



Center for Education Reform



ANNUAL SURVEY
of
AMERICA'S
CHARTER SCHOOLS



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SUMMARY OF KEY FINDINGS

INTRODUCTION

The Center for Education Reform's *Annual Survey of America's Charter Schools* provides the most comprehensive look at the charter school environment of any single analysis performed to date. Based on an intensive survey process with the nation's charter schools, its results are highly reliable, offering a detailed view into the context for and environment surrounding the operation of these independent public schools.

The conclusions merited from the data collection performed using the CER survey instrument have annually mirrored the results of other research or data analysis, which are typically based on a smaller subset. The Center's *Annual Survey of America's Charter Schools* is the only such document that assesses this level of in-depth information on charter school students, operations and teachers.

In 2009, CER's annual survey of charter schools was delivered to 4,624 schools, with a 21 percent response rate (980 charter schools). This is consistent with previous surveys, and the results are significant in terms of making objective conclusions about the operational and governance factors in most charter schools.

The survey is broken out into four key sections, each designed to provide insights into the overall management and environment of charter schools across the country. The four sections are: Size and Scope, Demographics, Operations and Management. Each section contains a brief introductory summary, followed by in-depth analysis using statistics and information taken directly from charter schools' responses.

- Ⓢ Independent authorizers are playing a bigger role in approving charter schools, and states with multiple authorizers continue to create the highest quality and quantity of charter schools. (p. 10)
- Ⓢ Despite slowed growth of charter schools as a result of state law restrictions, charter demand has increased, as evidenced by longer waiting lists. (p. 9)
- Ⓢ Though charter schools are public schools and thus should be entitled to the same amount and streams of funding, they receive nearly 30 percent less funding than conventional public schools. (p. 14)
- Ⓢ Finding adequate facilities continues to be a significant challenge for charter schools because of the difficulty in finding buildings, the high cost of leases, and the absence of legal requirements that states and communities must provide comparable capital resources for charter schools. (p. 15)
- Ⓢ The majority of charter school students are at-risk, minority, and poor. (p. 11)
- Ⓢ Fewer than twelve percent of all charter schools adhere to union contracts, and 54 percent of charters are moving towards rewarding teachers through performance pay. (p. 17)

SIZE AND SCOPE

Steady Growth, Parent Demand for More Personalized, Smaller Schools

Charter schools reached a milestone in the 2009-2010 school year with 5,042 schools serving over 1.5 million students in 39 states and Washington, DC. What began as an experiment 18 years ago with one charter in Minnesota has proven to be a catalyst for improving the educational lives of America's children. Charter school growth has remained steady over the last two years at about roughly nine percent, because of artificial constraints created by state laws and legislators, including charter school caps and moratoriums.

As charter school numbers continue to grow at a steady pace, more parents are becoming interested in these innovative schools as alternatives for their children. However, charter caps imposed in various states have increased the number of schools with waiting lists (65 percent—up from 59 percent in 2008) and the length of the lists themselves (ranging from one to 7,500), with the average of 238 students per school. That means that over the last year, the average size of a waiting list has increased by 20 percent because of the massive demand for charter schools in the face of slower growth.

Personalization. Charter schools continue to be smaller in size than conventional public schools, enrolling on average 372 students, nearly 22 percent less than conventional public schools. According to the National Center for Education Statistics, in 2006-07, the average number of students per public school was 478. Studies have shown that smaller schools can be advantageous for learning, creating a more personal environment to better serve the individual needs of students. In recent years, organizations such as Green Dot Schools have taken large, failing public schools and transformed them into a cohort of smaller charter schools with success.

The Importance of Multiple Authorizers

As stated in *Charter School Laws Across the States: Rankings and Scorecard (The Center for Education Reform, December 2009)*, permitting the creation of independent authorizers is one of the most important components of a strong charter law. Twenty-one states currently have independent or multiple authorizers that have the ability to approve and manage charter schools, providing a needed complement or sometimes, an alternative, to conventional school boards.

