

“WORKING THE CURVE” FOR NORTH CAROLINA’S CHARTER SCHOOLS

Bryan Hassel, Ph.D.

Dana Brinson, M.A.

of

Public Impact

*Presented to the North Carolina Blue Ribbon
Commission on Charter Schools*

December 2007

“WORKING THE CURVE” FOR NORTH CAROLINA’S CHARTER SCHOOLS

Report Submitted by Public Impact to the
N.C. Blue Ribbon Commission on Charter Schools
December 2007

North Carolina opened its first charter schools in 1997 and has opened 139 schools since. With a cap of 100 charter schools operating in the state at any given time, North Carolina has effectively reached its cap several times in recent years, applications to open new charter schools have dwindled, and many counties in the state have yet to open a single charter school. Of the nearly 100 schools now open, many are spectacular successes, performing in the top 10% the state’s public schools. Far too many, however, fail to outperform their own poor-performing district counterparts, and have not kept the promise of providing an innovative and effective program in which North Carolina’s students can achieve their full potential. When North Carolina first considered charter schools, there was no evidence about performance, only speculation on both sides. Now that we have a decade of charter school efforts in the state, it is possible to use data and experiences to examine the effects of charter schools on students and the state.

Ten years into the charter school program, the Blue Ribbon Commission on Charter Schools was convened and charged by Chairman Howard Lee of the North Carolina State Board of Education to:

- 1) Evaluate where the state is with charter performance including current and past legislation, current board policies, etc. that have affected charter school functioning;
- 2) Determine where the charter sector needs to improve and develop goals for the future;
- 3) Identify how current legislation can enable achievement of these goals or if legislation needs to be adjusted to allow the state’s charter school program to improve; and
- 4) Assess current board policies to determine if they need to be adjusted or if new ones are necessary

This report from Public Impact is designed to assist the Commission in its efforts by:

- Presenting an evaluation of how well the current charter school program in North Carolina has met each of the six legislative purposes of chartering
- Identifying areas for improvement across every element of the charter school system
- Providing options for policy, legislative, or leader action changes

This report is based on examination of data on charter schools in North Carolina, interviews with key stakeholders in the state, and research on the experiences of several national charter organizations and the best charter school systems in the country.

EVALUATION

Charter school legislation in North Carolina listed six official purposes of the charter school program; progress on these goals is outlined below:

1. *Improve Student Learning*

Charter schools' success in improving student learning has varied widely from school to school.

Each year, North Carolina calculates a "Performance Composite" for each public school, including charter schools. The Performance Composite is a measure of the percentage of tests taken at a school that were passed by students. As a result, 100 is the maximum Performance Composite.

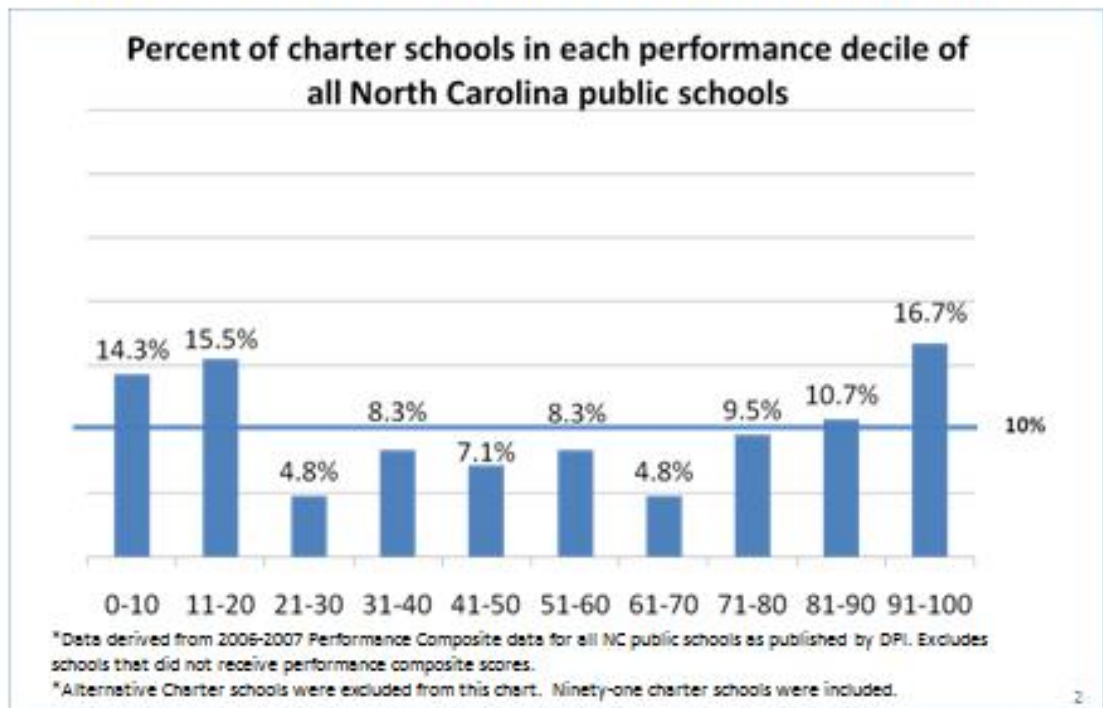
Examining the overall average charter school Performance Composite does not shed much light on the question of how well the state's charter schools are performing. As in other states, there is great variation in performance across charter schools (and other public schools). More illuminating is to examine the distribution of charter schools to see how many are at the top, middle, and bottom of the performance range for public schools as a group.

To conduct that analysis, we ranked all of NC's public schools in order of Performance Composite and divided them into ten equal-sized groups, called "deciles." We determined what Performance Composite was needed to place a school into each of the

ten deciles. Then, we determined what percentage of charter schools fell into each of the deciles. If charter school performance was distributed equally to that of all public schools, we would expect to see exactly 10% of charter schools in each decile. If a larger percentage of charter schools fell into a decile, that means charter schools were over-represented in that particular decile.

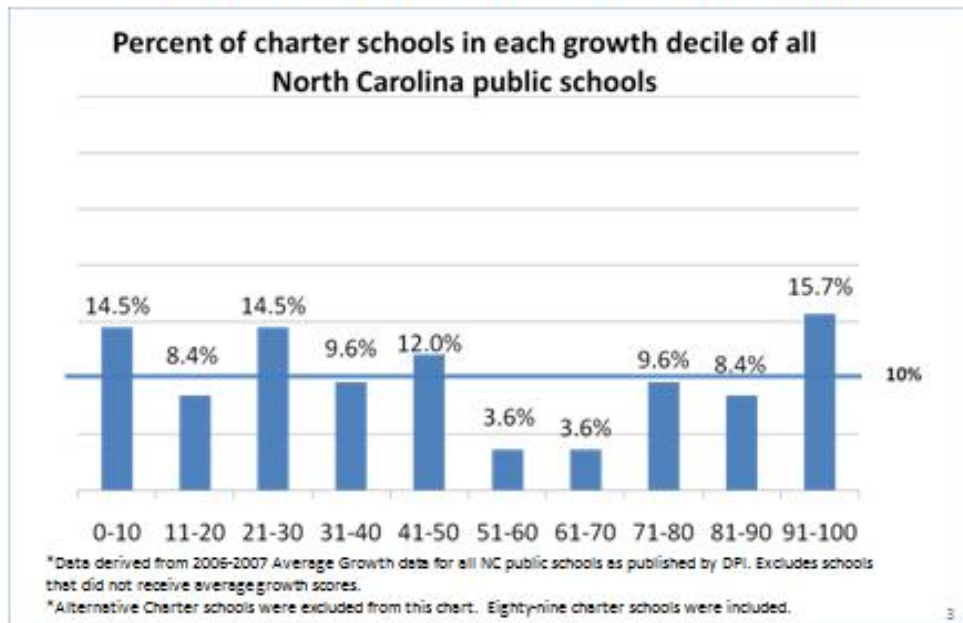
As the graph below shows, over 27% of North Carolina's non-alternative charter schools performed in the top two deciles for public school performance in 2006-2007. At the same time, nearly 30% of North Carolina's non-alternative charter schools performed in the bottom two deciles. That is, charter schools are over-represented among the best- and worst-performing schools in the state. Overall, 50% of North Carolina's charter schools scored at or below median performance in 2006-07, and 50% performed above the median.

2006-07 NC Charter Performance



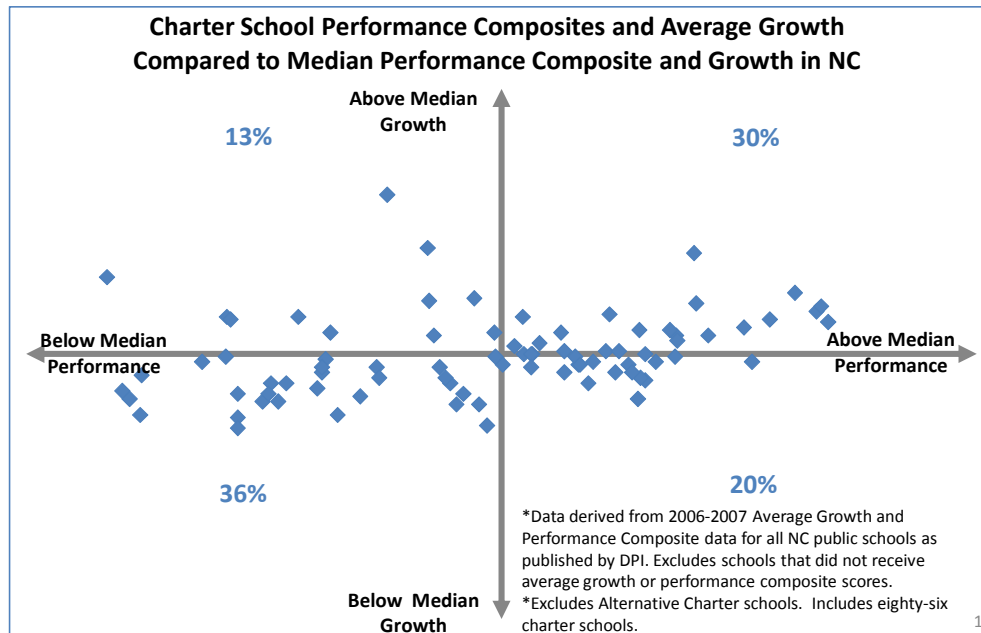
Some have argued that poor academic achievement of some charter schools is a result of the types of student populations they serve, including high-poverty, urban communities. These advocates have argued that a growth model—tracking individual students’ test score gains over time—would better demonstrate that schools are improving individual student performance. The data from North Carolina’s growth analysis for the 2006-07 school year, however, do not bear this out. In addition to determining each school’s Performance Composite, North Carolina also calculates each school’s “average growth” over the course of each academic year – a measure of how much children in the school progressed on the state’s tests. The graph below shows that 59% of charter schools grew at a rate that was at or below the median of average growth for the state. Over 15% of charter schools, however, were in the state’s top decile for growth. As with performance, charter schools are over-represented at both the upper and lower ends of the range.

2006-07 NC Charter Growth



Of even more concern, however, is the fact that nearly three quarters of schools below the median Performance Composite (72%) were also below the median for growth in 2006-07, as the scatter plot below demonstrates. In other words, most charter schools that were behind the state’s norms in performance lost relative ground in 2006-07.

