

ALASKA

Juneau	State Department of Education Contact: Marjorie Menzi (907) 465-8720	\$526,316
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ARKANSAS

Little Rock	Arkansas Department of Education Contact: Charles D. Watson (501) 682-4474	\$368,421
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ARIZONA

Flagstaff	Flagstaff Arts & Leadership Academy Contact: Karen Butterfield (520) 779-7223	\$80,350
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Fountain Hills	Fountain Hills Charter School Contact: Michael Bashaw (602) 837-0046	\$113,100
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Gilbert	East Valley Academy Contact: Janet Stoeppelmann (602) 946-3071	\$114,000
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Globe	Destiny School Contact: Scott Williamson (520) 425-0925	\$100,000
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Mesa	Desert Pathways Charter School Contact: Cathryn Hitchings (480) 924-0570	\$100,000
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Mesa	Sonoran Desert School Contact: Patricia Dalman (480) 380-0610	\$105,000
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Phoenix	Arizona Agribusiness and Equine Center Contact: Linda Downing (602) 564-8076	\$96,000
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Phoenix	Phoenix School of Academic Excellence Contact: Adele Ferrini (602) 553-1988	\$102,638
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Phoenix	School for the Advancement of Gifted Education Contact: Sam Ruiz (602) 955-1106	\$100,000
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Phoenix	Villa Montessori Contact: Marilyn Burbach (602) 955-2210	\$92,000
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Phoenix	Westwind Academy Contact: Debra Slagle (602) 864-77331	\$107,000
Prescott	Mountain Oak Charter School Contact: Sandra Halldorson (520) 771-9239	\$117,800
South Tucson	Project YES Middle School Contact: Charlotte Swift (520) 884-1602	\$95,000
Tempe	Arizona State University Contact: Fred Staley (602) 965-3133	\$121,543
Tempe	D. W. Higgins Institute Contact: Martha Wallace (480) 413-0829	\$131,593
Tucson	Davis Education Center Contact: Marie Cephers (520) 772-8130	\$100,000
Tucson	Laurent Clerc Elementary School Contact: Samuel Supalla (520) 292-9554	\$115,838
Tucson	PPEP & Affiliates Contact: Jim Parks (520) 294-6997	\$142,949
Winslow	Tolani Lake Elementary School Academy Contact: Ron White (520) 686-6351	\$102,500

CONNECTICUT

Hartford	State Department of Education Contact: Jennifer Niles (860) 566-1233	\$1,203,572
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DELAWARE

Dover	State Department of Education Contact: Larry Gabbert (302) 739-4629	\$723,529
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DISTRICT OF COLUMBIA

Washington	District of Columbia Public Schools Contact: Gloria Kinzer-Browner (202) 442-5577	\$1,736,842
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FLORIDA

Tallahassee	State Department of Education Contact: Tracey Bailey (850) 414-0780	\$7,276,500
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HAWAII

Honolulu	State Department of Education Contact: Arthur Kaneshiro (808) 586-3124	\$2,631,579
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IDAHO

Boise	State Department of Education Contact: Carolyn Mauer (208) 332-6974	\$842,105
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ILLINOIS

Springfield	State Department of Education Contact: Gail Lieberman (217) 782-5053	\$1,147,368
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NORTH CAROLINA

Raleigh	State Department of Education Contact: Grova Bridgers (919) 715-3862	\$4,527,600
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NEVADA

Fallon	Gateways To Success Charter School Contact: Judy Kroshus (775) 423-6322	\$117,100
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Reno	Sierra Nevada Academy Contact: Ricci Elkins (775) 626-2720	\$100,000
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NEW HAMPSHIRE

Bradford	Kearsarge Charter Middle School Contact: Susan Farber (603) 938-5228	\$32,363
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NEW JERSEY

Trenton	State Department of Education Contact: David Hespe (609) 292-5850	\$2,763,120
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NEW YORK

Albany	State Department of Education Contact: Paul Hayford (518) 473-1755	\$4,423,053
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OKLAHOMA

Oklahoma City	State Department of Education Contact: Shelly Hickman (405) 521-3331	\$800,000
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OREGON

Salem	State Department of Education Contact: Joyce Benjamin (503) 378-3573	\$2,000,000
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PUERTO RICO

Hato Rey	State Department of Education Contact: Angel Melendez (787) 759-200	\$2,625,000
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UTAH

Salt Lake City	State Department of Education Contact: Larry Horyna (801) 538-7824	\$500,000
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VIRGINIA

Richmond	State Department of Education Contact: Yvonne Thayer (804) 786-5392	\$631,579
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WISCONSIN

Madison	State Department of Education Contact: John Sauerberg (608) 266-5728	\$4,000,000
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FISCAL YEAR 1999
Public Charter Schools Program Grantees-Continuations

ARKANSAS

Little Rock	Little Rock School District Contact: Francis Cawthon (501) 324-2000	\$47,349
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ARIZONA

Gilbert	Desert Springs Scholastic Institute Contact: Nick Moeller (480) 545-7660	\$100,000
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Glendale	Career Pathways Academy Contact: DeAnna Foulds (602) 978-8838	\$74,687
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Lake Havasu	Desert Technology High School Contact: Judy Mahler (520) 453-3383	\$118,000
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Phoenix	The Learning Institute Contact: Adele Ferrini (602) 840-2302	\$50,935
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Phoenix	Precision Academy Contact: Daniel Martinez (602) 791-7700	\$100,000
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Surprise	Paragon Management, Inc. Contact: Jack Caudle (602) 527-0360	\$98,250
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Tempe	Integrity Education Center Contact: Ken Mullan (602) 731-4829	\$87,200
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Phoenix	The Village Contact: Linda Parson (602) 258-6990	\$103,714
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Tucson	Hasan Preparatory and Leadership School Contact: Allison Reeves (520) 882-8826	\$87,025
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Winslow	Little Singer Community Junior High School Contact: Mark Sorensen (520) 526-6680	\$111,400
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Winslow	Seba Dalkai School Board Contact: Kyril Calsoyas (520) 657-3208	\$101,000
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CALIFORNIA

Sacramento	State Department of Education Contact: Ting Sun (916) 445-6761	\$12,631,579
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COLORADO

Denver	State Department of Education Contact: Bill Windler (303) 866-6631	\$3,850,000
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GEORGIA

Atlanta	State Department of Education Contact: Beverly Schrenger (404) 656-4151	\$2,421,053
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HAWAII

Honolulu	Waialae Charter School Contact: Susan Minami (808) 733-4880	\$71,780
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Kailua	Lanikai Elementary School Contact: Donna Estomago (808) 266-7844	\$156,900
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LOUISIANA

Baton Rouge	State Department of Education Contact: Kathy Matheny (225) 219-4540	\$1,006,452
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MASSACHUSETTS

Malden	State Department of Education Contact: Edward Kirby (617) 727-0075	\$3,756,432
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MICHIGAN

Lansing	State Department of Education Contact: Joan May (517) 373-4631	\$6,000,000
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MINNESOTA