Through conducting the annual survey and the premier law analysis and scorecard noted above, the data show that states with multiple chartering authorities have almost three and a half times more charter schools than states that only allow local school board approval. About 78 percent of the nation's charter schools are in states with multiple authorizers or a strong appeals process. These states are also home to the highest quality charter schools, as evidenced by state test scores, numerous credible research studies and ongoing observation.

DEMOGRAPHICS

Reaching Children Most in Need

Real Poverty Data. The Center once again offers evidence through the annual survey that charter students are not less poor or lower achieving than students in other public schools. According to the CER survey, while an average of 54 percent of all charter school students qualify for free and reduced lunch, 39 percent of charters do not participate in the program for a variety of administrative, financial and political reasons, but not because students in these schools do not qualify.

Yet, regardless of these facts and the rejection of this data as a “poor proxy for poverty” by the former head of the federal National Center for Education Statistics, it continues to be used often, producing inaccurate conclusions about the demographics and achievement of charter students.

This was the case with the report entitled *Multiple Choice: Charter School Performance in 16 States* by the Center for Research on Education Outcomes (CREDO) issued in June 2009 and used by many lawmakers to squash attempts to expand charter schools. To understand and assess how poor students are, we must use multiple measures to paint a clear, unequivocal picture of the children that charters serve. Without this, studies distort the achievement data collected and as a result, often make conclusions about charter effectiveness using bad data and comparisons among students who cannot be accurately compared.

Increasing Educational Opportunities for Under-Served Students

Yet another myth perpetuated by the status quo is that charter schools cream the brightest students from local school districts. Historian and once reform-minded scholar Diane Ravitch wrote, for example, “My beef with charter schools is that most skim the most motivated students out of the poorest communities... The typical charter, operating in this way, increases the burden on the regular public schools, while privileging the lucky few.” (*Education Week*, November 16, 2009)

But this argument fails in the face of data. Not only must charter schools accept everyone by lottery and not selectivity, but the **majority** of charter school students are minority (52 percent), at-risk (50 percent) or low-income (54 percent). Indeed a full 40 percent or more of charter schools serve at-risk, minority or low-income students who represent more than 60 percent of the school’s total population. Students who attend charters are largely under-served in the conventional public school environment.

Curricular Diversity. Charter schools also excel at creating programs and curricula that better support students at both ends of the instructional spectrum who are being failed by a “one-size-fits-all” education system: special education students, teen parents, English language learners, and gifted and talented students. Conventional public schools often do not have the resources or the ability to provide the individualized attention and tailored curricula that these students need to be successful.

OPERATIONS

Doing More With Less

As public schools, charters should receive the same amount of per pupil funding as conventional public schools; however, the data reveal that this is rarely the case. Charters receive fewer dollars and spend less than conventional schools. Among reporting charter schools, the average amount of per pupil funding they received was \$7,286, and the average cost per pupil was \$8,001. According to the National Center of Education Statistics, conventional public schools received \$10,754 per pupil and spent \$9,056 per pupil. Looking at the national picture, charters are only receiving 68 percent of what conventional public schools receive.

Due to the financial inequity, charter schools are spending on average \$715 more per pupil than they are receiving, putting them at an immediate disadvantage for survival.

However, by digging deeper and analyzing the median per pupil revenue and costs for charter schools, the numbers are even more inequitable. The median per pupil revenue for charter schools is actually \$6,600 and the cost is \$7,034. Calculating the median eliminates outliers in the data, such as charter schools that specialize in serving a small population of severely disabled students, and therefore receive much larger per pupil amounts, sometimes over \$20,000 per student.

Maximizing Resources

A critical aspect of charter school progress is finding and sustaining a facility that supports the academic mission and goals of the school. But once again, the data reveal that charters must spread their operating funds out across not only programs but facilities, too.

