



Increasing the number of charter schools in the Commonwealth

Legislative testimony by James A. Peyser

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In November 1998, the Board endorsed a legislative proposal that would increase the statutory limit on the total number of charter schools from 50 to 100. In addition, the Board's bill would allow the Board to grant charters to the most promising school proposals, whether Commonwealth or Horace Mann, without regard to existing caps on either category.

At its November meeting, the Board also recommended several amendments to the current statutory language governing the operation of Horace Mann schools. In particular, the Board recommended that Horace Mann schools be given the exclusive authority to hire, manage, and fire school staff. As part of this proposed reform, employees of Horace Mann schools would be recognized as employees of the school, rather than the host district. In addition, only those portions of the local collective bargaining agreements relating to salaries and benefits would apply to Horace Mann staff. The Board's proposal also called for Horace Mann schools to receive per-pupil funds directly from the state in amounts equal to at least 90 percent of the per-pupil expenditures in the local district. Finally, school site councils, on the basis of a two-thirds majority vote, would be given authority to apply directly to the Board of Education for Horace Mann status, without the prior approval of the local school committee or teachers union.

To address the nagging problem of facilities financing, the Board endorsed the creation of a joint task force comprised of representatives of DOE, ANF, HEFA and MDFA to identify and recommend alternative methods for providing charter schools with affordable access to tax-exempt bond financing for capital projects.

It is, of course, the Board's wish that these proposals be endorsed by this Committee and passed by the legislature. Nevertheless, we are certainly willing to work with the Committee and any of its individual members to craft legislation that accomplishes our basic objectives of increasing the number of charter schools and improving their chances for success.

Why do we need more charter schools? There are several reasons. The first is that there is a large and growing demand among parents for more and better school options. There are currently almost 10,000 students in charter schools, and a combined waiting list of over 8,000. Looked at through a slightly different prism, there were on average almost 6 times as many applications for charter school admission last year as there were available spaces. The application-to-seat ratio in 1995 was 2 to 1.

Second, it is in everyone's best interests to continue to offer opportunities for credible people with fresh ideas to enrich the public education system. To improve student outcomes we need to consistently attract new talent with a commitment to educational excellence. One way to do this is to remove obstacles that deter bright people from becoming teachers or school leaders within the existing system. Another way, is provide opportunities for talented, committed people to start new schools.

Finally, one of the great benefits of charter schools is the stimulus for change they provide to the larger system of public schools-especially in the area of district restructuring and school-based management. Unfortunately, the power of charter schools to drive broader reform depends on their

ability to gather momentum. If charter schools become static they will be too easy to dismiss or ignore as the larger system adjusts to a slightly modified status quo. It is only through their potential for growth that their dynamic effect can be fully realized.

Two principal objections to lifting the cap on charter schools are that the existing charter schools have yet to prove themselves academically and that they are draining funds from financially strapped school districts.

Regarding the first objection, it is indeed true that the MCAS scores do not prove that charter schools are superior to the schools in their host districts. Indeed, a fair reading of the data shows that charter schools have a very long way to go to reach our collective expectations for student achievement, as do virtually all public schools throughout the Commonwealth. Nevertheless, the MCAS results do provide some positive indicators that these start-up schools have achieved at levels that on the whole are comparable to or somewhat better than their more well established neighbors. Taken as a whole, in combination with corroborating data from assessments administered internally by the schools themselves, I believe we have enough information to conclude that charter school performance has been more than sufficient to warrant expansion. Here are some examples:

- On average regular education charter school students scored six points higher on the MCAS (on a scale of 200 to 280) than their peers in their local school districts.
- Among the original charter elementary schools, now in their fourth year, 75 percent recorded scores that were higher than the average fourth-grade scores of their host districts.
- Scores from the Lighthouse, Parker, and Benjamin Franklin charter schools were among the best in the state.
- Community Day charter school scored as high or higher on the 4th grade ELA exam than all the elementary schools in Lawrence.
- Sabis International charter school scored higher on the 8th grade ELA than all the middle schools in Springfield.
- Somerville charter school scored as high or higher on the 4th grade ELA than all but one elementary school in Somerville.
- City on a Hill charter school had a higher combined MCAS score than every non-exam high school in Boston.
- Neighborhood House charter school scored in the top five of all Boston elementary schools on the 4th grade ELA.