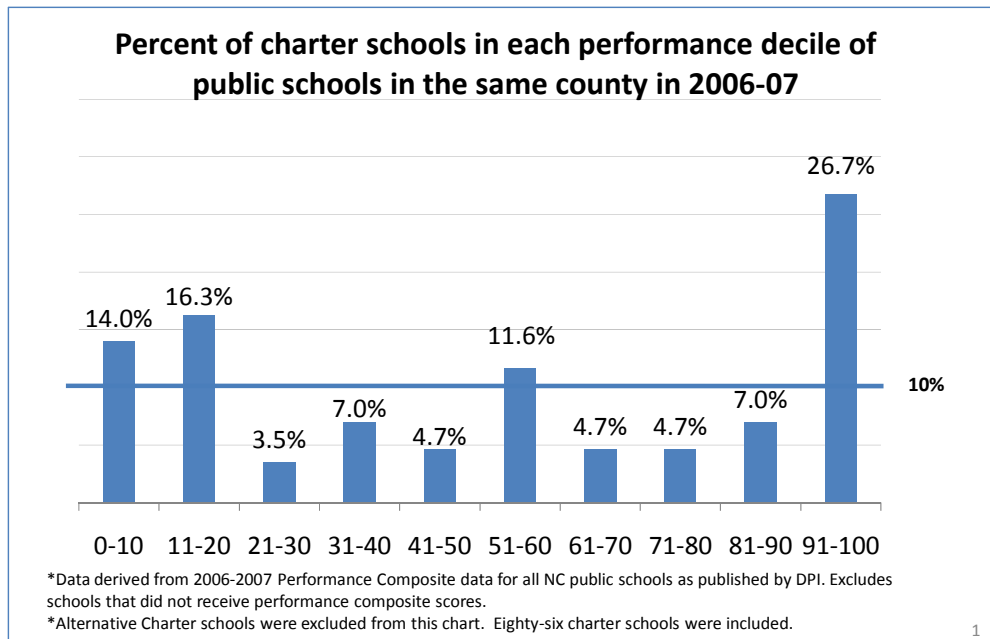
2006-07 NC Charter Performance and Growth



We were not able to analyze individual student-level growth data for this report. Other researchers, however, have done so. The most comprehensive study, a 2006 report by Robert Bifulco and Helen Ladd from Duke University, found that students [on average] “make considerably smaller achievement gains in charter schools than they would have in public schools.”¹ This finding is based on a subset of students for whom the researchers were able to observe growth rates in both charter and non-charter public schools.

When comparing charter schools to their district-led counterparts within the same county, however, nearly 27% of charter schools perform in the top decile of public schools. A similar proportion, roughly 30%, of charter schools perform in the bottom two deciles as we saw above in the statewide data, and about 55% of charter schools perform at or above the mean (versus 50% on statewide data). Charter school performance, then, fares more favorably when assessed on a local basis.

Charters in Their Home Counties



2. *Increase learning opportunities for all students, with special emphasis on expanded learning experiences for students who are identified as at risk of academic failure or academically gifted.*

North Carolina’s charter schools provide greater school choice for those students in greatest need of academic support whether because of socioeconomic disadvantage, special education need, or gifted status.

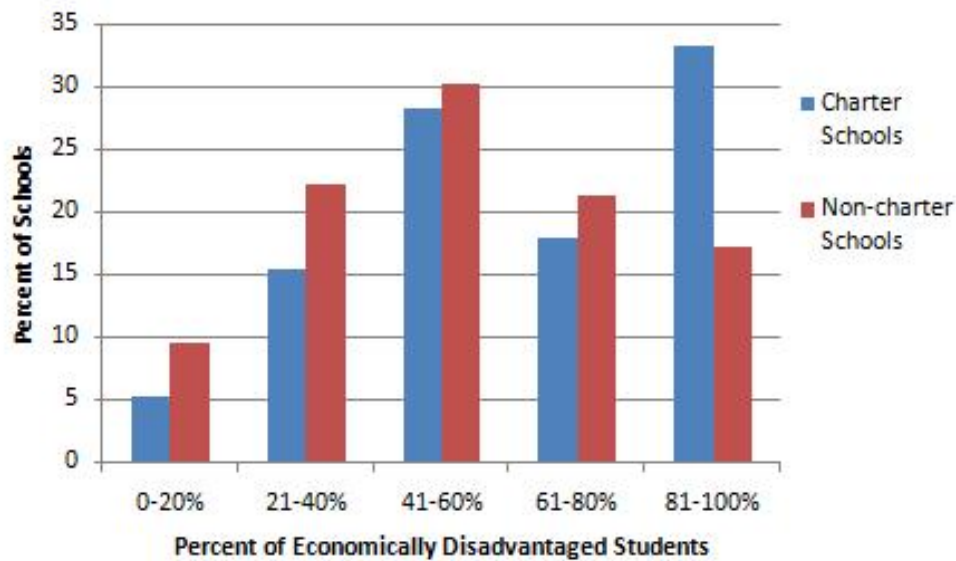
Jack Moyer, Director of the Office of Charter Schools, made a statement before the Commission on October 17, 2007 that 60% of North Carolina’s charter schools identified themselves in their initial applications as specifically seeking to educate “at-risk” students, a wide-ranging term which can include students with behavioral and emotional disabilities, special education needs, low socioeconomic status, or other risk indicators for academic failure.

One commonly-used measure of the degree to which schools are serving at risk students is the percentage of students who are eligible for free and reduced price lunches. Since students must come from low-income families to be eligible, participation in this program is thought to be an indicator of a wide range of disadvantages that may

place students “at risk” in schools. Charter schools present a challenge in this regard because many of them do not participate in the free and reduced price lunch program because they regard the administrative burden of doing so as too great to justify the small amount of funding they would receive. As a result, data on free and reduced price lunch eligibility are available for only 39 of the 93 charter schools in 2006-07.

As the chart below indicates, nearly four out of five North Carolina charter schools that did submit student economic data serve student populations in which more than 40% of the students are economically disadvantaged. Further, one third of charter schools serve a student population with more than 80% economically disadvantaged students—nearly twice the percentage of non-charter schools serving this population.² This indicates that a large percentage of charter schools serve a high concentration of economically disadvantaged students.

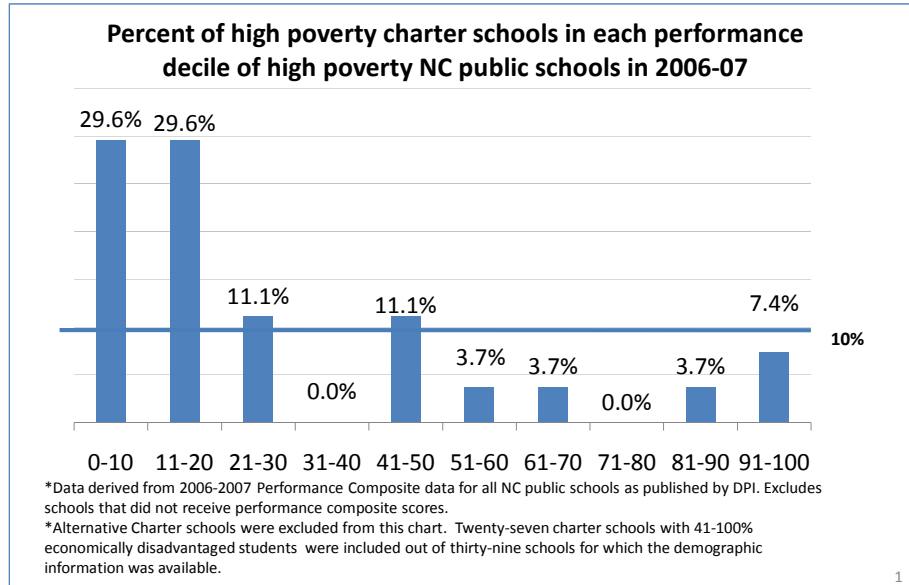
Percent of Disadvantaged Students Charter vs. Non-charter schools



Although we only have economic data on 39 of the 93 charter schools operating in the state during the 2006-07 school year, the available data allow us to compare those high-poverty charter schools (schools with more than 40% economically disadvantaged students) to district schools serving a similar population. As the chart below demonstrates, of the charter schools for which we have economic data, nearly 60%

perform in the bottom two performance deciles and 82% performed below the median of all *high-poverty* schools in the state. That is, these data suggest that most charter schools are not serving high-poverty students as well—academically—as their district counterparts.

High Poverty Charter School Performance



In addition to providing school options to economically disadvantaged students, seven alternative charter schools in the state serve those students at very high risk of academic failure—those with histories of abuse and emotional or behavioral difficulties. For example, Grandfather Academy in Banner Elk, Crossnore Academy, in Crossnore and Kennedy Charter in Charlotte provide residential special education for students in a therapeutic academic environment that serves the whole child, aiming to increase these students’ chances of academic success.³

NC’s charter legislation also intended to create learning opportunities for academically gifted students. Several NC charter schools appear to provide such opportunities by offering a rigorous and college-preparatory academic program for all students. Some require students to meet eligibility tests to ensure students are prepared for their challenging programs. For example:

- The Metrolina Regional Scholars Academy is explicitly designed to serve “highly gifted” students.
- Raleigh Charter High School requires all students to be prepared for Algebra I in ninth grade and the recommendation of a prior math teacher.⁴
- Quest Academy provides a challenging academic environment for students who also have significant extracurricular involvement and requires an evaluation by a prior teacher for academic promise and emotional maturity.⁵
- The Magellan Charter School focuses on students who have mastered material at or above grade level and are motivated to learn and explore an academic program further.⁶

3. *Encourage use of different and innovative methods*

Public Impact did not conduct a thorough evaluation of individual schools, their programs, or teaching methods for this report and, therefore, cannot provide a fair assessment of innovation in North Carolina’s charter classrooms. A prior evaluation by Noblit and Corbett (2001), conducted only four years into the charter program, found that charter schools in North Carolina were not significantly more innovative in their instructional practices than their district counterparts.⁷ Rather, the value charter schools added came from smaller schools and classes as well as increased parental involvement. Noblit and Corbett noted:

- **Smaller schools:** staff, parents, and supporters were dedicated to a more personalized education than generally found in district schools. Small schools, supporters believed, fostered closer relationships among teachers and students and more individualized instructional approaches.
- **Smaller classes:** charter classes in North Carolina are generally smaller than those in district schools. Staff, parents and students believed benefits of this included an improved sense of belonging among the students and a decreased likelihood of struggling students going unnoticed.
- **Parental involvement:** half or more charter directors stated that over three quarters of their students’ parents “played a substantial role in their children’s education.”⁸

While we have not evaluated the use of innovative methods used in charter schools today, charters do continue to provide more intimate educational environments for their students.

Charter schools do experience many freedoms when developing and executing their programs, and this latitude can allow the use of different—though not necessarily innovative—methods when necessary. The principal of Maureen Joy Charter School, Dr. Les Stein, noted in an interview that his school was going to tackle poor math performance among his students—80% of whom qualify for free or reduced-price lunch—by providing two math classes per day.⁹ Dr. Stein noted that teachers supported this decision, and that they would begin implementation at the start of the new school year. The degree to which charter schools are using this kind of operational flexibility to develop different and innovative programs, however, would need to be examined in a more intensive research project.