Only 26 percent of survey respondents receive some type of dedicated funding specifically targeted for facilities. Charters are forced to be creative in finding school space. Charters convert non-traditional school spaces such as retail facilities, church basements and warehouses, into classrooms, cafeterias, auditoriums and gym space. Sixty-two percent rent their school facility, and many sign short-term leases, spending a significant portion of already stretched budgets on rental and maintenance costs.

Teacher Freedom and Pay Flexibility

Teacher Freedom. States with strong laws allow but do not require collective bargaining or adherence to district contract rules regarding employment. States with weak laws force charters to abide by local bargaining agreements, which nullify the freedoms that define charter schools. In order to carry out innovative curricula and teaching methods, and to extend learning time, charters need the autonomy to manage their principals, administrators, and teachers. With a three percent increase over last year, 88 percent of survey respondents said that their schools do not adhere to collective bargaining.

Pay Flexibility. Since last year's survey, there has been a sizeable and much-welcomed decrease in the number of charters that follow uniform pay guidelines, from 60 percent to 46 percent. In the past, charters have tended to adopt uniform pay scales for teachers, thinking this would make them competitive with other public schools. Now the majority of charters have begun to use the freedoms they've been afforded to decide how teachers are compensated, whether performance based or contracts based on skills and responsibilities. Those charters that are using uniform pay guidelines do so either because the state law mandates it, or they still believe they must do so to remain competitive to hire strong teachers.

MANAGEMENT

Academic Accountability

Accountability in charter schools is consistent with accountability in conventional public schools. They are required to administer the same state standardized tests as conventional public schools to determine the proficiency levels of their students and to account for state and federal requirements. Eighty-eight percent of survey respondents require state tests and the only schools where standardized testing is not mandatory are schools that focus on students who have dropped out of school, have severe disabilities, or only serve young children. In these cases, most schools administer a variety of non-traditional assessments. In addition to the state tests that 88 percent of schools administer, respondents also report using additional academic assessments, either other standardized tests or their own intermittent academic growth tests.

Providing Innovative, Quality Choices

As part of what they consider to be their mandate to better meet the individual needs of children, charter schools provide more focused, innovative curricula that are tailored to the student population and give parents a variety of high-quality options. Of the survey respondents, 76 percent said their school has a particular theme or focus. Some schools focus on specific disciplines such as math, technology or the arts. Others use methods such as Core Knowledge or Montessori, and many charters focus on college preparation or starting a career. Charters also offer education in non-traditional settings, such as virtual schools and homeschooling.

Over the last year, the percentage of charter schools providing a college preparatory program increased by eight percent, showing continued focus on finding ways to increase student achievement.

Teacher Freedom = Innovation. Because most charters are given freedom from collective bargaining agreements and restraints, one of the most important values they can offer in addition to more focused curricula is increased instructional time. More than a quarter of survey respondents offer either extended school day, school year or a combination of both.

ANALYSIS OF THE SURVEY DATA

SIZE AND SCOPE

Charter Schools Generate Increased Interest and Growth

Since 1992, charter schools have permitted educators the autonomy and freedom to innovate without the restraints of conventional public school systems in exchange for increased academic and financial accountability. And nearly 18 years later, what began as an experiment in the eyes of many people has proven time and again to be a catalyst in the educational lives of America's children. Currently, there are 5,042 charter schools serving more than 1.54 million students across 39 states and Washington, DC. (In July 2009, Mississippi allowed its charter law to expire with no hope for renewal.)

Over the last two years, the annual growth rate of charter schools nationally has remained steady at nine percent (Figure 1). States with strong charter school laws such as California, New York, Florida, Arizona, Washington, DC and Colorado, experience some of the largest growth each year, largely because of fewer limits on expansion and the inclusion of strong, independent charter authorizers (Figure 2).

Growth has slowed from double-digits to nine percent because of arbitrary constraints written into state charter laws in the form of charter school caps and moratoriums on new schools or certain types of schools. States such as North Carolina and New York are dangerously close to not allowing any new charters to open, and other states, like Massachusetts, have caps on not only the total number of schools allowed in the state and certain districts, but also on charter enrollment, denying thousands of students admittance.