With respect to the objection that charter schools are starving already weak school districts, I have two responses. First, our focus should be on resources that are available for students and communities, not school districts, per se. The charter school financing mechanism does not diminish the state funds available to communities for the education of their children. Indeed, it has actually increased the flow of state funds.

Second, in most districts where charter schools are located, state funding has increased dramatically in real, per-pupil terms, even as charter schools have opened and grown. Take the five districts that account for 60 percent of all Chapter 70 charter school transfer payments: Boston, Lawrence, Somerville, Springfield, and Worcester. Since the first charter schools opened in the Fall of 1995, Chapter 70 aid to these districts through 1998-net of charter school transfers-grew by as little as 23 percent and as much as 63 percent. At the same time their enrollments grew by a maximum of eight percent. This is hardly a picture of financial deprivation.

The question we ought to be asking ourselves is not why should we have more charter schools, but why not? What is the down-side risk? The department's evaluation of charter applications is rigorous, as is its renewal process-more so than any other state in the country-so, there will not be a flood of fly-

by-night schools cropping up around the Commonwealth, even if there is no cap at all. Parents are not compelled to send their children to these schools, so there is little risk that students will be trapped in truly bad schools.

Are charter schools perfect? Of course not. But they are improving rapidly and from the perspective of parents they are delivering the goods. Equally important, they are helping to accelerate the pace of reform in the public school system as a whole. These are reasons enough to lift the cap.

WHY DO WE NEED MORE CHARTER SCHOOLS?

- We have reached the statutory limit on Commonwealth charter schools.
- The dynamic effects of charter schools on broader school reform depend on a growing pool of schools.
- Charter schools are a model of district restructuring that is critical to improving student achievement.
- Students and parents deserve more quality options (demand). There were almost 6 times as many applications for charter school admission last year as there were available spaces.
- Credible new groups with fresh approaches to raising student achievement need to be encouraged to join the public education system (supply).

OBJECTIONS & RESPONSES

1. Charter schools have not yet proven themselves.

a) Parental demand is up significantly (from 2 applications per available space in 1995 to 5.7 applications per available space in 1998)

b) Test scores are promising

- On average charter school students scored six points higher on the MCAS than their peers in their local school districts.
- Among the original charter elementary schools, now in their fourth year, 75 percent recorded scores that were higher than the average fourth-grade scores of their host districts.
- Community Day charter school scored as high or higher on the 4th grade ELA exam than all the elementary schools in Lawrence.
- Sabis International charter school scored higher on the 8th grade ELA than all the middle schools in Springfield.
- Somerville charter school scored as high or higher on the 4th grade ELA than all but one elementary school in Somerville.
- City on a Hill charter school had a higher combined MCAS score than every non-exam high school in Boston.
- Neighborhood House charter school scored in the top five of all Boston elementary schools on the 4th grade ELA.
- These results do not prove charter schools have achieved excellence. Indeed, the scores for charter school prove that there is great room for improvement, just as there is in virtually all public schools. But they do indicate that these start-up schools have achieved at levels that on the whole are comparable or better than their more well established neighbors. In other words, charter school performance has been more than sufficient to warrant expansion.

2. Charter schools are damaging local districts by draining resources.

Most school districts where charter schools are located are seeing significant increases in Chapter 70 aid on an aggregate and per-pupil basis.

The table below lists the five districts with the biggest charter school tuition bills in FY 1998. Taken together, these districts accounted for 60 percent of all Chapter 70 charter school transfer payments.

	Net Increase in Chap. 70 Since FY95	Increase in Enrollment <u>Since FY95</u>
Boston	63%	1%
Lawrence	43%	8%
Somerville	29%	-4%
Springfield	23%	6%
Worcester	44%	5%