4. *Create new professional opportunities for teachers, including the opportunities to be responsible for the learning program at the school site*

The sheer existence of charter schools in North Carolina creates new professional opportunities for teachers. In addition, because teachers can obtain a leave of absence from their LEAs and continue to participate in the state retirement and health insurance programs, teachers can explore professional opportunities at public charter schools with little risk. We did not evaluate individual teacher experiences, however, and can only note that because of the inherent flexibilities available in a small school free of district requirements, teacher professional opportunities can be significantly expanded in a charter school setting.

5. *Provide parents and students with expanded choices in the types of educational opportunities that are available within the public school system*

Charter schools have lived up to the legislative purpose of creating expanded choices for parents and students. In the first month of the 2007-08 school year, average daily attendance in North Carolina's charter schools was 32,398 pupils, approximately 2% of the state's total public school enrollment.¹⁰

These opportunities, however, are not evenly spread across the state. Approximately half of North Carolina's counties have a charter school, with the other half having no charter schools. Charter schools are disproportionately serving the urban centers of North Carolina—with Wake (13), Mecklenburg (11), and Durham (8) counties serving as home

to a third of the state's charter schools.¹¹ Even in counties that already have a large number of charter schools, there is demand for more on the part of parents and, in at least one case, local policymakers. In a recent letter to Representative Weiss and Senator Stevens, Wake County Board of Commissioners supported lifting the charter school cap to help Wake County deal with its population explosion and the resultant strains it has produced on the public school system.¹² Lifting the cap would further expand educational choices available within the public school system.

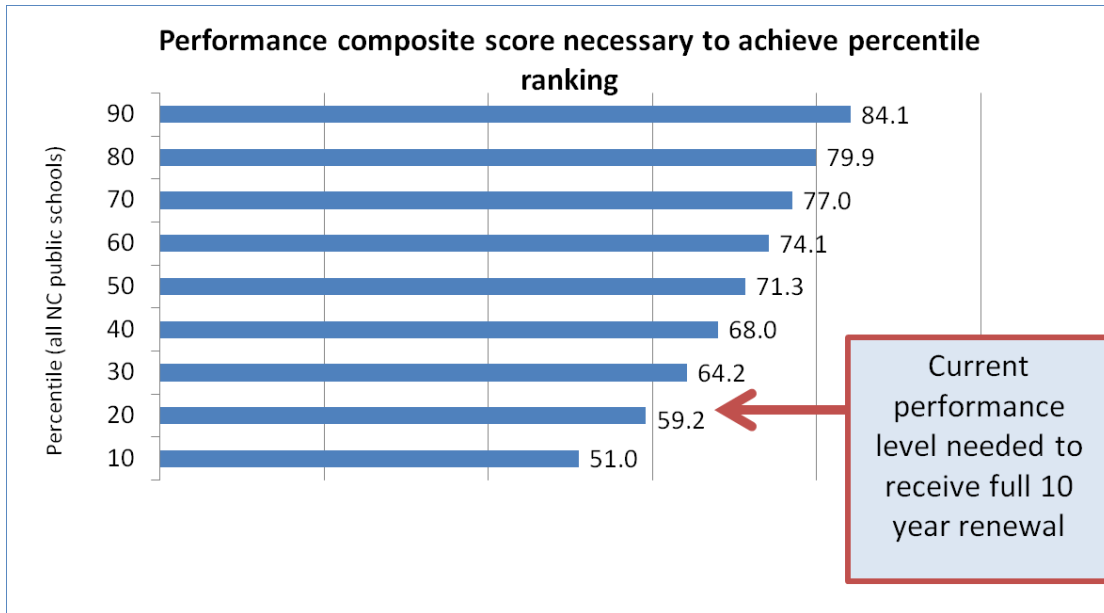
6. *Hold the schools established under this Part accountable for meeting measurable student achievement results and provide the schools with a method to change from rule-based to performance-based accountability systems.*

Like all public schools, NC's charter schools must administer the state's official assessments, and charter schools' test results are publicly reported each year along with all official test score data. The state's website makes it possible for citizens to view performance data in one report that covers all charter schools. In addition, charter schools are subject to all of the same accountability remedies that apply to other public schools in the state. For example, Low Performing charter schools receive assistance in the same manner as all Low Performing non-charter public schools. Charter schools that fail to make AYP for several years are subject to the same remedies under No Child Left Behind as other public schools.

One form of accountability that is charter-specific is the ability of the state to close charter schools that do not meet performance expectations, or to refuse to renew their charters at the end of their terms. To date, however, the State Board of Education has never closed a charter school for poor academic performance. To be sure, schools have closed because of a lack of financial viability, which may have resulted from decreased demand for a poor-performing school, but the state has never proactively closed a school because it was failing to produce significant results with its students.

One factor that influences the likelihood that schools will be closed for academic performance is the state's minimum requirement for charter renewal. Currently, a Performance Composite of 60 is required for a ten-year charter renewal. A Performance Composite of 60, however, would place a school at the 20th percentile of public school

performance in North Carolina.



This means that a charter school can meet the state’s academic requirements for renewal even if its performance lags behind that of 80% of the state’s public schools. In this context, non-renewals for academic reasons are unlikely. In addition, as noted above, many charter schools below this threshold remain open.

In addition to holding charter schools accountable, the charter law’s intent is to “provide the schools with a method to change from rule-based to performance-based accountability systems.” Overall, our research suggests that charter schools operate with considerable freedom from conventional school regulations. One exception is federal law and regulation, which of course is not waived by state law. As a result, while the state’s charter law intends to allow charter schools to fill a fraction of their teaching positions with non-certified teachers, No Child Left Behind’s “highly qualified teacher” provision effectively requires charter schools to meet general state requirements for teacher licensure.

Another exception to charter schools’ freedom is the reporting burden imposed on them. The state requires a large number of reports from public schools and local education agencies (LEAs) and, because charters are often considered their own LEAs, they may have an even greater administrative responsibility than district schools. The Office of Charter Schools under Jack Moyer’s guidance has developed the “Charter Mailbox” as an attempt to clarify this situation, but there still seems to be some uncertainty among schools leaders as to exactly what reporting requirements they face.

As a result, the extent to which charter legislation has shifted schools from rule-based to performance-based systems appears partial.

IMPROVING THE SYSTEM: GOALS FOR THE FUTURE AND HOW TO GET THERE

CAPS ON CHARTER SCHOOLS IN NORTH CAROLINA

North Carolina has chosen this time as a period of reassessment and renewal for the charter school program in the state. This reflection was, arguably, a result of meeting the charter school cap and needing some guidance on the direction forward. Thus, the cap of 100 charter schools in North Carolina has served a purpose of providing an opportunity for evaluation and reflection.

Opponents of blunt caps on charter schools, however, argue that such caps rarely serve as good policy tools. In the example of North Carolina, the cap has not ensured the opening of only high-performing, quality charters, it has not resulted in the closing of academically poor performing schools, and it has not ensured an even distribution of charter school choice throughout the state. The cap has made North Carolina less appealing to proven national programs, hindered the development of local applications, and limited school choice to roughly half the counties in North Carolina.

As a result, policymakers in North Carolina and elsewhere are considering ways of lifting or altering their caps on charter schools. In New York, for example, the legislature recently doubled the state's cap from 100 to 200. In Ohio, policymakers modified a moratorium on new charter schools to allow for replication of successful charter schools.¹³

In place of a blunt cap of 100, the state should consider allowing more charter schools to open, while strengthening the authorization, oversight, and support processes to improve the quality of all charter schools.

One option would simply be to remove the cap on charters altogether and rely on authorization and school closure to advance quality. Alternately, several "smart cap" options exist including¹⁴:

- Allowing high-performing charter schools operating in the state to replicate without the replication counting toward the cap
- Exempting high-performing charters themselves from counting toward the cap
- Exempting schools preliminarily approved by districts from the cap

- Allowing for need-oriented exceptions to the cap (exceptions could include communities with extremely low district-school performance, overcrowding, high poverty rates, etc.)
- Exempting the first charter school in a county currently without one from the cap

In addition to the “smart cap” options above, which may allow for targeted charter growth among high-quality schools and in communities that need them the most, the state should also consider allowing room for reasonable growth of charter schools that do not fall into these specific “smart cap” exemptions. All of today’s “proven” charter schools were once brand new, stand-alone charters. Arguably, therefore, the state should leave the door open for additional new schools to open, even as it focuses growth on high-performing models and high-need areas.

A blended option that includes some or all of the “smart caps” above as well as an annual limit of other new charters (e.g., 10 per year) could achieve balance between proven programs and promising new ones.

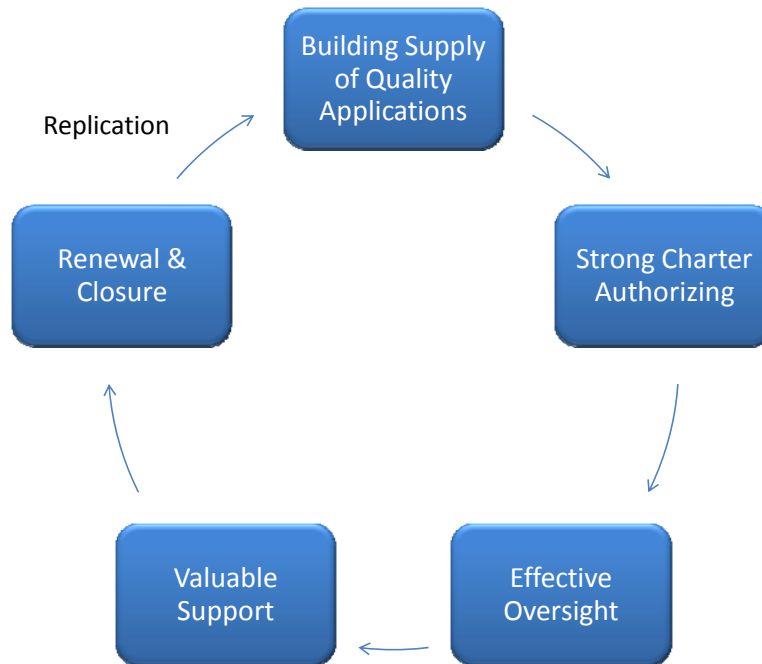
One factor to consider in the context of lifting the cap is the capacity of DPI’s Office of Charter Schools and other DPI offices to handle the increased demands associated with having more charter schools. It is likely that the Office would require additional staff if the number of charter schools increased markedly, though a slow, steady increase could probably be absorbed. Several policy options outlined below, however, would help minimize the need to increase the size of the Office, even as the number of charter schools increased. Specifically:

- Improving the authorizing “screen” would result in fewer problem schools, which now consume a disproportionate amount of DPI’s time;
- Increasing the capacity of an outside nonprofit organization to provide assistance to charter schools, including struggling charter schools, would decrease the amount of effort DPI needs to expend, on average, in supporting charter schools.
- Acting more swiftly and decisively when schools chronically fail to meet expectations would further decrease the number of problem schools, again freeing up DPI time.

POLICY OPTIONS TO COMPLEMENT A CHANGE IN THE CAP

If North Carolina elects to charter more schools, it also needs to consider a range of policy changes that will increase the likelihood that the next decade of charter schooling produces better results for children. These changes fall into five categories, displayed in the diagram below. The following sections of this report discuss each category in detail.

Elements of a Successful State Charter System



BUILDING THE SUPPLY OF QUALITY APPLICATIONS

The first element in a strong charter school program is the development of a strong applicant pool. As described below, another critical component is how well the State Board of Education decides which charters to approve. The State Board, however, can only assess those applications it receives. If there is not a strong pipeline of high-quality applicants for charters, altering the cap will have little power to extend high-quality charter school options to more children. In addition, without a direct effort to cultivate supply, there is no way for the state to employ the charter mechanism to meet its highest priorities, such as extending options to certain communities that currently lack high-quality choices, reaching groups of children who are not well-served, or experimenting with new approaches that could then be replicated, if successful, in other schools.