Although in 2010, the Race to the Top federal funding initiative has brightened many people's hopes for improved charter school laws (and lifted caps), the flurry of activity happening in states from Massachusetts to California does not appear to have the needed impact to make the nine percent growth rate increase in the future to accommodate the growing demand for more student choices.

Figure 1. Growth in Operational Charter Schools 1992-2009

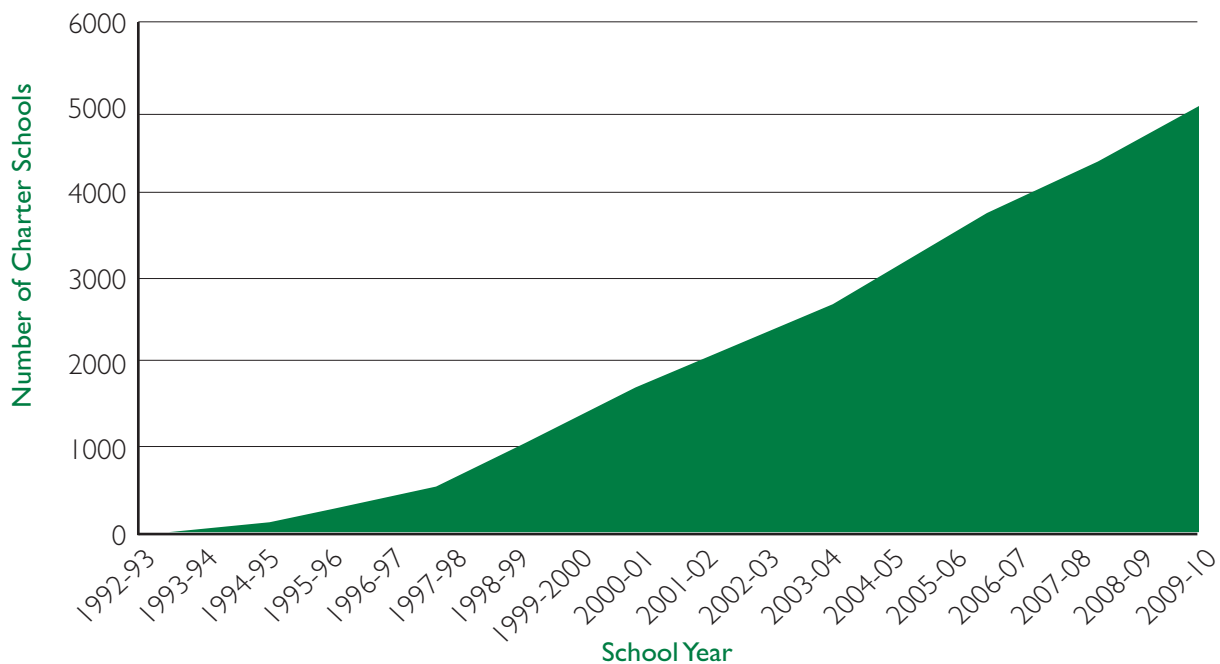


Figure 2. Charter School Enrollment and Closures, by State

State	Opened in 2009-2010	Total Closed	Total Operating	Total Enrollment
Alaska	1	5	27	5,489
Arizona	43	101	566	132,229
Arkansas	6	6	35	7,812
California	89	120	860	299,742
Colorado	15	11	166	63,799
Connecticut	0	5	21	4,298
Delaware	0	4	19	8,990
DC	9	20	100	30,026
Florida	38	92	413	131,183
Georgia	12	5	97	47,697
Hawaii	0	0	32	7,878
Idaho	5	3	35	10,936
Illinois	8	10	88	33,400
Indiana	5	2	55	17,521
Iowa	0	1	9	1,462
Kansas	2	12	39	5,001
Louisiana	13	11	78	29,078
Maryland	3	2	38	9,213
Massachusetts	2	7	65	25,579
Michigan	13	30	283	99,660
Minnesota	4	31	162	28,371
Missouri	6	6	44	18,880
Nevada	3	8	28	8,559
New Hampshire	0	2	11	2,055
New Jersey	7	19	72	20,496
New Mexico	6	4	72	13,117
New York	29	10	154	44,000
North Carolina	0	34	102	34,845
Ohio	15	62	338	94,171
Oklahoma	2	2	17	5,706
Oregon	16	9	108	16,809
Pennsylvania	10	14	144	61,823
Rhode Island	2	0	13	3,106
South Carolina	4	11	38	10,815
Tennessee	5	1	21	4,301
Texas	33	38	387	129,853
Utah	8	1	76	30,183
Virginia	0	4	3	290
Wisconsin	4	39	223	37,432
Wyoming	1	0	4	294
TOTAL	418	742	5,042	1,536,099