Saint Paul	State Department of Education Contact: Jessie Montano (612) 296-2181	\$4,646,666
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MISSISSIPPI

Cleveland	Cleveland School District Contact: Beverly Hardy (601) 748-2734	\$107,785
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MISSOURI

Jefferson City	State Department of Education Contact: Stephen Barr (573) 751-3250	\$1,706,677
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NEVADA

Reno	I Can Do Anything, Inc. Contact: Jill Williams (702) 857-1544	\$113,825
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NEW HAMPSHIRE

Bedford	The Bedford Academy Contact: Edward Kruger (603) 471-2985	\$25,300
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Tamworth	Tamworth Charter High School Contact: Maura King (603) 323-2038	\$25,000
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OHIO

Columbus	State Department of Education Contact: Patricia Hughes (614) 466-2937	\$3,157,895
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PENNSYLVANIA

Harrisburg	State Department of Education Contact: Tim Daniels (717) 705-2343	\$2,333,333
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RHODE ISLAND

Providence	State Department of Education Contact: Dennis Cheek (401) 222-4600	\$220,050
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SOUTH CAROLINA

Columbia	State Department of Education	\$1,447,297
	Contact: Cathryn Samulski (803) 734-8277	

TEXAS

Austin	State Department of Education	\$9,473,685
	Contact: Brooks Flemister (512) 463-9575	

[Back to US Charter Schools Web Site](#)



A National Study of Charter Schools

Office of Educational Research and Improvement
U.S. Department of Education

Second-Year Report
Executive Summary
1998

Preface

This executive summary reviews highlights of the second-year report of the National Study of Charter Schools (the Study), sponsored by the U.S. Department of Education as authorized by the 1994 Amendments to the Elementary and Secondary Education Act. The Study is a four-year research program to document and analyze the charter school movement. By means of both annual reports and a series of occasional papers, the Study will provide information about how many and what kind of charter schools become operational, about those factors that facilitate or hinder the charter schools' development and implementation, and about how schools are implementing their charters. The Study also will collect data and conduct analyses of the impact of charter schools on student achievement and on local and state public education systems. The second-year report presents information about charter schools for the 1996-97 school year. It is based on a telephone survey designed to collect data from all operational charter schools as well as information collected during site visits to 91 charter schools.

Charter Schools in Perspective

The charter school phenomenon that seemed radical only a few years ago is now an accepted part of public education in many parts of the country. From a slow start in a few states, the charter movement has grown rapidly: by fall 1997 approximately 700 charters were operating in 23 states and the District of Columbia--and their numbers are likely to grow rapidly over the next few years.

Charter schools are public schools, but what sets them apart is their charter--a contract with a state or local agency that provides them with public funds for a specified time period. The charter itself states the terms under which the school can be held accountable for improving student performance and achieving goals set out in the charter. This contract frees charter developers from a number of regulations that otherwise apply to public schools.

The freedoms accorded to charter schools have raised an array of hopes and fears about the consequences of introducing charter schools into the public

system. Some people hope that charter schools developed by local educators, parents, community members, school boards, and other sponsors might provide both new models of schooling and competitive pressures on public schools that will improve the current system. Others fear that charter schools might, at best, be little more than escape valves that relieve pressure for genuine reform and, at worst, add to centrifugal forces that threaten to pull public education apart.

Time will tell which hopes and fears are realized. Presently, the rapid expansion of charters testifies to widespread excitement about the charter idea, but it tells us little about the reality of charter schools. The purpose of this Second-Year Report of the National Study of Charter Schools is to describe how charter schools are being implemented at this still-early stage of their evolution. Subsequent reports of the National Study will address broad policy issues concerning the charter school movement and its potential effect on America's system of public education.

The Study's Focus

The Study addresses three major research questions:

- How have charter schools been implemented?
- Under what conditions, if any, have they improved student achievement?
- What impact have they had on public education?

Drawing from research evidence, the Study also asks broad policy questions:

- What models of education have charter schools developed that can be used by other public schools?
- What lessons can be learned from the charter school experience for public education, and what implications should be drawn for state and national policy?
- How might charter schools evolve in the coming decade?

This Report presents interim findings that focus on describing how charter schools are being implemented. Subsequent reports will address all the questions listed above.

The Study's research methodology consists of annual phone interview surveys of all charter schools; repeated field visits to a sample of charter schools and their surrounding districts; the administration of student achievement tests over time at a sample of charter schools; the collection of existing student assessments for a sample of charter schools and for other public schools at district and state levels; analyses across states of charter laws, state agency rulings and procedures, court rulings, and education policy; and case studies of how charter school policies and local practices have worked and affected public education in five states. The findings presented in this Report rely on our second wave of telephone surveys to all cooperating charter schools that were open to children during the 1997 school year, 1 visits to 91 field sites across the country, and extensive analysis of state charter laws.

Year 2 Findings

Growth Trends

The number of charter schools is growing. The number of charter schools in operation continued to grow rapidly, with 279 additional charters becoming operational in the 1997-98 school year. Taking into account 19 charter school closures, 693 charters were in operation in the 1997-98 school year in 23 states and the District of Columbia. If the various branches of charter schools in Arizona were counted as separate charter schools, the number of charter schools in operation was approximately 781. During the 1997 legislative session, four new states—Mississippi, Nevada, Ohio, and Pennsylvania—passed charter legislation; 29 states and the District of Columbia had charter laws as of December 1997.

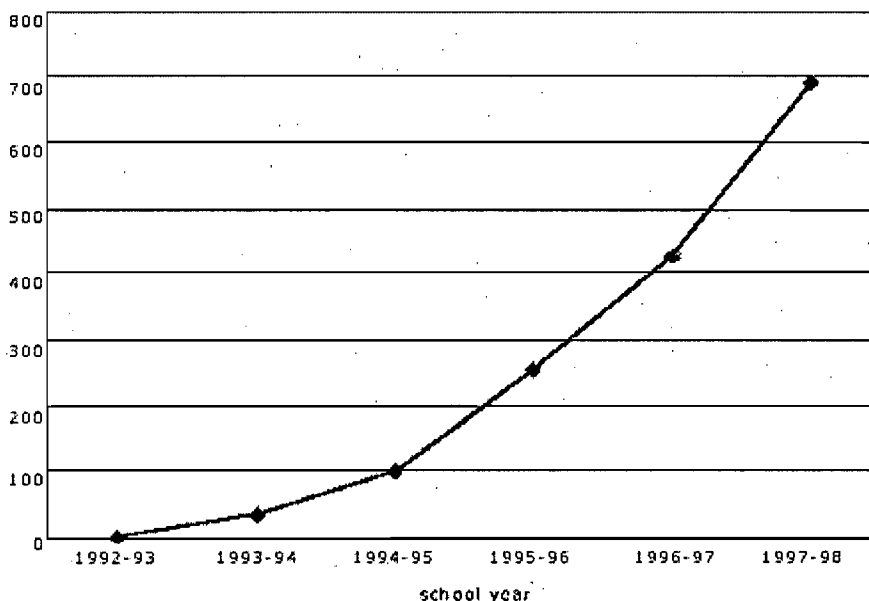
Fewer than one in twenty charter schools have closed. By the beginning of the 1997-98 school year, 19 charter schools of the 433 operational until that time had ceased operation. They closed voluntarily, had their charters revoked, or merged their operation with other charter schools.