States and other authorizers sometimes experience discomfort when thinking about actively encouraging applicants to pursue charters. An alternative to a direct state role in building

supply is to encourage the development of a strong nonprofit charter school support organization that can play this role. This option is discussed below under Valuable Support.

Whether it is the state itself or an outside nonprofit playing the supply-building role, several activities can help ensure a robust applicant pool, including:

- State leaders using the clout of their position to issue a call for excellent charter applications
- Enticing the state’s strongest non-profits to start charter schools
- Facilitating match-making between different groups that could create a charter school together
- Providing start-up grants to the most promising applicants
- Actively supporting replication of high-performing charters in the state including providing grants to support replication efforts
- Letting proven charter school programs from elsewhere in the nation know that North Carolina is “open for business” and friendly toward strong programs

Several of these options do not carry large price tags. State leaders demonstrating support for a strong and healthy charter sector by issuing statements in the media, attending conferences or information sessions for interested potential applicants, or using their connections with businesses and nonprofit organizations in the state to leverage the skills of their employees for the benefit of charter schools are all low-cost options. And, indeed, even small start-up grants can return far more on their investment if they ensure that those most promising applicants are given the opportunity and resources to develop a strong program. Charter schools that start off strong need less oversight and support down the road. Failing to foster the development of a strong applicant pool, however, can cost the state and local communities not only public funds, but also precious time in the education of children if less-than-stellar quality charters are authorized by the state.

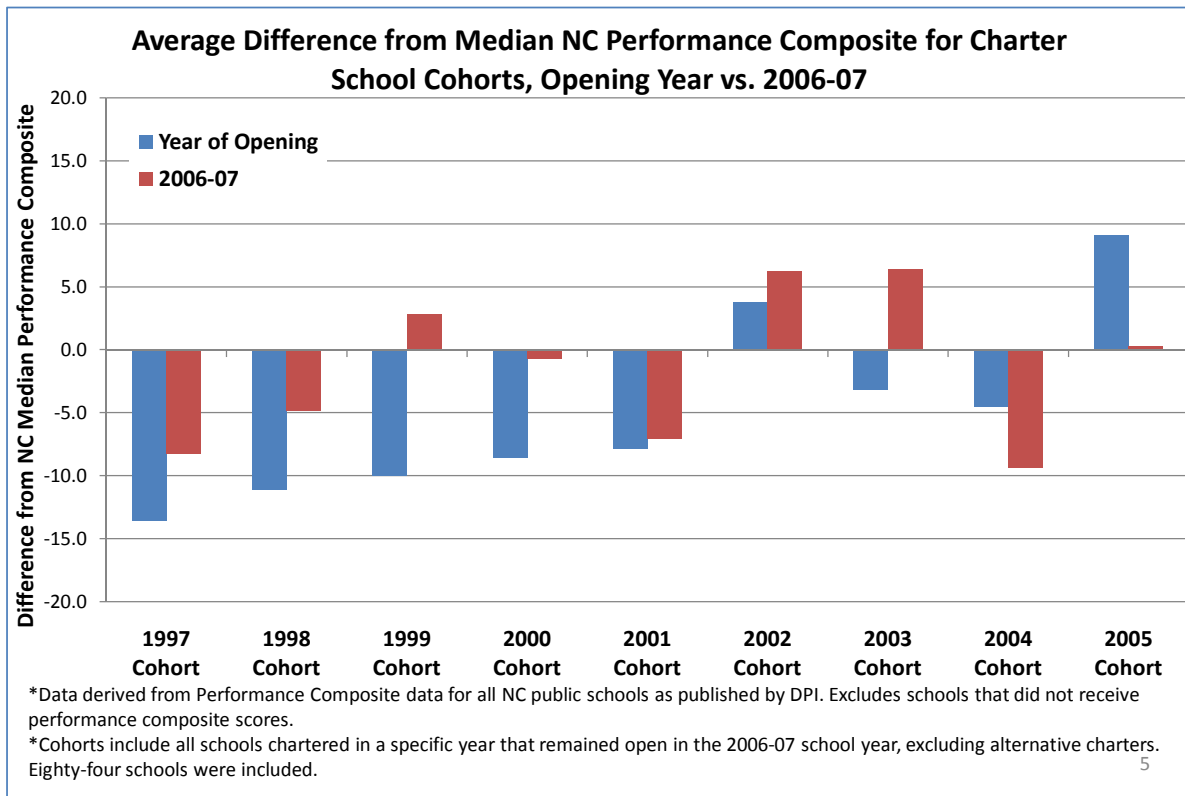
STRONG CHARTER AUTHORIZING

The initial and continued success of newly-launched charter schools in North Carolina relies heavily on an effective authorization process—application guidance, prescreening, committee deliberations and recommendations, and State Board of Education approval. Early experience

with charter approval, both in North Carolina and elsewhere, has highlighted the importance of applying a clear set of rigorous criteria for charter approval.

In North Carolina, the state has made gradual improvements in its authorization process. As the chart below suggests, these enhancements may have produced increasingly high-performing schools (measured by their first year Performance Composites) over time. At the same time, the overall performance and growth data on North Carolina’s charter schools suggests that the state is still authorizing a mixed-quality group of schools. As a result, it makes sense for the state to reconsider its authorizing practices at this time.

Charter School Cohort Performance



In recent years, the growing experience base of authorizers nationally has led to an increased understanding of the practices that make up high-quality authorizing. The National Association of Charter School Authorizers, for example, has issued a set of “principles and standards” for authorizers.¹⁵ Other studies, such as Public Impact’s report for the U.S. Department of Education entitled *Supporting Charter School Excellence through Quality Authorizing*, have amplified on these points.¹⁶

Based on that growing knowledge base, Public Impact examined NC’s current charter school approval practices in order to develop policy options for the state to consider. While NC’s Office of Charter Schools and the former Charter School Advisory Committee have done much to improve the state’s authorization process, our analysis suggests that the state could improve its authorization process by:

- **Refocusing the evaluation process on the quality of the founding team and educational plan** rather than on the applicant’s plans to comply with a range of legal requirements. Currently, the checklist used to evaluate applications contains many items that are essentially compliance items for a charter school. For example, fire and safety regulations, immunization records requirements and handling of blood borne pathogens should involve standardized approaches for all schools and therefore could be part of the training schools receive following the provision of a charter. There is no reason for the State Board to spend time reviewing, in advance of charter approval, whether an applicant has promised to follow these regulations. If the state determines there is a compelling reason for the applicants to compile this information before approval, these components of the application could be checked for completeness by the Office of Charter Schools and not remain part of the evaluation committee or State Board review process.

Rather than focusing on these compliance issues, we recommend the addition or amendment of several topics in the evaluation checklist that have a substantial effect on the ultimate success of a charter school. Specifically: vetting not only the governance board but also the core founding members and future principal (if applicable); evaluating whether the mission is compelling, not simply clearly stated; assessing the research basis for the proposed instructional program; understanding the proposed methods of documenting student progress over the course of the year (that is, beyond the mandated ABCs evaluation); and evaluating the proposed behavioral code and how it will support the academic program. These are broad suggestions; we provide more detail in Appendix A.

- **Identifying a clear set of criteria that specify what the State Board of Education is seeking** in each charter application. The current evaluation checklist includes many topics, but most are not worded in the form of specific criteria against which a particular application could be judged. For example, the first question of the current checklist asks the evaluators to determine if the “Board of Directors reflects the range of knowledge and skills necessary to govern a school,” but neither the application nor the supplemental resource manual define what these skills or knowledge should

include. As a result, reviewers are simply applying their own judgments about a governing board's suitability rather than following some state-established set of criteria. The same is true for much of the checklist. For more examples and detail, see Appendix A.

- **Developing a rubric** that will allow evaluators to effectively rate how well the applicants have met each criterion. The current checklist's simple plus/minus does not enable reviewers to indicate a precise enough judgment about each aspect of the application. Nor does the checklist provide any guidance about what constitutes a plus or minus rating. A more detailed rubric would both offer more gradations for assessment and explain to reviewers what makes an application meet the standards associated with each gradation.
- **Disseminating these expectations and guidelines to applicants** in order to provide a clearer sense of what is expected, improve the quality of applications received, and stress the importance of key characteristics—strength of the founding team and research supporting the academic program's effectiveness—in order for applicants to prioritize these aspects over others.
- **Requiring that at least one member of the State Board of Education's evaluation committee have expertise in curriculum and instruction.** To ensure that the State Board benefits from a thorough evaluation of the school's proposed educational plan, it would be ideal if the evaluation committee included at least one member well-versed in instructional matters. If the committee does not include this kind of expertise, it should seek detailed reviews of each applicant's education plans by a curriculum and instruction expert within DPI or as a third-party.
- **Evaluating the charter authorizing process** by identifying any indicators in the application of eventual high and low performers and incorporating those indicators into the evaluation process over time.

Staff of the Office of Charter Schools and members of the Charter School Advisory Committee—whose duties have been assumed by the Leadership for Innovation Committee—have a wealth of experience in evaluating charter schools, and indeed charter schools opening now have higher initial student performance than schools opened five or ten years ago, as depicted in the chart above. It is imperative, however, to harness the experience of this team in a coherent manner rather than relying on “gut” feelings and personal experience of committee members

when evaluating charter schools. As the committee’s composition changes over the years, it is important that the institutional knowledge is not lost.

EFFECTIVE OVERSIGHT

Once a school is chartered, the state’s role shifts from one of approval to oversight and support. Support is discussed in the next section.

Effective charter school oversight has proven challenging nationally because of the unique balance that authorizers have sought to strike between autonomy and accountability:

- **Autonomy.** While charter schools are supposed to be “autonomous,” and thereby freed up from a range of laws and regulations that apply to conventional public schools, it has proven difficult for public agencies to offer charter schools wide-ranging latitude. In part, this challenge derives from the fact that charter schools are still subject to all federal laws and regulations, which have become an increasingly important force in public education in recent years. In addition, since charter schools remain public schools, states and authorizers naturally feel responsible for ensuring some level of compliance with basic regulations regarding the handling of public funds, the fair treatment of students and employees, the administration of required assessments, and other matters. In practice, the combination of residual federal and state requirements has limited charter schools’ actual freedom of action and led to an accumulation of administrative burdens on charter schools.
- **Accountability.** Second, states and authorizers have struggled with how to implement another critical aspect of the charter idea – the notion that charter schools must meet high academic expectations or face closure or non-renewal. States and authorizers have found it challenging both to establish a sufficiently clear set of expectations for charter schools’ academic performance, and to act decisively in cases where charter schools fall chronically short of whatever expectations exist.

