

## Executive Summary

### *Background*

Charter schools are independent, publicly funded schools that operate under the auspices of an educational contract called a charter. In Massachusetts these charters are granted by the Board of Education, thus establishing a direct relationship between the school and the state – effectively bypassing the traditional district structure. In their charters, schools lay out plans for improving student performance and pledge specific educational outcomes. In exchange they receive exemptions from many of the requirements placed on other public schools. Proponents of charter schools argue that freedom from many of the regulations that have constrained district schools will allow charter schools more operational freedom and provide students and their families with additional educational options. Furthermore, they reason, the reality of competition from charter schools will spur district schools to improve their educational programs and become more responsive to the interests of students and their families.

In Massachusetts, provisions for charter schools were made as part of the Education Reform Act of 1993 and the first cohort of schools opened in September of 1995. By the 1998-99 school year, Massachusetts had 34 operating charter schools serving nearly 10,000 students. The Massachusetts Charter School Law outlines seven purposes for establishing charter schools:

1. to stimulate the development of innovative programs within public education;
2. to provide opportunities for innovative learning and assessments;
3. to provide parents and students with greater options in choosing schools within and outside their school districts;
4. to provide teachers with a vehicle for establishing schools with alternative, innovative methods of educational instruction and school structure and management;
5. to encourage performance-based educational programs;
6. to hold teachers and school administrators accountable for students' educational outcomes; and
7. to provide models for replication in other public schools.

### *Primary Research Questions*

This study used a broad-based survey, a targeted set of site visits and interviews as well as information available from the state Department of Education to address the following research questions:

- Is the Charter School Initiative presenting parents and students with significant educational choices? How are charter school practices and/or offerings distinct from those of district schools? Who is taking advantage of those choices and are they satisfied?

- Is the Charter School Initiative affecting district schools? What kinds of effects are occurring and how extensive are they? Is there any evidence suggesting that district schools may be changing practices and/or offerings in response to charter schools?

***Findings: Elements of School Choice***

*Finding #1: When it comes to educational practice and program there are some significant differences between charters and districts schools. However, the most notable differences revolve around the fact that these are smaller schools.*

Inherent in charter school theory is the idea that charter schools will not merely be located in a different building and run by different individuals, but that they will actually be providing educational opportunities that students and families cannot access in their district schools. The research uncovered some notable differences. In other cases, it was precisely the lack of difference that stood out.

- On average, charter schools are smaller than district schools, particularly at the middle and high school levels.
- The differences most commonly identified by students and parents relate to school environment and culture and are often considered benefits of small schools.
- Charter schools provide more learning time during the academic year than district schools.
- The significant programmatic differences appear in programs for the youngest students. In particular, more charter schools offer foreign language instruction at the elementary school level and full-day kindergarten programs.
- Charter school teachers have lower levels of education, less teaching experience, and are less likely to be certified to teach in Massachusetts.
- Curricular or instructional practices commonly found in charter schools can also be commonly found in district schools.
- There are no significant differences in curriculum framework alignment between charters and districts that responded to the survey.
- Average class size does not systematically differ between district and charter schools that responded to the survey.

*Finding #2: On the whole, there are important demographic variances between the student bodies in charter schools and their sending districts.*

In particular, charter schools serve fewer students identified as Limited English Proficient (LEP), fewer students qualifying for free or reduced price lunch, and fewer students with formal Individualized Education plans. There is no significant difference in minority enrollment between charters and sending districts.

***Findings: Impacts on School Districts***

Another key concept of charter school theory is to stimulate competition for students and thereby spark improvement in all public schools.

*Finding #3: Although many districts are losing students and financial resources to charter schools, to date there is no evidence of a large-scale competitive response.*

It appears that the relatively small numbers of students enrolled in charter schools, as well as state reimbursement provisions, limit the financial impact on most districts. In fiscal year 1999 the resources directed to Massachusetts charter schools amounted to \$66 million – \$42 million from 209 sending districts and \$24 million from the state. The districts' \$42 million amounts to only 0.75% of combined net school spending for those districts. To some extent the state reimbursements have lessened the overall budgetary impact, but even if they were eliminated the total burden on districts would only have risen to 1.2% of combined net school spending.