Charter renewals. Twenty-nine charter schools responding to the telephone survey reported that their charter had come up for renewal. All of these schools reported that their charters were renewed for periods ranging from one to three years.

Charter schools enroll only about 0.5 percent of public school students in the 17 states where charter schools were operating in the 1996-97 school year. Over 100,000 students attend charter schools. Charter school enrollment varies from less than one-tenth of one percent of the state's public school enrollment in Florida, Illinois, and Louisiana to more than two percent of the state's enrollment in Arizona.

THE GROWTH OF CHARTER SCHOOLS

number of open charter schools



The State Role

The charter concept envisions not only improved individual schools, but also the possibility of an alternative system of public education. Schools are given autonomy from regulations in exchange for accountability for results. The First-Year Report (1997) showed that the chartering statutes differ dramatically

from state to state as to the extent and nature of the autonomy they allow. State statutes also vary greatly with respect to the number of charter schools allowed, the conditions of accountability and renewal, and the types of charter schools permitted. Thus, different charter approaches are being tried simultaneously across the country.

Key Legislative Features

Although charter laws vary greatly across states, several key features dictate the number and types of charter schools that are created within each state.

- **Who can grant charters.** In 11 states only the local school board can grant charters (in five of the states, denial can be appealed to another agency); in five states, a single state agency can grant charters; in five states a local school board and a state board must approve the charter; in five states, more than one agency can grant charters. The remaining three states are mixed models with the local school board allowed to grant public school conversions and the state board allowed to grant newly created charter schools.
- **Types of schools allowed.** Most states (20) allow both newly created and conversion schools, four states only allow public conversions, and five states and the District of Columbia allow newly created schools and public and private conversions.

STATES WITH CHARTER LEGISLATION, BY YEAR OF FIRST ENACTMENT

as of September 1997

1991	1992	1993	1994	1995	1996	1997
Minnesota (26)	California (130)	Colorado (50) Georgia (21) Massachusetts (24) Michigan (104) New Mexico (5) Wisconsin (17)	Arizona (140) Hawaii (2) Kansas (1)	Alaska (15) Arkansas (0) Delaware (3) N.Hampshire (0) Louisiana (6) Rhode Island (1) Wyoming (0)	Connecticut (12) DC (3) Florida (33) Illinois (8) New Jersey (13) NC (34) SC (1) Texas (38)	Mississippi (0) Nevada (0) Ohio (0) Pennsylvania (6)

- **Number of schools allowed.** Most states (16) and the District of Columbia establish some limit on the number of charter schools or the number of students enrolled in charter schools. Thirteen states have no limit on the number of schools or students.
- **Waivers of state laws.** Most states (17) and the District of Columbia allow automatic waivers of most of the education code while in 10 states, charter schools must apply for specific waivers. In two states, however, charter schools are responsible for following most of the education code.

Possible legislative trends. Several states amended their charter legislation during the 1997 legislative session, and two trends may be emerging. Some states with older charter legislation are relaxing their limits on the number of charter schools, and some are providing increased flexibility in the charter-granting process. Legislation in the four new charter states--Mississippi, Nevada, Ohio, and Pennsylvania--reflect great differences in state approaches, with two states allowing greater opportunity for charter developers and the other two having more restrictions.

Characteristics of Charter Schools

School reformers have often called for small schools as ways to effect change and produce improved student learning. As the findings below show most charter schools are small and newly created, which ultimately may be the most important aspect of the charter movement, regardless of the exact nature of their educational program.

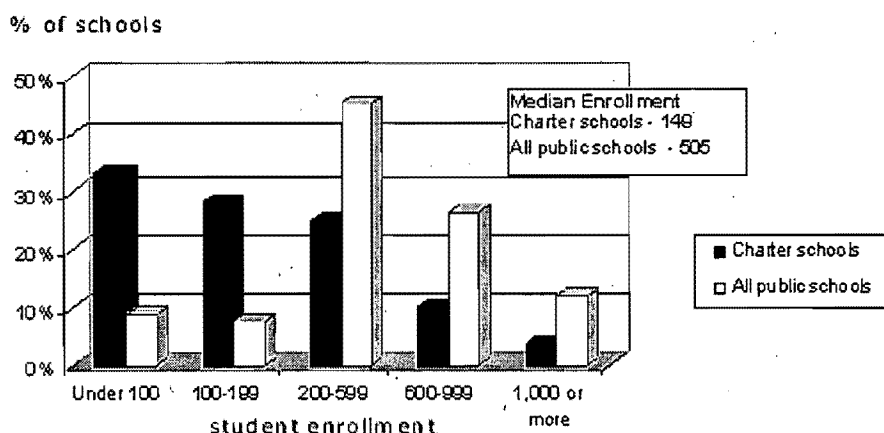
Most charter schools are small, particularly compared to other public schools. Charter schools have an estimated median enrollment of about 150 students, whereas other public schools in the charter states have a median of about 500 students. More than 60 percent of charter schools enroll fewer than 200 students, whereas about 16 percent of other public schools have fewer than 200 students. Charter schools begun recently have a higher proportion of small schools with fewer than 100 students than in earlier years.

Many charter schools have non-traditional grade configurations. Charter schools include a higher proportion of K through 12, K through 8, and ungraded schools than other public schools.

Most charter schools are newly created schools, which are smaller than pre-existing public schools. An estimated 62 percent of charter schools were newly created; the remainder are pre-existing public schools (25 percent) or pre-existing private schools (13 percent) that converted to charter status. The median school size for newly created schools is 116 students, compared to a median of more than 380 students for pre-existing public schools.

About two-thirds of pre-existing charter schools were previously public schools. Sixty-five percent of pre-existing schools were previously public schools. Private school conversions are allowed in only four of the sixteen states.

ESTIMATED ENROLLMENT IN CHARTER SCHOOLS (1996-97)
AND ALL PUBLIC SCHOOLS IN THE 15 CHARTER STATES PLUS DC (1994-95)



Students of Charter Schools

The Study found no evidence to support the fear that charter schools as a group disproportionately serve White and economically advantaged students. The evidence summarized below suggests a different picture: Most charter schools have similar demographic characteristics as other public schools, except that about one out of three charter schools focus on minority or economically

disadvantaged students.

Charter schools as a group generally have a similar racial/ethnic distribution as all public schools. About one-half of charter and all public schools serve predominantly White students, about one quarter of charter and all public schools serve predominantly non-White students, and the remainder serve a diverse group of students.

Charter schools in several states have a higher proportion of schools predominantly serving students of color. Of the states with at least ten operational charter schools, California, Colorado, and Arizona have a somewhat higher average school percentage of White students in charter schools than in all public schools. Michigan, Minnesota, Texas, Massachusetts, and Wisconsin have a lower average percentage of White students in charter schools than in all public schools, with the first three states having a considerably lower average. Charter schools in Michigan, Minnesota, Texas, and Wisconsin clearly serve a higher proportion of students of color than other public schools in the corresponding state.