AUTONOMY: COMPLIANCE REQUIREMENTS FOR NC CHARTER SCHOOLS

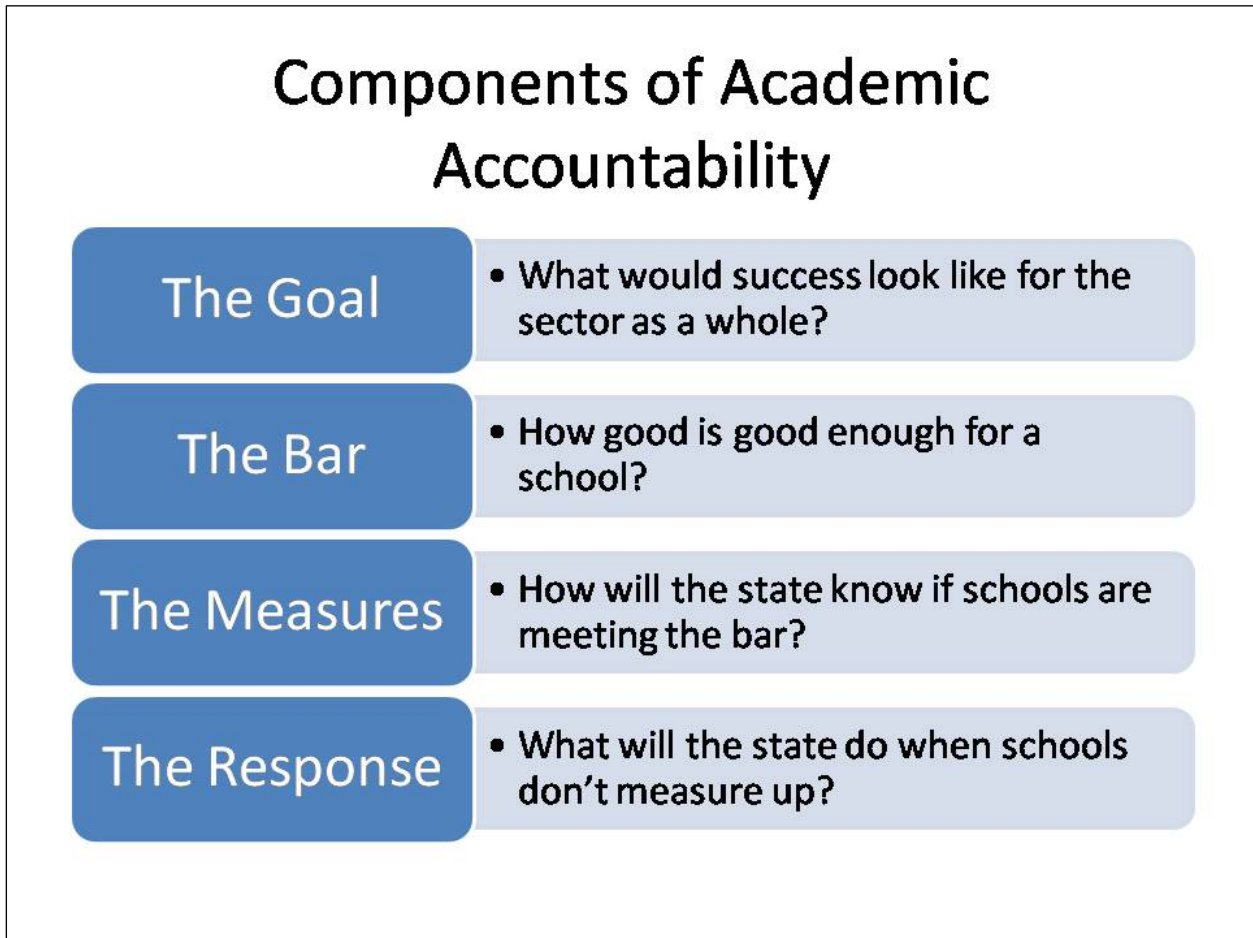
All public schools are required to provide a variety of data to document academic progress, services provided to exceptional children, the health and safety of all students, and other issues vital to a strong and healthy school. Charter schools, as independently-run schools, are ostensibly freed from a variety of restrictions and requirements placed on district-related schools in order to allow for greater program innovation. Public Impact had difficulty, however,

determining exactly what reporting requirements are placed on North Carolina's charter schools. A comprehensive list of data reporting and compliance requirements does not currently exist for charter schools. The NCDPI Annual Data Plan¹⁷ lists nearly two hundred data reporting requirements, with over 150 identified as mandatory for at least some public schools. Currently, each charter school must determine if they are or are not required to complete these reports.

The Office of Charter Schools has made some strides in improving this situation for schools by developing the "Charter Mailbox" which provides due dates, contact information, and links to compliance forms. There are, however, currently less than 20 forms in the charter mailbox¹⁸ and, given the list of 200 reporting requirements for North Carolina schools, it is not clear whether the Charter Mailbox is comprehensive. This is the first year of implementation of the Charter Mailbox and it will undoubtedly develop more over time, but the current contents of the Charter Mailbox include only those forms from departments that responded to the Office of Charter School's request for information.

We recommend that the Office of Charter schools conduct a comprehensive review of the full list of NCDPI data reporting forms as well as any other reporting or monitoring requirements in order to develop a truly centralized and comprehensive list in the Charter Mailbox. Further, once a comprehensive list is compiled of currently required data reporting, we recommend that the state evaluate and weigh the necessity of each form or reporting requirement against the precept of charter school autonomy. Thorough evaluation and elimination of non-vital reporting requirements will allow charters to truly benefit from the greater autonomy they were promised.

A comprehensive academic accountability system for charter schools would ideally include four components, listed in the figure below. These components could work together as a “system” that promotes higher levels of charter school performance over time. Each element is explained in more detail below.



THE GOAL: SUCCESS FOR THE SECTOR AS A WHOLE

It will be impossible for the state to know whether charter schooling, on the whole, is a successful policy unless it begins with some idea of what would count as success for the sector. The performance information presented at the beginning of this report, for example, is difficult to interpret without some prior notion of what a high-performing charter sector would look like.

There are many ways the state could think about a sector-wide goal. One approach, proposed by way of example, would be to think of success in two ways. First, the charter sector – by virtue of the freedom it provides to driven educators and leaders – should create a large number of highly successful schools. An example of such an “excellence goal” is “30% of charter schools will be in the top decile of performance or growth for the state.”

Second, the charter sector more broadly will produce schools that are either above average or, based on their growth, on-track to become above average within 2-3 years. An “adequacy” goal of this nature would include an ideal state – above-average performance – as well as an acknowledgement that some schools will start “behind” due to their student population and require time to “catch up.” An example of such an adequacy goal would be “90% of charter schools will be (a) above the median for growth and performance OR (b) on-track to reach the median within three years, based on projections of current growth rates.”

THE BAR & THE MEASURES: A HIGHER BUT MORE NUANCED STANDARD

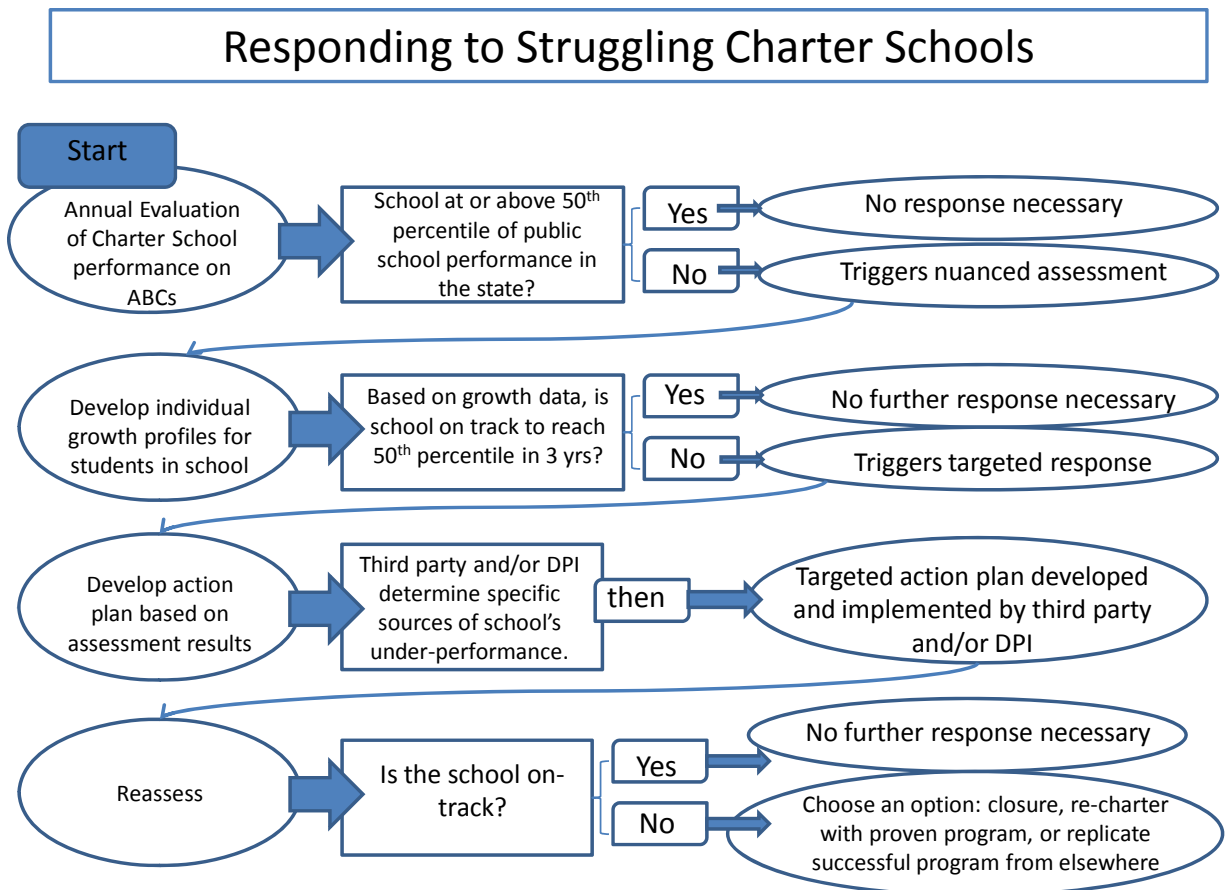
The idea behind the development of charter schools is that they will do a better job of educating students than traditional district schools if given the freedom to do so. Thus, they are given an independence from districts in order to facilitate a greater agility to innovate and meet students’ needs. Currently, charter schools in North Carolina with a composite score of 60, as measured by the ABCs program, can receive a ten-year renewal. A composite score of 60, however, is currently near the 20th percentile of all schools in the state. Any firm standard—such as a composite score minimum—must necessarily be low in order to avoid closing schools that, upon further investigation, demonstrate success at teaching their unique student populations. We suggest, rather, a higher but more nuanced bar.

Drawing on the example sector-wide goal above, a high but nuanced bar could ask each charter school to be at or above the median of all public school performance and growth in the state. There are many reasons, however, why a “good” school could perform below the state median. A school, for example, could serve a special population with a mission-specific goal of remediation, drop-out prevention, or behavioral intervention. Such schools may be good schools that are simply below the median because of their students’ starting levels of performance. The state would not, however, *assume* this is the case. Instead, it would project future performance at the school based on current student growth rates (perhaps with greater weight given to those students who have been longest served by the school being evaluated). If projections suggest that the school is on-track to reach the median within three years, the school’s performance would be deemed acceptable.

Another way to introduce nuance into the system would be to explicitly consider whether each school is attaining **mission-specific goals** that it has set. For example, a school designed to bring high school drop-outs back into education could set goals for high school completion, post-secondary attendance, and post-school employment quality. While such measures would not substitute for test-based accountability, they would provide a more complete picture of how a given school is performing, especially in the case of schools with non-conventional missions.

RESPONSE: WHAT WILL BE DONE IF SCHOOLS FAIL TO MEET THE BAR?