On an individual basis, the budgetary impact for most sending districts was similarly marginal. After reimbursement, only 12% of the districts lost more than 1% of their net school spending. Without reimbursement this percentage would have risen to 31%, but the majority of districts would still have lost less than 1% of their net school spending. The districts that benefited most from the reimbursement sent significantly more students to charter schools in FY99 than FY98.

To date there is no conclusive evidence on the magnitude of budgetary impact necessary to stimulate competitive responses in sending districts. A recent report released by the Pioneer Institute suggests that districts losing more than 4% of their operating budgets to charter schools are the most likely to respond to the competitive pressure. Four districts currently lose more than 4% of their net school spending to charter schools. Three others are approaching this threshold and may very well reach it in the 1999-2000 school year.

An additional factor that may be dampening the competitive response is uncertainty over the amount of money actually being lost to charter schools. It appears that the complexity of the charter financing process creates substantial confusion in this area for district administrators. Thus, budgetary impacts are currently a weak signal of market concerns.

*Finding #4: Although some districts are making changes that resemble the offerings of nearby charter schools, we did not find widespread evidence of replication of charter school practices.*

The limited evidence is anecdotal. In most cases it is difficult to prove that district changes were direct responses to charters and not merely independent school improvement efforts. However, it does appear that some districts are making programmatic changes that resemble the offerings of nearby charter schools, including offering full day kindergarten, enhancing their arts programs, adding more project-based learning, and adopting some specific instructional approaches.

There is some perception that Boston's pilot schools are a direct response to passage of the state's charter school legislation. If indeed this is the case, it would be the only example of charter schools stimulating whole school reform efforts in Massachusetts, if not the entire nation. However, once again the causal relationship is not clear, especially since some have indicated that the pilot school idea was generated and agreed upon several years before the charter school legislation was introduced.

*Finding #5: There are many obstacles to district replication of charter ideas and practices.*

Lack of good information and a mechanism for facilitating exchange stand in the way of meaningful replication initiatives. District personnel have a hard time identifying differences that they would be interested in replicating. If experience to date is any indication it seems clear

that large scale or widespread replication will not occur spontaneously. Some entity must play an active role in facilitating interaction among charter schools and districts.

Expecting district schools to simply replicate practices that work in charter schools does not acknowledge the traditional context in which they operate. Charter schools have been exempted from many of the requirements and relieved of much of the bureaucracy faced by school districts precisely in order to provide them with the flexibility to respond quickly to new ideas. In contrast, district schools operate within a multi-layered administrative structure. In one sense, the major innovation being tested by the charter school initiative is the effectiveness of eliminating the district structure and allowing true school-based management to take its place. It may not be reasonable to expect district schools to adopt and implement specific charter practices if they are not granted the same exemptions.

### ***Opportunities for Follow-Up***

*As a first step the Department of Education should institutionalize a mechanism for identifying promising charter school practices, facilitating information exchange, and providing technical assistance to districts interested in replicating charter practices in their schools.*

While charter schools should certainly be expected to cooperate with replication efforts, they are really not equipped to spearhead the task. As for districts, most have proven reluctant so far to engage charter schools in constructive conversation about lessons they could learn from each other. It appears that the Department of Education is the most logical party to facilitate this effort. After all, the Charter School Initiative was essentially intended to create a network of state-sponsored education laboratories. It seems only fitting that the state education agency take the lead in identifying and sharing best practices.

*There are also several opportunities for additional research related to charter schools.*

Topic 1: How do charter schools wind up serving fewer “disadvantaged” students?

Topic 2: Are charter school constituents satisfied with their experiences?

Topic 3: What are the budgetary consequences of the charter school funding mechanism?

Topic 4: Are charter schools delivering improved educational outcomes for their students?

Topic 5: What can charter schools teach us about school governance and organization issues?

Topic 6: Are charter school networks a viable approach to meeting diverse educational needs?

### ***Conclusion***

It is too early to expect conclusive evidence as to whether or not charter schools are having a beneficial impact on the educational prospects of our children. The quality of education provided to children attending charter schools is only one of the important elements to be assessed down the road. The current statutory limitation on the number of children attending charter schools places additional importance on the objective of influencing the practices of district schools. Effective replication of charter practices will not occur spontaneously. Proactive measures must be taken to identify promising charter school practices, facilitate information exchange, and provide technical assistance to districts interested in replicating charter practices.