*ESTIMATED RACIAL DISTRIBUTION OF CHARTER SCHOOLS (1996-97)
AND ALL PUBLIC SCHOOLS IN 15 CHARTER STATES PLUS DC (1994-95)*

Racial categories	All public schools in 15 charter states plus DC	Charter schools
White, not of Hispanic origin	52.0%	56.1%
Black, not of Hispanic origin	15.5%	15.5%
Hispanic	22.5%	22.3%
Asian or Pacific Islander	4.6%	4.9%
American Indian or Alaska Native	4.9%	1.2%
Other *	0.5%	NA

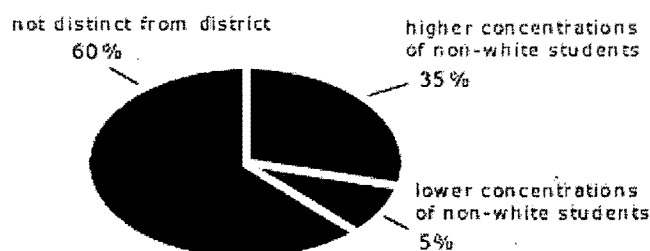
* The National Center for Education Statistics does not report an "other" racial category

Most charter schools are similar to their districts on student racial/ethnic and income level characteristics, but about a third are more likely to serve students of color and low-income students. The Study estimates that 60 percent of the charter schools are not racially distinct from their surrounding district (in the sense that the school's percentage of White students is within 20 percent of the district's average percentage of White students.) About one in three charter schools serve a distinctively higher percentage of students of color than the district. Insofar as charter schools are racially distinctive from their surrounding districts, the evidence indicates that they are much more likely to enroll students of color. Only five percent of charter schools enroll a percentage of White students higher (by at least 20 percent) than the percentage of White students served by their surrounding district.

Of the 34 percent of charter schools that serve predominantly low-income children, two out of three (63 percent) serve a distinctively higher percentage of poor children than their district average; most of the other such schools are not distinct from their districts. In contrast, about half the charter schools serve primarily students who are not low-income. Fifty-one percent of these schools are similar to their district in terms of the percentage of economically disadvantaged students.

A Sizeable Minority of Charter Schools Serve Special Populations. The Study estimates that approximately one-fifth of charter schools may serve a particular student population. At least 32 charter schools serve more than two-thirds African-American students, 13 serve more than two-thirds Native American children, 22 have more than two-thirds Hispanic students, and eight serve more than 50 percent special education students. In general, the Study estimates that the percentage of students with limited English proficiency (LEP) served in charter schools (12.7 percent) is about the same as in other public schools (11.5 percent). Without regard to differences across states, the reported percentage of students with disabilities at charter schools (8 percent) is somewhat less than for public schools in these states (11 percent).

*ESTIMATED RACIAL DISTINCTIVENESS OF CHARTER SCHOOLS
COMPARED TO SURROUNDING DISTRICTS (1996-97)*



Why Charter Schools Are Started and What Attracts Parents To Them

Charters start from the inspiration of individual educators, groups of parents, community leaders, or teachers with a dream. They want something different for children. They gather support, overcome skeptics and political resistance if they need to--and they often do--and create a proposal that says why they want to start their charter school, what students they want to serve, and what they plan to do. Once a charter school is founded, parents and students make deeply personal decisions, exercise their choice and take a chance on enrolling in this new opportunity. Their reasons vary greatly, as one might expect.

Most charter schools are in demand. More than 70 percent of charter schools in the telephone sample said they had more applicants than could attend their school.

Many parents with students in charter schools were dissatisfied with their experience in other public schools. In focus group discussions, parents and students consistently voiced dissatisfaction with their previous public schools expressing concerns about low academic standards, a dehumanizing culture, student safety, and unresponsiveness to serious parent involvement.

ESTIMATED PERCENTAGE OF STATE ENROLLMENT OF LEP STUDENTS, STUDENTS ELIGIBLE FOR FREE AND REDUCED LUNCH, AND STUDENTS WITH DISABILITIES FOR 15 CHARTER STATES PLUS DC

	% Eligible for Free and Reduced Lunch	% LEP Students	% Students with Disabilities
Charter Schools	36%	13%	8%
All Public Schools in 15 Charter States plus DC	40%	12%	11%

Newly created charter schools tend to be established to realize an alternative vision for public education. The majority of charter schools are newly created, and most such schools seek to realize an alternative vision of schooling or to serve a special target population of students. Public schools that convert to charter status also seek an educational vision, but often start from an established--and frequently a highly regarded--program. The primary reason why most such schools are begun is to gain autonomy from their districts or by-pass various regulations. Private schools that convert to charter status seek public funds so that they can stabilize their finances and attract students, often students whose families could not afford private school tuition.

Most charter schools say they attract parents and students by focusing on academics, but they also feature other attractions. Charter schools tend to focus on one or a combination of the following themes in seeking to attract students--a quality academic program with high standards, a supportive environment often based on small school size, a flexible approach to educational and cultural programming, or, in sharp contrast, a highly structured environment.

**WHY PARENTS AND STUDENTS MIGHT
BE ATTRACTED TO CHARTER SCHOOLS**

How powerful is this feature in attracting parents and students to your school?	Powerful or very powerful
Nurturing environment	93%
Safe environment	90%
Value system	88%
Quality of academic program	84%
High standards for achievement	83%
Small class size	83%
Specialized curriculum focus	78%
Small School Size	73%
Clear goals for each student	73%
Structured environment	71%
Adaptive environment	69%
Central parent role	68%
Dress/behavior code	50%
Extensive use of technology	47%
Flexible school schedule	43%
Services for disabled students	34%
Extensive community service programs	29%
Focus on cultural/ethnic needs	33%
Longer school year	19%
Support for home schooling	14%

Challenges Implementing Charter Schools

Regardless of how they started, practically all charter schools have had to overcome obstacles and problems during their development.

Most charter schools cite resource limitations as a serious implementation difficulty. Lack of start-up funds was the most frequently cited difficulty--almost six out of ten charter schools, reported it as difficult or very difficult. Inadequate operating funds, cited by four out of ten charter schools was the second most commonly reported difficulty.

Newly created charter schools are more likely to cite resource limitations as a major difficulty than pre-existing charter schools. Nearly two-thirds of newly created charter schools reported lack of start-up funding as the most difficult obstacle faced by the school while about four out of ten pre-existing schools did so. Inadequate facilities and lack of planning time also posed more serious difficulties for newly created schools than for pre-existing schools.

Political resistance and regulations caused implementation problems for some schools. State or local board opposition and district and state level resistance and regulations were cited as difficulties by 15 to 25 percent of charter schools.

Some charter schools struggle to overcome internal conflicts. One in five

charter schools cited internal conflicts of various forms as posing serious difficulties. Newly created schools were more likely to cite such issues than pre-existing schools.