The diagram below shows how a nuanced analysis outlined above could establish the groundwork for a meaningful state response to low performance. Schools that fall below the 50th percentile would have the nuanced growth analysis conducted to determine if the school is making significant progress toward bringing their students up to median performance in the next three years. If the school is not on track, further investigation by a third party and/or DPI may uncover reasons for below-average performance and facilitate the development of a targeted action plan.



The Office of Charter Schools has recently hired a consultant to assist low-performing schools with improvement efforts. Given the great number of charter schools currently performing below the 50th percentile in the state, a full assessment and remedial support intervention may be too much for the Office of Charter Schools to handle at once. And, indeed, it may be somewhat counterproductive for the office that is assessing performance and handing out consequences to also provide support services. In many states with strong charter school sectors, a private charter support organization provides networking, teacher and administrator support, and academic program support. If the state advocates for the development of a strong charter support organization, as discussed below under Valuable Support, it may allow for more effective deployment of state employees in the authorizing, assessment and oversight roles while ensuring that there are support services for those schools that need them.

Whether support comes from the state or a private organization, however, if a school fails to raise student achievement despite continued remediation services and interventions, the state must consider more dramatic action, such as school closure, rechartering, or some form of school “turnaround.” This topic is discussed more fully below, under Renewal and Closure.

VALUABLE SUPPORT FROM THE STATE AND PRIVATE ORGANIZATIONS

Charter schools, like all public schools, need continued support from families, communities, private organizations and the state in order to provide high-quality programs. One form of “support” is help and technical assistance with the challenging aspects of starting and running an independent public school. Even a dedicated leadership team and strong academic program require continued professional development, guidance in the development of healthy business practices, and other matters. The Office of Charter Schools and other parts of the Department of Public Instruction currently seek to provide many of these services. In most states with strong charter programs, however, one or more private charter support organizations (CSOs) provide a variety of services to charter schools. According to a recent survey of the charter support landscape, the average charter support organization staffs one employee per nine charter schools in the state.¹⁹ While North Carolina has a League of Charter Schools that is an active advocate of charter schools, it is not currently home to the kind of high-capacity organization that exists in other states with large numbers of charter schools.

Another kind of “support” is monetary – providing the funding that charter schools need in order to function. In many states, charter schools receive substantially lower levels of operating funding than do conventional public schools. In North Carolina, operating funding for charter

schools is only slightly below that of conventional schools. On capital funding – dollars to build school buildings or to pay for leases and mortgages – North Carolina provides no direct public assistance. As a result, charter schools must use operating funds to pay for capital costs. Other states have offered charter schools per-pupil facilities dollars, access to facilities loan pools, and other forms of facilities assistance.

Especially if the state is considering expanding the number of charter schools, the time is right to consider ways to improve both kinds of support – technical assistance and facilities funding.

DPI SUPPORT: CONDUCT AN INTERNAL REVIEW

DPI and the Office of Charter schools provide a wide variety of supports to charter schools and their leaders. What is unclear, however, is the perceived or actual value of these services. We recommend that a third-party survey of charter school boards, principals and teachers collect anonymous perceptions of value in DPI's services in order to strengthen the current services charter school administrators and teachers identify as valuable, halt those that are unnecessary or ineffective, and perhaps add those supports for which charter school staff identify a need. In the next section, we recommend the fostering of a strong private support organization in the state. This internal review process could identify those areas of need particularly suited for a private support organization to fill.

PRIVATE SUPPORT: FOSTERING STRONG ORGANIZATIONS

North Carolina has nearly 100 charter schools with too many schools falling below median in performance and/or student growth. If more charter schools open in the future, there will be even greater pressure placed on the state to provide the multiple supports necessary to build and maintain a quality charter school sector. In most states with strong charter programs, one or more private charter support organizations (CSOs) provide a variety of supports to charter schools.

As mentioned above, a recent survey of the charter support landscape found that the average charter support organization staffs one employee per nine charter schools in the state and less than one fifth of CSOs have no paid staff.²⁰ In North Carolina, then, an organization with ten full-time paid employees would be necessary to provide a similar level of support to what charters in other states receive. These organizations provide a variety of services including²¹:

Services provided by CSOs

- Technical assistance & direct service (58%)
- Advocacy for schools (58%)
- Community events & conferences (36%)
- School start-up assistance (33%)
- Professional development for teachers (33%)
- Accountability planning & systems (32%)
- Leadership development (32%)
- Policies, procedures, & bylaws (31%)
- Board training (30%)
- Information clearinghouse (30%)
- Charter application assistance (27%)
- Media relations & outreach (27%)

The Office of Charter Schools currently provides many of these supports including: conferences, technical and direct assistance, board training, and leadership development. As a state agency, however, the Office of Charter Schools is limited in the amount of advocacy, media relations and outreach it can provide on behalf of charter schools because of the tension between a publicly funded office advocating charter public schools and the potential perceptions of such state support of charters as negatively reflecting on or adversely affecting district public schools.

In addition, several of the above supports—if provided by the Office of Charter Schools—may create a conflict of interest with the Office serving as both the “police” and the support. Leaders of low-performing schools or schools experiencing internal conflict may not share the full extent of their difficulties with state consultants for fear of reprimand or closure. If the state continues to serve as the single source of support, charter schools may choose to continue to struggle on their own.

Private organizations, on the other hand, can provide an opportunity for open and frank dialog and more targeted support services as a result. And private organizations—generally funded by foundation grants, fees for service, conferences and membership dues—may help alleviate the financial pressures on the state to grow its own programs to improve charter performance or to keep pace with new schools in the event of a cap increase.²² Some may ask why, given the number of charter schools in the state, a strong support organization has not already developed. This may be because North Carolina, with a fixed cap that has been met, is below the radar of national support organizations or individuals seeking to encourage the development of a strong charter sector; a charter cap increase may signal that North Carolina is

serious about its commitment to schools of choice and encourage those interested in developing a charter support organization to come forward.

We recommend that state leaders advocate the development of a private support organization that can complement the services provided by the state. The State Board of Education, as the charter authorizing body of North Carolina, along with the Office of Charter Schools and the Department of Public Instruction generally, has a duty to strengthen the application and authorization process, provide consistent oversight to ensure compliance, and take action when schools fail to provide viable alternatives to district-run schools. A well-developed private support network, then, can assist with advocacy, financing options, leadership development and training, and program assistance to help struggling schools. These efforts could pay off in the long run with fewer needs for new state hires and a more tenable situation for charter schools.

Several options are available for state leaders to foster the development of a strong CSO:

- An initial investment through grants—including federal Charter School Program funds
- State leader advocacy and encouragement for philanthropic investment in a CSO
- Outlining the roles and relationship between the Office of Charter Schools and a private CSO

FACILITIES FINANCING: RETHINKING OPTIONS

North Carolina is the largest charter school state to offer so few facilities support options; and the single option provided by the state—revenue bonds—has not proven an effective method of support.²³ There are several options for the state to amend this situation. Some involve price tags, and some do not.

- **Options requiring direct state funding**, but which would also allow for truly equitable support of these public schools: a per-pupil facilities stipend that follows the student or sharing of the Education Lottery proceeds for construction.
- **Options requiring less direct funding**: providing tax credits or breaks to companies that provide facilities support to charter schools or creating a loan-loss reserve to encourage private lending to charter schools.

- **Options requiring no funds from the state:** allowing counties to make local decisions to provide capital funding for these schools or improving the ease of obtaining revenue bonds by reducing current restrictions.

DIRECT FUNDING OPTIONS

Per-pupil Stipend

North Carolina currently provides a relatively equitable distribution of per-pupil operating funds to charter schools. That state, however, does not provide any direct facilities funding which results in charter schools appropriating twelve to twenty percent of their operating budget to securing facilities which draws funds away from hiring teachers or purchasing books, supplies, and other program-related resources. Several states and Washington, D.C. provide per-pupil facilities funding. These funds ensure that operating funds are spent where intended--on teachers and program supplies.

Education Lottery Proceeds

An equitable option to fund charter school facilities would be to open the construction portion of Education Lottery proceeds up to charter schools. This would provide a source of funding to charters without requiring any direct new money from the state's coffers.

INDIRECT FUNDING OPTIONS

Tax Credits for Private Support

Private organizations—from foundations to businesses—have provided much support for the charter movement in the forms of loaned executive time, back office services, advocacy and, perhaps most importantly, direct grants of funding and facilities. So have individuals, who often make contributions to charter schools. The state could provide an incentive for this kind of private support by granting state tax credits to companies and individuals who make contributions to charter school facilities projects.

Loan-loss Reserve

A loan-loss reserve—initially funded by the state or a combination of public-private funds—could serve as a guaranty to protect lenders and improve lending rates for charter school facility financing. For example, Indianapolis developed a charter school facilities fund through a partnership consisting of the Annie E. Casey Foundation which provided a \$1 million guaranty, the city of Indianapolis providing a moral obligation pledge for loans, JPMorgan Chase Bank

providing the funds, and the Indianapolis Local Public Improvement Bond Bank serving as a conduit for the funds and providing loan reserves from an ED credit enhancement award to secure the loans.²⁴ This public-private partnership ensures competitive rates to local charter schools and eases funding of new charter schools by ameliorating the risks involved in lending to a new institution with no credit history. An existing nonprofit organization within North Carolina, Self-Help, already provides substantial financing to charter schools in the state and beyond and could provide more assistance with such a loan-loss reserve in place.

NO PRICE TAG OPTIONS

Allow Counties to Fund Charter Facilities

North Carolina law currently does not allow county governments to provide capital funding for charter schools. If the legislature authorized counties to provide such funding, it would not require any counties to do so, but would allow willing local officials to support charter schools in this way. County leaders in Wake, for example, have specifically asked the state to endorse more charter schools to help it meet its severe over-crowding challenge.

Facilitating Revenue Bonds

State law currently allows the North Carolina Educational Facilities Finance Authority to issue bonds on behalf charter schools. Because the interest on these bonds is exempt from taxation, they pay a lower rate of interest than charter schools would typically pay in the lending market. The Authority, however, has not proven to be a good source of financing for charter schools. Though the bonds issued by the Authority are not backed by the state, the Authority has very high credit standards on the bonds it issues – standards that are too high for most charter schools to meet. As a result, even if a charter school could convince investors to buy its bonds and assume the ensuing risk, the Authority would likely not proceed with the financing.

There are two ways this source could become more viable for North Carolina charter schools. One would be for the Authority to relax its standards in recognition of charter schools' unique challenges in the financing markets. Investors would still have to agree to purchase the bonds, so the market would still exert a strong credit check on charter financing. If investors were willing, however, the Authority would not stand in the way of a financing package for a charter school.

The other would be to create a mechanism that provides the sort of security and confidence that the Authority is seeking and does not typically find with charter borrowers. Some of the ideas noted above, such as the creation of a loss reserve or tax credits for donations to these

projects, could be options for creating such a mechanism. These options, however, would carry a price tag for the state.

CHARTER SCHOOL RENEWAL AND CLOSURE

Deciding whether or not to renew a school's charter is a difficult decision, and closing poor-performing schools is even more difficult to make a reality. Because closing schools that are already serving children—even if poorly—is so difficult, it is even more important to strengthen the authorization, oversight, and support processes to ensure that schools that are chartered have a greater opportunity to succeed.