A small percentage of pre-existing public schools cite difficulties with union relationships. About ten percent of charter schools indicated that they had difficult or very difficult relationships concerning teacher unions or collective bargaining agreements.

Some challenges facing the newer generation of charter schools may be less difficult. Schools opening in the early years of the charter movement faced greater implementation difficulties with state or local boards, district regulations, and with state department of education resistance and regulations, than schools opening in later years.

ESTIMATED PERCENTAGE OF SCHOOLS REPORTING DIFFICULTIES IN DEVELOPING AND IMPLEMENTING THEIR CHARTERS

Barriers	% of schools reporting barriers were difficult or very difficult
Lack of start-up funds	57.6%
Inadequate operating funds	41.1%
Inadequate facilities	38.6%
Lack of planning time	38.4%
State or local board opposition	23.1%
District resistance or regulations	18.3%
Internal conflicts	18.2%
State department of education resistance or regulations	14.8%
Union or bargaining unit resistance	11.3%
Health/ safety regulations	10.4%
Accountability requirements	9.7%
Bargaining agreements	9.0%
Hiring staff	8.8%
Community opposition	6.9%
Federal regulations	6.3%
Teacher certification requirements	4.4%

About This Study

At the recommendation of Congress, the U.S. Department of Education (ED) is sponsoring a National Study of Charter Schools. The Study is funded under contract number RC 95 196001 to RPP International, and is monitored by the National Institute on Student Achievement, Curriculum, and Assessment. The research contract is coordinated with the other ED charter school activities, including the State Grant Program, monitored by the Department's Office of Elementary and Secondary Education.

The four year study includes:

- An annual survey of all charter schools;
- An ethnographic study of a stratified random sample of charter schools;
- Longitudinal data on student achievement at a sample of charter schools;
- Comparison of student achievement data in a sample of charter schools and their districts; and
- State-level policy studies.

Other electronic copies of this report, its Executive Summary, and other material from the National Study also may be found at the following World-Wide-Web sites:

<http://www.ed.gov/pubs>

A National Study of Charter Schools complete reports on-line:

First-Year Report

Second-Year Report

1. There were 428 charter schools in operation as of January 1997. The Study's quantitative findings are based on 89 percent of these schools.

Administration of William J. Clinton, 1998 / Oct. 23

2093

Six years ago I put in place an economic strategy, which helped produce a cycle of lower deficits, lower interest rates, stronger investments, higher incomes, and greater confidence. That virtuous cycle opened the door of homeownership to millions of Americans. Now the challenge is to keep our economy strong—which is why we must continue to maintain fiscal discipline, invest in our people, and lead the global economy. I will continue to work hard to take the steps necessary to make the dream of homeownership a reality for more Americans.

Statement on Signing the Charter School Expansion Act of 1998

October 22, 1998

Today I am pleased to sign into law H.R. 2616, the "Charter School Expansion Act of 1998." This bill will help foster the development of high-quality charter schools, consistent with my goal of having 3,000 charter schools operating by early in the next century, and will help lead to improvements in public education more generally. I am particularly gratified by the bipartisan manner in which this bill passed the House and Senate.

I have long championed charter schools—public schools started by parents, teachers, and communities, open to all students regardless of background or ability, and given great flexibility in exchange for high levels of accountability. When I was elected President there was only one charter school in the Nation, and now there are more than 1,000 serving more than 200,000 students. This bill will help strengthen our efforts to support charter schools, providing parents and students with better schools, more choice, and higher levels of accountability in public education.

As the charter school movement spreads throughout the country, it is important that these schools have clear and measurable educational performance objectives and are held accountable to the same high standards expected of all public schools. To further this goal, H.R. 2616 requires the Department of Education to give priority in awarding grants to States in which the performance of every

charter school is reviewed at least once every 5 years to ensure the school is fulfilling the terms of its charter and students are meeting achievement requirements and goals. It also will reward States that have made progress in increasing the number of high-quality, accountable charter schools. Finally, it makes clear that any charter school receiving funding under this program must be measured by the same State assessments as other public schools. These important quality-control measures will help charter schools fulfill their potential to become models of accountability for public education.

I am also pleased that H.R. 2616 provides new authority for successful charter schools to serve as models, not just for other charter schools, but for public schools generally. At a relatively low cost, such model schools will provide in-depth advice, materials, and other information on various aspects of their programs—helping to start up new public schools and helping existing schools learn from their successes. By drawing on the experience of high-performing charter schools throughout our Nation, this legislation will help bring the benefits of innovation and creativity to hundreds of thousands of additional children.

I am confident that this legislation will augment the ability of parents, teachers, and others to strengthen public education in their communities. This bill represents an integral part of our effort to improve public schools and help all of our students get the high-quality public education they need and deserve.

William J. Clinton

The White House,
October 22, 1998.

NOTE: H.R. 2616, approved October 22, was assigned Public Law No. 105-278.

~~Letter to Congressional Leaders~~ Reporting Budget Deferrals

October 22, 1998

Dear Mr. Speaker: (Dear Mr. President:)

In accordance with the Congressional Budget and Impoundment Control Act of



Bethany Little

08/19/99 04:08:40 PM

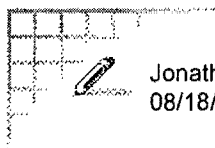
Record Type: Record

To: Andy Rotherham/OPD/EOP@EOP

cc:

Subject: broader statement about charter schools

----- Forwarded by Bethany Little/OPD/EOP on 08/19/99 04:08 PM -----



Jonathan H. Schnur

08/18/99 12:37:14 PM

Record Type: Record

To: Bethany Little/OPD/EOP@EOP

cc:

Subject: broader statement about charter schools

could you give to andy as well?

----- Forwarded by Jonathan H. Schnur/OPD/EOP on 08/18/99 12:37 PM -----



Alex_Medler@ed.gov

08/18/99 11:22:00 AM

Record Type: Record

To: Jonathan H. Schnur@eop

cc:

Subject: broader statement about charter schools

Here's a couple sentence, as you suggested yesterday.

These grant awards represent our support for charter schools. This fall more than 1500 charter schools are expected to open, which brings us half way to my goal of establishing 3000 charter schools. While this growth is exciting, charter schools are just one component of our public schools systems that allow families to choose the schools their children attend. Local school systems are providing more and more options for their families within the public school system -- through charter schools, magnets, focus schools and interdistrict choice options that let families send their children to the public school that best meets their child's particular needs. These are choices every family in America should have, and that is

why my proposal for the reauthorization of the ESEA includes increased support for public school choice.