Still, experience nationally suggests that it is virtually impossible to design these systems so that literally no charter schools fail. As a result, states and authorizers need strong systems that enable them to act when charter schools fall chronically short of expectations. Advocates of quality charter schooling argue that simply accepting abysmal performance from a charter school because district schools are also failing is not an option. All of a state's public schools, including charter schools, should provide not simply another building that houses desks and teachers, but high-quality options to students who may not be served effectively elsewhere.

Part of meeting this challenge is developing a coherent approach to academic oversight – discussed above in the Effective Oversight section. Another critical issue, however, is creating the political will to act in cases where schools continue to fall short, despite intervention and assistance. So in addition to setting clear expectations about performance and gathering the data needed to determine whether schools are meeting those expectations, it is also imperative for North Carolina to establish a clear process that it will follow when the data show that a school is continuing to fail.

As mentioned above, a high, but nuanced bar is necessary when evaluating charter school performance. If the state implements a higher standard and more detailed assessment before considering a struggling school for renewal, the renewal considerations will be based on data that follow enduring cohorts of students and the school's trajectory over time. Further, early identification of struggling schools, valuable intervention, and third-party support can prevent schools from reaching their five-year assessment or ten-year renewal as struggling schools. For those schools that are struggling to effectively teach their students, however, it is imperative that the state take dramatic action so that students do not have to continue attending failing schools.

As the state has never closed a charter school for chronically poor academic performance, a backlog of schools that may need this kind of dramatic intervention has grown. The state

should approach this process, then, in two phases: first, it should analyze existing poor-performers and develop action plans for improvement or closure and second, the state should establish an ongoing process to deal with problems in charter schools as they develop in the future.

Thirty-six charter schools are currently below the state median for both performance and average growth. Initially, the state needs to undertake a nuanced evaluation of these schools to determine if they are effectively serving their students. School closure may be the only option, if several attempts have been made at improvement. When school closure is a poor option because district alternatives are likewise struggling, the state can consider several options including:

- Vigorously pursuing a school turnaround. Evidence from schools, businesses, nonprofits, and government agencies make clear that it is possible to turnaround a failing organization if the right leadership comes in and exerts a set of classic turnaround actions that have proven successful in many different kinds of organizations.²⁵ Finding this kind of leadership is a great challenge for the state, and a challenge that extends beyond charter schools. But this is a challenge worth tackling because of the potential to revive flagging schools, both charter and non-charter.
- Re-chartering the school under a proven operator. In some cases, a “fresh start” may be the best way to continue serving the students in a failed charter school.²⁶ In such a case, the state could issue a Request for Proposals seeking organizations willing to take on the school. Eligible operators could include other successful charter schools in North Carolina, or operators of effective multi-school networks in other states. Prospective operators would have to show past success in serving similar students, and the capacity to take responsibility for the school in question.

Closure is not the only option, but a turnaround or bringing in a proven operator will often require replacement of board members, principals, teachers, or all three. This is not an “easy out” compared to closure, but it can ensure that the students currently attending a charter remain in their school building while benefitting from a stronger academic program. Further, the nuanced evaluation conducted by the state can identify the students’ needs and inform the decision about which program should replace the failing school’s.

Whether the state pursues closure, turnaround, or bringing in another operator, however, it is clear that the state must ensure that chronically poor-performing charter schools are not allowed to fail students for a decade before being held accountable.

CONCLUSION

Charter schools in North Carolina, though serving more than 30,000 students, have not yet met the demand for school choice in this state. Some charters have waiting lists hundreds of names long, half of the state's counties do not yet have a charter school, and some county leaders—as we saw in Wake County—strongly support the opening of even more charter schools to deal with burgeoning population growth.²⁷ North Carolina has, however, met the legislative cap of 100 charters.

After ten years of charter schools, the results are mixed with some outstanding successes and some miserable failures. As the state considers how to move forward, it is clear that there are several strategic steps that can be taken by state leaders, private citizens, and the business sector to strengthen existing and future charter schools.

Public Impact recommends that the Commission build on the knowledge developed by ten years of experience and encourage policy, legislative, and procedural changes that will:

- Improve the quality of the charter application, evaluation, and authorization process to ensure future charter schools are strong from the beginning
- Work actively to strengthen current schools by further developing valuable support options and effective oversight that provides a true measure of school success
- Identify chronically failing schools to develop action plans to improve or close them
- Lift or remove the cap on charter schools to make room for proven or innovative programs that can most effectively serve North Carolina's students

Some of the best schools in this state would not exist without a charter sector. The opportunities available with charter schools—to provide small classrooms, personal relationships, individualized instruction, and an opportunity for students who may not find it elsewhere—should remain a part of public education in North Carolina. And bringing the best charter programs to more students should be a priority for educators and leaders across the state.

APPENDIX A

DETAILED RECOMMENDATIONS ON APPLICATION RUBRIC AND RESOURCE MANUAL

Using the high-quality charter application evaluation forms of the Mayor of Indianapolis and the Chicago Renaissance in 2010 initiative, we have identified several areas where North Carolina's charter application rubric could more effectively provide clear criteria for each section without becoming overly prescriptive. Below we describe the North Carolina evaluation rubric as it currently stands (along with the information provided in the application and resource manual) and recommend potential refinements based on the rubrics and criteria used by authorizers in Indianapolis and Chicago. These are to serve as examples only and we have not provided a full assessment of the entire rubric. For these examples, we focus on the two most important aspects of the evaluation, governance/leadership and educational plan.

Board Governance Evaluation

Strong governance is often cited as the linchpin of charter school success. The proposed board and core founding team determine the academic focus for the school, make financial decisions, hire key staff, and set the standards by which educators and students are evaluated. The founding team should, therefore, receive the greatest amount of care and attention during the application evaluation process. Careful analysis of the skills, aptitudes, and character of each member of the proposed school is vital to ensuring that the team encompasses a variety of viewpoints, skill sets, professional experiences, and personalities that will work together to ensure efficient and effective governance and a successful charter school.

In recognition of the important role of governance in charter schools, it is appropriately the first category in North Carolina's charter application evaluation rubric. The focus of the rubric, however, is currently more toward organization (requiring an organizational chart and bylaws) and less toward evaluating the capabilities of the group to launch a successful school. The first question of the current rubric does ask the evaluators to determine if the "Board of Directors reflects the range of knowledge and skills necessary to govern a school," but neither the application nor the supplemental resource manual define what these skills or knowledge should include. Further the resource manual simply states, "each board should maintain a minimum of five (5) members with a cross section of backgrounds, professions, and experiences that will assist in operations as well as instructional issues." The resource manual does not provide any further criteria for either the applicant or the evaluator to consider. Coupled with the request for only a single-page resume of each board member and disclosure of any potential conflicts of

interest, the evaluation committee may have difficulty determining if the founding team has not only the drive but also the competence and experience to launch a successful school.

In contrast, Indianapolis’s application guide provides a clear description of the importance of the founding team, asking applicants to “explain your collective qualifications for founding a high quality charter school in Indianapolis and taking stewardship of public funds. Include in your description evidence of the founding group’s ties to and knowledge of the local community. Summarize each person’s experience, qualifications, and relevant affiliations, and explain why he or she was chosen to participate in the founding group. Explain what role each individual will play. Describe any plans for further recruitment of governing board members, school leader(s), or a business manager.”²⁸

In addition, the Indianapolis charter application provides concise criteria for both the applicant and the evaluator:

“Reviewers will look for a founding group that:

- demonstrates the capacity to found and sustain an excellent school;
- can manage public funds effectively and responsibly;
- includes members who possess skills and experience in areas such as education, management, finance, and law;
- has broad, diverse representation from the community; and
- has tangible ties to the local community.”²⁹

It is, of course, possible for North Carolina’s evaluation committee to take these issues into consideration when they are evaluating an application, but without explicit instructions to the evaluator (or asking the applicants to consider these criteria when completing an application) there is no assurance that the evaluators will know how to prioritize what they may personally recognize as important criteria and what the rubric asks them to consider.

Educational Plan Evaluation

As with strong governance, a sound educational plan is vital to the success of a charter school—the proposed curriculum, pedagogy, and materials used in an educational plan should likewise garner significant attention from the evaluation committee. The North Carolina rubric currently asks the evaluators to consider seven aspects of the proposed academic program:

- If the instructional program is based on sound educational theory and seems likely to accomplish the proposed mission
- If the teaching approach and curriculum is designed to accomplish the school's goals and meet the student population's needs
- If there is staff development planned to ensure quality instruction
- If there are methods of meeting exceptional children's learning needs outlined
- If the curriculum and courses are aligned with the state's standard course of study
- If high school entrance and exit requirements are clearly stated, and
- If the school calendar meets the required 180 days

The final three evaluation points are largely formalities. These three should not, then, take up much time from the evaluators. The first four, however are of the utmost importance. In the application, the founding team is asked to provide the "educational theory and foundation of the model" as well as the "teaching approach and curriculum design and instructional methods, course of study, etc." The resource manual, however, provides only clarification on state requirements and asks that the applicants describe the educational plan and "do so in a manner that indicates that the chartering group is knowledgeable and competent to develop an educational plan." North Carolina's application materials do not request research-based support for the proposed model, any data or supporting evidence of the proposed program's (or its components') success elsewhere. Nor does it request the applicants provide any materials that would clarify for the evaluation committee, which is comprised of people with varying levels of familiarity with educational theory, the "soundness" of the theoretical basis of the proposed education plan. Similarly, the points about staff development and exceptional children do not convey any sense of what would constitute a promising plan within an application.

In contrast, Chicago's charter applicant is guided to "clearly articulate 1) exactly how the curriculum will be effective by referencing data-based research and the Design Team's capacity to implement the curriculum with fidelity; and 2) its successful implementation, if applicable, in schools currently existing in other districts similar to Chicago." In addition, applicants are asked to provide a detailed curriculum map and given a clear explanation of what a curriculum map is, issues to consider when developing one, and links to helpful tools.³⁰

SPECIFIC CHANGES RECOMMENDED FOR RUBRIC

CHARTER SCHOOL APPLICATION EVALUATION CHECKLIST

Applicant School Name:	Date:
Grade Level(s): Total # Students:	County/LEA:
Contact Name:	Conversion? YES <input type="checkbox"/> NO <input type="checkbox"/> If yes, public <input type="checkbox"/> or private <input type="checkbox"/> ?
Phone Number:	

GOVERNANCE AND LEADERSHIP:

A strong governance and leadership team is the most important component of charter school success. Evaluators should take great care when assessing these aspects of the proposed program.

	+	-	Comments
Board of Directors reflects the range of knowledge and skills necessary to govern a school			<u>Should identify somewhere what the “ideal” range of knowledge and skills would be, or certain deal breakers without which a board would not be successful.</u>
<u>Does the core founding team have the range of capabilities necessary to launch a successful charter school?</u>			<u>“capabilities” would include demonstration of past initiative, persistence, achievement, and effective team leadership.</u>

<p><u>Has the founding team identified a principal? If yes, does the principal have the capabilities necessary to lead a successful school? If no, does the application/vetting process the team has developed require these capabilities?</u></p>			
<p>Well-defined organization chart including role clarification for decision-making purposes</p>			
<p>Bylaws define how the board will function (e.g. conflict of interest, open meetings, term of office)</p>			

General Comments:

MISSION AND PURPOSES: Is the school design faithful to the basic ~~tenants~~ tenets of its charter?

	+	-	Comments
<p>1. Mission clearly stated <u>and compelling (i.e. the mission meets a need in a way that is</u></p>			

<p><u>not already available)</u></p> <p>[Key elements to look for include innovation, choice not currently available, mission's commitment to diversity, etc.]</p>			
<p>2. In general, overall design should achieve stated purpose</p> <p>[Key elements include design of the curriculum, organizational structure, etc., and the potential to achieve purpose]</p>			
<p>3. Mission's impact on community clearly summarized <u>(it is not clear whether this is an extension of question 1 or if it is looking for other community impacts (e.g. providing health services for students and families)</u></p>			

General Comments:

EDUCATION PLAN: Is the academic (Education) program sound?

	+	-	COMMENTS
1. Instructional program based on sound educational theory and accomplishes purpose stated in mission			<p><u>Ideally, clarify one of two approaches to this:</u></p> <p><u>If the program is newly-designed by the founders, do they provide evidence or research that demonstrate specific components of the program are likely to result in high student achievement.?</u></p> <p><u>If the program is a preexisting program that is being applied to the school, have they provided evidence that this program has worked elsewhere with the proposed population of this charter school?</u></p>
2. Teaching approach and curriculum designed to accomplish the goals of the school and meet the needs of targeted population			
3. S <u>Teacher evaluation and staff</u> development planned to ensure quality of instruction in selected model of teaching [Prior to opening as well as on-going]			

4. Methods of meeting exceptional children's learning needs clearly stated			
5. Curriculum and/or courses of study to be aligned with SCOS			<u>The State Board of Education does not mandate that the curriculum be aligned with SCOS; since it is not, should it be part of the evaluation rubric?</u>
6. High school entrance and exit requirements clearly stated			<u>Pre-screening question, not necessary to be considered by committee (state mandated?)</u>
7. School calendar meets required 180 days			<u>Pre-screening question, not necessary to be considered by committee (state mandated?)</u>

General Comments:

METHODS OF DOCUMENTING SUCCESS: Evaluation plan

	+	-	Comments
1. Methods of documenting student success <u>over the</u>			

<u>course of the year</u> and participation in ABCs stated			
2. Plan for assessing the needs of exceptional children stated			
3. Other measures of determining if school is meeting overall mission and purpose stated			

General Comments:

STUDENT BEHAVIORSUSPENSION, EXPULSION OR EXCLUSION:

	+	-	Comments
<u>1. Behavioral code and implementation approach will support a learning environment</u>			
<u>2. Safety protocol developed that will ensure the safety of students, faculty, staff and visitors</u>			
<u>1.3. Procedures and grounds for suspension and expulsion clearly defined and meets legal</u>			

<u>requirements</u>			
2.4. __Expulsion/suspension policies regarding exceptional children stated <u>and meets legal requirements</u>			

General Comments:

MARKETING AND ADMISSIONS POLICY:

	+	-	Comments
Policies and procedures for admitting students clearly defined			
Specific details of the lottery provided			<u>Should lottery standards be provided to applicants rather than applicants attempting to interpret and implement the law? (and reconcile conflicting state and federal guidelines?)</u>
<u>Activities reach a broad audience</u>			

<u>Plan documents a “good faith effort” to achieve diversity</u>			<u>What does “good faith effort” mean? Can the level of effort be defined? Would this be a deal breaker or simply require clarification to the founding team?</u>
<u>Activities support the mission of the school</u>			<u>This is unclear—how can or should the marketing activities support the mission of the school? Is this specifically referring to a cultural/ethnic/socioeconomic status focused mission?</u>
<u>Activities appropriate for school choice</u>			<u>The meaning of this is also unclear</u>

General Comments:

ORGANIZATION AND BUSINESS PLAN:

	+	-	Comments
1. Staffing needs identified and reflect required NCLB qualifications			
2. Projected enrollment seems realistic for mission			

3. School budget supports mission & indicates sound financial plans			
4. Expense projections realistic			
5. Facility needs identified & realistic budget projected			
6. Procedure for obtaining financial audits stated & auditing firm identified with mailing address and phone numbers provided			<u>Pre-screening question, not necessary to be considered by committee</u>
7. Civil liability & insurance requirements stated, budgeted, & plans outlined for obtaining			<u>Pre-screening question, not necessary to be considered by committee (state mandated?)</u>
8. Transportation plan outlined & budgeted as necessary			

General Comments:

HEALTH AND SAFETY REQUIREMENTS: Does the plan adequately address how the school will meet requirements for the following?

	+	-	Comments
1. Safety of students, faculty,			<u>MOVED ABOVE TO STUDENT</u>

staff and visitors			<u>BEHAVIOR (Unless “safety” here includes issues other than student behavior and the other issues listed here (i.e. immunization, fire and safety, food prep, hazardous chemicals, and blood borne pathogens)</u>
2. Immunization and health records requirement			<u>Pre-screening question, not necessary to be considered by committee (state mandated?)</u>
3. Fire and safety regulations			<u>Pre-screening question, not necessary to be considered by committee (state mandated?)</u>
4. Food preparation and inspection if applicable			<u>Pre-screening question, not necessary to be considered by committee (state mandated?)</u>
5. Use and disposal of hazardous chemicals			<u>Pre-screening question, not necessary to be considered by committee (state mandated?)</u>
6. Handling of bloodborne pathogens			<u>Pre-screening question, not necessary to be considered by committee (state mandated?)</u>

General Comments:

MARKETING PLAN:

<u>MOVED TO SECTION ABOVE</u>	+	-	Comments
<ul style="list-style-type: none"> • Activities reach a broad audience 			
<ul style="list-style-type: none"> • Plan documents a “good faith effort” to achieve diversity 			
<ul style="list-style-type: none"> • Activities support the mission of the school 			
<ul style="list-style-type: none"> • Activities appropriate for school choice 			

General Comments:

OVERALL RECOMMENDATION (Check One):

	Not Recommended for Interview
	Recommended for Interview
	Additional Information Needed

Sub-committee signature: _____

Date: _____

¹ Bifulco, R. & Ladd, H. F. (2006) The Impacts of Charter Schools on Students Achievement: Evidence from North Carolina. *Education Finance and Policy*, pp 50-90. Accessed on December 4, 2007 at : <http://www.mitpressjournals.org/doi/pdf/10.1162/edfp.2006.1.1.50>

² Demographic data accessed on October 25, 2007 from North Carolina Department of Public Instruction website at: <http://abcs.ncpublicschools.org/abcs/>.

³ <http://www.grandfatheracademy.org/>, <http://www.crossnoreschool.org/academy.html>, <http://www.elonhomes.org/kennedy.shtml>

⁴ <http://www.raleighcharterhs.org/aboutus/admissions.asp>

⁵ <http://www.questcharter.org/>,

⁶ http://www.magellancharter.org/aboutus/right_school.pdf

⁷ Noblit, G., & Corbett, D. (2001) North Carolina Charter School Evaluation Report. Raleigh, NC: Department of Public Instruction of North Carolina and the University of North Carolina at Chapel Hill.

⁸ Noblit & Corbett (2001) section I, p. 9.

⁹ Interview with Dr. Les Stein, by Dana Brinson on August 24, 2007.

¹⁰ Based on Average Daily Membership data for North Carolina Public Schools in month 1 of the 2007-08 school. Retrieved October 31, 2007 from <http://www.ncpublicschools.org/fbs/accounting/data/>

¹¹ Data source: Information presented by Joel Medley of DPI's Office of Charter Schools to the Blue Ribbon Commission on Charter Schools on July 18, 2007.

¹² Letter dated September 11, 2007 from Tony Gurley, Chairman of Wake County Board of Commissioners to State Representative Jennifer Weiss and State Senator Richard Stevens

¹³ Stulberg, L. (2007) *Beyond the Battle Lines: Lessons from New York's Charter Caps Fight*. Seattle: National Charter School Research Project, University of Washington. Available online at http://www.ncsrp.org/cs/csr/view/csr_pubs/14. Ziebarth, T. (2006) *Stunting Growth: The Impact of State-Imposed Caps on Charter Schools*. Washington, D.C.: National Alliance for Public Charter Schools. <http://www.publiccharters.org/content/publication/detail/533> (accessed July 1, 2007).

¹⁴ Rotherham, A. (2007) *Smart Charter School Caps*. Washington, D.C.: Education Sector. Available online at http://www.educationsector.org/analysis/analysis_show.htm?doc_id=532967. Stulberg, L. (2007) *Beyond the Battle Lines: Lessons from New York's Charter Caps Fight*. Seattle: National Charter School Research Project, University of Washington.

¹⁵ *Principles & Standards for Quality Charter School Authorizing* (rev. 2007) National Association of Charter School Authorizers. Accessed on November 1, 2007 at: http://www.qualitycharters.org/files/public/final_PS_Brochure.pdf

¹⁶ U.S. Department of Education, Office of Innovation and Improvement, *Supporting Charter School Excellence Through Quality Authorizing*, Washington, D.C., 2007. Accessed on November 1, 2007 at <http://www.ed.gov/nclb/choice/charter/authorizing/authorizing.pdf>.

¹⁷ Available online at: <http://www.ncpublicschools.org/docs/data/reports/2006-07/byarea.pdf>

¹⁸ As of September 19, 2007, list provided by DPI

¹⁹ Vanourek, G. (2005) *Mapping the Grid: Descriptive Inventory Survey of Charter Support Organizations*. Washington, D.C: National Alliance for Public Charter Schools.

²⁰ Vanourek, G. (2005) *Mapping the Grid: Descriptive Inventory Survey of Charter Support Organizations*. Washington, D.C: National Alliance for Public Charter Schools.

²¹ Vanourek, G. (2005) *Mapping the Grid: Descriptive Inventory Survey of Charter Support Organizations*. Washington, D.C: National Alliance for Public Charter Schools, p. 40.

²² Vanourek, G. (2005) *Mapping the Grid: Descriptive Inventory Survey of Charter Support Organizations*. Washington, D.C: National Alliance for Public Charter Schools, p. 22

²³ Balboni, E., Rainer E., Chae, C. Olsen, K. (2007) *2007 Charter School Facility Finance Landscape*. New York: The Educational Facilities Financing Center of Local Initiatives Support Corporation.

²⁴ Balboni, E., Rainer E., Chae, C. Olsen, K. (2007) *2007 Charter School Facility Finance Landscape*. New York: The Educational Facilities Financing Center of Local Initiatives Support Corporation, p. 14.

²⁵ Public Impact, *School Turnarounds: Cross-Sector Evidence on Dramatic Organizational Improvement* (Lincoln, IL: Center on Innovation and Improvement, 2006).

²⁶ National Association of Charter School Authorizers, *Starting Fresh in Low Performing Schools* (Chicago: NACSA, 2006). Available online at: <http://www.qualitycharters.org/i4a/pages/index.cfm?pageid=3276>.

²⁷ For example, Bob Luddy of The Franklin Academy said that his school had 1500 students vying for 100 available slots last year. Interview by Dana Brinson, September 6, 2007.

²⁸ p. 33, available online at: <http://www.indygov.org/NR/rdonlyres/9BB05C96-2A65-4DEA-9F27-28AD8BB88C71/0/2005CharterApplicationforweb.pdf>

²⁹ p. 33, available online at: <http://www.indygov.org/NR/rdonlyres/9BB05C96-2A65-4DEA-9F27-28AD8BB88C71/0/2005CharterApplicationforweb.pdf>

³⁰ p. 2-3 of the *Answer Manual* that guides applicants in completing a charter application. Available online at: <http://www.ren2010.cps.k12.il.us/request.shtml>