26 states

19 STATE DEPT'S

FISCAL YEAR 1999
Public Charter Schools Program Grantees-New Grants

ALASKA

Juneau	State Department of Education Contact: Marjorie Menzi (907) 465-8720	\$526,316
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ARKANSAS

Little Rock	Arkansas Department of Education Contact: Charles D. Watson (501) 682-4474	\$368,421
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ARIZONA

23 states

Ash Fork	Northern Arizona Preparatory Academy Contact: Steven Moles (520) 637-0028	\$100,000
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Benson	New West Charter School Contact: Donna Payton (520) 586-1976	\$105,000
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Flagstaff	Flagstaff Arts & Leadership Academy Contact: Karen Butterfield (520) 779-7223	\$80,350
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Fountain Hills	Fountain Hills Charter School Contact: Michael Bashaw (602) 837-0046	\$113,100
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Gilbert	East Valley Academy Contact: Janet Stoeppelmann (602) 946-3071	\$114,000
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Globe	Destiny School Contact: Scott Williamson (520) 425-0925	\$100,000
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Mesa	Desert Pathways Charter School Contact: Cathryn Hitchings (480) 924-0570	\$100,000
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Mesa	Sonoran Desert School Contact: Patricia Dalman (480) 380-0610	\$105,000
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Phoenix	Arizona Agribusiness and Equine Center Contact: Linda Downing (602) 564-8076	\$96,000
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Phoenix	Phoenix School of Academic Excellence Contact: Adele Ferrini (602) 553-1988	\$102,638
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Phoenix	School for the Advancement of Gifted Education Contact: Sam Ruiz (602) 955-1106	\$100,000
Phoenix	Summit Elementary School Contact: Carolyn Sawyer (602) 532-9245	\$104,269
Phoenix	Villa Montessori Contact: Marilyn Burbach (602) 955-2210	\$92,000
Phoenix	Westwind Academy Contact: Debra Slagle (602) 864-77331	\$107,000
Prescott	Mountain Oak Charter School Contact: Sandra Halldorson (520) 771-9239	\$117,800
South Tucson	Project YES Middle School Contact: Charlotte Swift (520) 884-1602	\$95,000
Tempe	Arizona State University Contact: Fred Staley (602) 965-3133	\$121,543
Tempe	D. W. Higgins Institute Contact: Martha Wallace (480) 413-0829	\$131,593
Tucson	Davis Education Center Contact: Marie Cephers (520) 772-8130	\$100,000
Tucson	Laurent Clerc Elementary School Contact: Samual Supalla (520) 292-9554	\$115,838
Tucson	PPEP & Affiliates Contact: Jim Parks (520) 294-6997	\$142,949
Tucson	Southern Arizona Community Academy Contact: Abelardo Cubillas, Jr. (520) 742-4626	\$101,573
Winslow	Tolani Lake Elementary School Academy Contact: Ron White (520) 686-6351	\$102,500

CONNECTICUT

Hartford	State Department of Education Contact: Jennifer Niles (860) 566-1233	\$1,203,572
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DELAWARE

Dover	State Department of Education Contact: Larry Gabbert (302) 739-4629	\$723,529
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DISTRICT OF COLUMBIA

Washington	District of Columbia Public Schools Contact: Gloria Kinzer-Browner (202) 442-5577	\$1,618,442
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FLORIDA

Tallahassee	State Department of Education Contact: Tracey Bailey (850) 414-0780	\$7,276,500
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HAWAII

Honolulu	State Department of Education Contact: Arthur Kaneshiro (808) 586-3124	\$2,631,579
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IDAHO

Boise	State Department of Education Contact: Carolyn Mauer (208) 332-6974	\$842,105
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ILLINOIS

Springfield	State Department of Education Contact: Gail Lieberman (217) 782-5053	\$1,147,368
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NORTH CAROLINA

Raleigh	State Department of Education Contact: Grova Bridgers (919) 715-3862	\$4,527,600
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NEVADA

Fallon	Gateways To Success Charter School Contact: Judy Kroshus (775) 423-6322	\$117,100
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Reno	Sierra Nevada Academy Contact: Ricci Elkins (775) 626-2720	\$100,000
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NEW HAMPSHIRE

Bradford

Kearsarge Charter Middle School
Contact: Susan Farber (603) 938-5228

\$32,363

NEW JERSEY

Trenton

State Department of Education
Contact: David Hespe (609) 292-5850

\$2,763,120

NEW YORK

Albany

State Department of Education
Contact: Paul Hayford (518) 473-1755

\$4,423,053

OKLAHOMA

Oklahoma City

State Department of Education
Contact: Shelly Hickman (405) 521-3331

\$800,000

OREGON

Salem

State Department of Education
Contact: Joyce Benjamin (503) 378-3573

\$2,000,000

PUERTO RICO

Hato Rey

State Department of Education
Contact: Angel Melendez (787) 759-200

\$2,625,000

UTAH

Salt Lake City

State Department of Education
Contact: Larry Horyna (801) 538-7824

\$500,000

VIRGINIA

Richmond

State Department of Education
Contact: Yvonne Thayer (804) 786-5392

\$631,579

WISCONSIN

Madison

State Department of Education
Contact: John Sauerberg (608) 266-5728

\$4,000,000

**UNITED STATES
DEPARTMENT OF EDUCATION****NEWS**

Drafts
Kshared/nddrafts/charter grants 99

Contact: Melinda Kitchell Malico
(202) 401-1008

RILEY ANNOUNCES \$100 MILLION IN SUPPORT FOR CHARTER SCHOOLS

The U.S. Department of Education has awarded \$100 million in federal grants to help meet the growing demand for public charter schools, U.S. Secretary of Education Richard Riley announced today.

In 19 states, the District of Columbia and Puerto Rico, a total of \$41.3 million is being awarded to fund the first year of three-year grants to support start-up and development of additional charter schools. Another 14 states will receive almost \$59 million in second- or third-year funding.

"It's clear that charter schools are the right public school option for an increasing number of students," said Riley. "They offer parents and students more choice in the kinds of public education available to them coupled with public accountability."

Charter schools are public schools under contract—or charter—from a public agency to groups of parents, teachers, school administrators or others who want to create alternatives and choice within the public school system. Museums, local businesses and community organizations are among the partners involved. The schools are free, open to all, and designed to be publicly accountable, as well as creative, flexible and responsive to both student and parent needs.

President Clinton has asked Congress for \$130 million for the Public Charter Schools Program (PCSP) in Fiscal Year 2000 to provide start-up funds for a new round of schools as well as continued support for existing charter schools. The three-year

grants fund schools that face costs associated with growth and development. The President's request would support up to 1,400 charter schools serving some 400,000 students, with a target of 3,000 schools by the year 2001.

Alaska, Connecticut, Delaware, Florida, Illinois, New Jersey, North Carolina, Wisconsin, the District of Columbia as well as Puerto Rico, are receiving a second round of three-year grants beginning this year. Arkansas, Arizona, Hawaii, Idaho, Nevada, New Hampshire, New York, Oklahoma, Oregon, Utah, and Virginia are receiving their first round of federal charter schools support. California, Colorado, Georgia, Louisiana, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Ohio, Pennsylvania, Rhode Island, South Carolina, and Texas are receiving either their second or final year of support to continue charter schools development.

Charter schools supported by the U.S. Department of Education must be non-sectarian and abide by the civil rights, health and safety laws. The schools must also meet standards set forth in their charters for students and the school as a whole, or the chartering agency can close the school.

Congress reauthorized the PCSP under the Charter Schools Expansion Act of 1998. In announcing the new law, President Clinton said the act "will help foster the development of high-quality charter schools" and "lead to improvements in public education more generally." The new law will help states communicate the successes of effective charter schools through dissemination grants. Under the act, each state may allocate up to 10 percent of the state grant to share information on the most successful practices. Dissemination grants, available for up to two years, are presented to successful charter schools that have been in operation for at least three consecutive years, and that

have made substantial improvements in student achievement, parental satisfaction and managerial capabilities necessary to ensure a financially secure charter school.

According to the department's *State of the Charter Schools Third-Year Report, 1999*, in California alone more than 55,000 public school students attend charter schools, yet comprise only 1 percent of the student population. However, in the state of Arizona, 3.5 percent of public school students choose charter schools as an alternative in education.

More than 1,200 charter schools, up from 250 just four years ago, now receive federal support in 33 states, the District of Columbia, and Puerto. In addition, Goals 2000, Title I and other federal funds can be used to finance charter schools and to share information and knowledge with other public schools.

###

NOTE TO THE EDITORS: Attached is a list of grantees.

▶ **Jordan Tamagni**
08/20/99 12:21:36 PM

.....

Record Type: Record

To: Andy Rotherham/OPD/EOP@EOP

cc:

Subject: Revised

**PRESIDENT WILLIAM J. CLINTON
RADIO ACTUALITY ON CHARTER SCHOOLS
MARTHA'S VINEYARD, MASSACHUSETTS
AUGUST 20, 1999**

Giving our children the high quality education they need to succeed is one of the biggest challenges we face as a nation – and helping more communities start public charter schools is one of the best ways we can meet that challenge. When I was first elected President, there was only 1 charter school in the nation. This fall, there will be more than 1,500 – halfway to my goal of establishing 3,000 charter schools. Today, I am pleased to announce that we are building on our progress with nearly \$100 million in funding to support new charter schools around the country. With this step, we will help to raise standards, raise expectations, and raise accountability in all of America's public schools.

UNIVERSITY OF MINNESOTA

Twin Cities Campus

Center for School Change
Hubert H. Humphrey Institute of
Public Affairs234 Humphrey Center
301-19th Avenue South
Minneapolis, MN 55455
612-626-1834
Fax: 612-625-0104

FAX COVER SHEET

Center for School Change

Phone: 612-626-1834

FAX: 612 625-0104

DATE: 8/18/99

TO: Andrew Rotherham

FAX: 202-456-5581

PHONE:

FROM: Kelly - ⁶¹²⁻626-1834

Number of pages including this cover sheet: 3

COMMENTS:

Mr. Rotherham,
Here are the results of my phone calls. Column 1 is the number of charter schools opening for the 99-00 school year. Column 2 is the total in that state including the new openings. Joe's totals are on the far right.
I hope this is useful.

Charter Schools

99-00

New overall total

	Colorado:	will know in 2 wks	60	
LM	Minnesota:	11 (plus maybe 1 more)	59	
	Virginia:	0	0	
	S. Carolina:	5	10	16
	WISC:	don't know yet - 2 wks maybe	40	18
	Rh Is:	2 possible	2	
LM	Ohio:			
	N. Carolina:	25	66	43
Wrong* (New Hamp*)	New Jersey:	20	48	63
	Delaware:	2	6	64
	New Hampshire:	0	0	
	Florida:	38-40	120	108
	Illinois:	6 or 8 prob 8	21 with 8	111
LM	Michigan:	41	179	285 162
	Mass:	5	39	138 157
	Georgia:	404 456-2115 14	34	Beverly Stinger
	Missouri:	16	16	173
	Conn:	2	17	175
	Louisiana:	7	18	182
	Kansas:	0	15	
	Arkansas:	0	0	
	Nash D.C.:	10	29	192
	Idaho:	0	8	1396
	New Mexico:	1 (more possible)	3	193
	Nevada:	2 or 3	3 or 4	195
	Utah:	7	7	207

	<u>New</u>		<u>Total</u>
		207	
Texas:	61	267	168
California: California:	don't know yet		255
Arizona:	32? don't know yet	299	300 (with the 32)
Alaska:	0	316	18
Pum:	17	10 pending	48 not including ^{the} 40
Hawaii:	0		2
Oklahoma:	0		0
Mississippi:			791

673 7530

Office of the Deputy Secretary

**U.S. DEPARTMENT
OF EDUCATION****Fax****To:** Andy Rotherham**From:** Ann O'Leary**Fax:** 202/456-5581**Pages:** 8**Phone:****Date:** 08/17/99**Re:** Charter School Grants**CC:**☒ **Urgent**☐ **For Review**☐ **Please Comment**☐ **Please Reply**☐ **Please Recycle**

o Comments:

Andy - Attached please find our draft press release with attached list of grants to be awarded. The one piece that is not yet in the press release that needs to be included in any papers coming from either the WH or us is the issue of strengthening accountability in Charter schools which was a real emphasis in the reauthorization of Charters last year. Check out the statement the President made upon signing the Charter school law (attached). We should include similar language about accountability.

Also - I am trying to beef up the section on dissemination grants and trying to ensure that the 1,200 number is accurate (I think it is higher). You will need to make some statement about how close these grants get us to the President's goal of 3,000.

And finally, this list of grantees is not yet complete. The Charter School office is trying to confirm that the last two grants awarded (two schools in Arizona) are not-for-profit. If they are not, we will not be able to award them grants and will have to go down the slate. It may take another 24 hours to resolve this issue.

Let me know if you have questions, I will get you our revised statement shortly.

-Ann

THE WHITE HOUSE
WASHINGTON

Joe Nathan

2 suits in 92

More than 1600 for 199-200

+ 300 from 198-199

CLINTON LIBRARY PHOTOCOPY

FOR RELEASE May 7, 1999

CHARTER SCHOOLS TAKING ROOT AS PUBLIC SCHOOL CHOICE CONTINUES TO EXPAND

Charter schools are in great demand, as the number of such schools grew by more than 50 percent in 1998, according to a new report of the National Study of Charter Schools.

As of September 1998, there were about 1,100 charter schools, serving about 160,000 students. Seven in 10 charter schools reported having a waiting list.

At the time of the study 33 states (now 34) and the District of Columbia had adopted legislation to allow chartering of eligible schools. Such schools are free from some or all state and local regulations, in exchange for greater accountability for student success.

The study released today reports that, generally, these schools are being held accountable and that they have the flexibility to make independent decisions about educational and management issues. For the most part, they also serve a diverse set of students, in relatively small schools, and with access to computers.

"Communities across America want nothing less than excellence in their children's classrooms," said President Clinton. "Public charter schools are providing students with both the creativity that can engage them and the accountability that can produce results. I encourage Congress to join me in providing sufficient resources to support their expansion."

"It's clear that charter schools are the right public school option for an increasing number of students," said U.S. Secretary of Education Richard W. Riley. "They offer parents and students more choice in the kinds of public education available to them with public accountability and oversight."

Riley said the charter school movement shows promise as one approach to education reform, but noted that more than half of charter schools reported difficulty in acquiring sufficient funding. "That's why the president's support of these schools is so important," he said. "President Clinton's FY 2000 budget request calls for \$130 million for start-up and development of charter schools.

Other findings of the report include:

- * At 132 students, the median size of charter schools is less than a third the median size of traditional public schools -- about 65 percent of charter schools have fewer than 200 students;

- * Most charter schools reported that they had primary control or authority over their administrative operations and the operation of their program, but the degree of control varied;

- * While monitoring differs greatly across states, most charter schools said they were held accountable for school finances (87 percent), student academic achievement (73 percent), and compliance with state or federal regulations (63 percent);

- * Most charter school student bodies mirror their state's racial composition, and in Connecticut, Massachusetts, Michigan, Minnesota, North Carolina and Texas, charter schools are serving significantly more minority

or economically disadvantaged students;

* As the number of charter schools has increased, the proportion of limited English proficient students served by charter schools has declined slightly from 12.7 percent to 10.1 percent, and at 8 percent, the share of students with disabilities remains somewhat less than the 11 percent served in other public schools.

The report also looks at differences among states in charter school laws and compares charter schools with other public schools in terms of student composition, implementation, accountability and enrollment. For example, Arizona has a much larger percentage of its public school students in charter schools than other states.

"Just seven years ago, we had only one charter school in the United States," Riley said. "It's a rapidly growing sector of public education, and I encourage all states to actively seek the right balance between flexibility and accountability."

The study is the third year in a four-year research program designed to document and analyze the charter school movement. Future reports will address broad policy issues regarding the charter school movement, including its potential effects on America's system of public education and student achievement.

The study was conducted by RPP International of Emeryville, Calif. Copies are available by calling 1-877-4ED-PUBS (1-877-433-7827) and online at <http://www.uscharterschools.org/>.

###



"O'Leary, Ann" <Ann_O'Leary@ed.gov>
08/18/99 08:58:39 PM

Record Type: Record

To: Andy Rotherham/OPD/EOP

cc:

Subject: RE: charter grants

Andy -

On numbers and, specifically, the question of how many charter schools are supported by Federal funds, Alex Medler from the program office provided me with the information pasted below. The 3,000 target however was not tied to receipt of Federal funds.

--Ann

From Alex Medler:

I'll send a new/different sentence or two to cover the estimate of total schools funded, but so you know here's some background on where the 1400 number comes from. It is just an estimate. It comes from what was written in the strategic planning documents we use internally. It might be better to skip that sentence all together.

If we wanted to recalculate a newer "best guess" for this year we could reasonably suggest 1300-1500 total charter schools receiving funds under the PCSP. That could be defended if reporters asked by the following:

1. include schools previously funded by earlier years, 900-1100 (some states have awards pending that may not have been made before their latest continuation reports, so we honestly don't know the total for this year yet);
2. estimate the rate of funding new schools to be near 100% (based on recent trend to fund nearly all new schools, 95-100% is the likely range);
3. times the number of new schools operating this year (300-400) in total (not including schools approved later in the year, but funded during this year for planning purposes).
4. add the likely number of dissemination grants to older schools (70-100+).

Realistically, after the FY1999 funds are distributed I'd estimate between 1300-1500 schools receiving, or having received, PCSP funds. We could possibly find more than 1500 recipients if we also counted schools that aren't approved yet or planning grants going to schools that never became charters -- but neither of these aspects deserve highlighting.

FYI and for background:

Currently, in all states except California, Colorado and Michigan, the trend

is to fund nearly 100% of new charters. NC and FL, for example, do fund 100%. Others, like MN, funded all but one school. With higher levels of funding in CA, CO and MI, they will probably get closer to funding all new schools as well. Based on recent trends in SEAs administering subgrants, of the 300 new schools estimated to open this year, I would bet that 280 to 290 will get funded with FY 1999 funds. There could also be more than 300 new schools, or schools could get approved mid-way through the year and receive planning money during next school year before opening. Depending on the timing of state competitions, that could drive it up even further.

In addition, the older schools will now be eligible for dissemination grants -- but it is really hard to predict how competitively states will distribute dissemination grants or whether they will treat them like an entitlement for most old schools (we are working against that possible outcome). California expected to fund 25 if we approved a waiver allowing more than 10% of their total funds to be used on dissemination grants. Nationwide, more than 400 charter schools are old enough to be eligible for dissemination grants right away.

> -----Original Message-----

> From: Andy_Rotherham@opd.eop.gov [SMTP:Andy_Rotherham@opd.eop.gov]

> Sent: Tuesday, August 17, 1999 6:35 PM

> To: Ann_O'Leary@ed.gov

> Subject: charter grants

>

> Ann

>

> I'm looking over the press release that you sent me. I agree with your
> instincts on including something about accountability, we'll put something
> in the press paper.

>

> As for the number of charter schools, the most recent numbers I have come
> from Brian Hassel, 1205 operating in 27 states with laws on the books in
> 35

> states (April 1999). I know some states get grants even though there are
> no schools, hence the 33 state figure in the release, but what caught my
> eye was that the release reads like more than 1200 schools receive federal
> assistance. Is this the case even if we include federal categoricals?

>

> I'll pop the paper over so you can check it out as soon as we have a
> draft.

>

> Andy

>

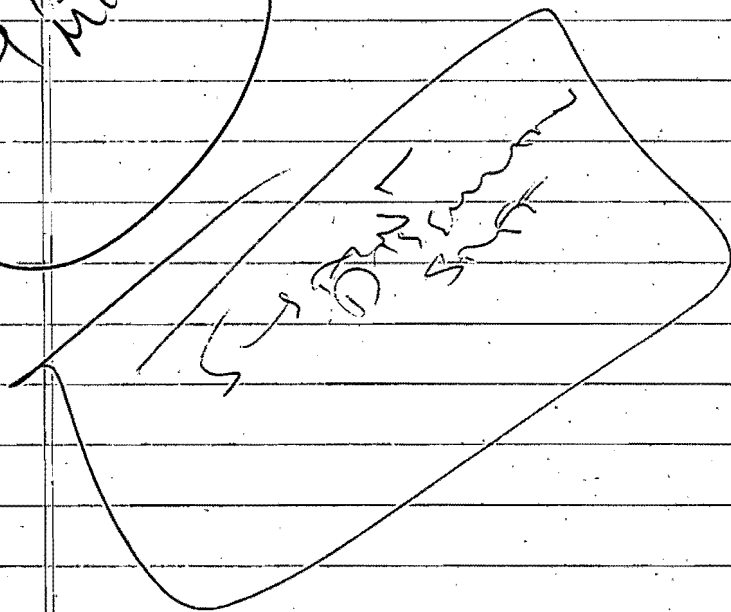
1700
 Accumulator

0 NON-SECTIONAL down to
 current

0 costs for repairs to
 be involved

Fg Reps →

\$130 min



CIVIC QUARTERS

\$130 min. per
 \$100

95 min
 to
 count

41 on
 5 on