Data current as of November 2009

The percentage of charter schools closed each year for failure to perform to required accountability measures has remained constant, demonstrating the power of performance-based accountability, the hallmark of the charter school idea. Unlike conventional schools, which remain open despite their inability to improve student achievement or maintain strong operations, charter schools close if they fail to perform according to their charter. Of

the over 5,600 charter schools that have ever opened, 13 percent have been closed for various reasons. Schools may be closed because of financial or managerial problems, academic deficiencies or in some cases, consolidation or district interference. Charters are held accountable to the same testing and performance standards as every other public school and if they do not meet their goals, they must face the consequences.

Smaller and More Personalized

It's clear from their record that charter schools strive to be smaller. This enables charters to provide more immediate, personalized and trackable attention to students and builds smaller learning communities—in contrast to the “shopping mall” school model that has pervaded traditional US education over the past three decades.

Research has shown that smaller schools may lead to higher achievement and can be more advantageous for learning, in addition to promoting a feeling of safety and security within the school. Children are able to receive more individualized attention in a smaller school setting in subjects with which they struggle.

On average, charter schools enroll 372 students, nearly 22 percent less than conventional public schools. According to the National Center for Education Statistics (NCES), the average number of students in a conventional school was 478 in 2006-07.

Average charter enrollment increased by 24 students, which points to parents' demand for charter schools that provide alternatives to conventional

public schools. Unfortunately, in addition to enrollment growth, there has also been an increase in students on charter waiting lists.

Over 1.54 million students are enrolled in charter schools across the country, and 65 percent of survey respondents said that their school has a waiting list for one or more grades, an increase of 6 percentage points from the last survey. The median charter school waiting list is 70, with schools reporting as many as 7,500 students on their waiting list. The average number of students across the country on a wait list increased by 41 students, for a 21 percent increase (Figure 3). Weak state charter laws continue to impose artificial caps on the number of schools that can open regardless of demand. In some areas of the country, such as North Carolina, no new charters may open unless one closes. It is estimated that the waiting list for all charter schools combined in Texas is currently over 40,000 students. Cities are also constricted by caps; Boston, Massachusetts has over 8,000 students on waiting lists because of the numerous restrictions on charter growth. Until these caps are eliminated, demand will continue to grow at a faster rate, leaving many families without educational choice.

Figure 3. Charter School Enrollment and Waiting List

	2009	2008
Average Enrollment	372	348
Percentage of Schools with Waiting Lists	65	59
Average Number of Students on Waiting List	239	198
Median Number of Students on a Waiting List	70	51

Multiple Authorizers Create Healthy Growth

Strong state charter laws allow for independent entities other than school boards to approve charter school applications. These include new unique state entities focused on charters (e.g. the District of Columbia public charter school board), universities, mayors, or in a few states, approved nonprofit organizations. States with multiple authorizers have three and a half times more charter schools than states with only school board approval. Nearly 78 percent of the country's charter schools are located in states with multiple authorizers and/or a strong appeals process. These states are also home to the highest quality charter schools because states with multiple authorizers provide more intensive oversight to hold charters accountable, and have the legal flexibility and mandate to address deficiencies or close those schools that fail to perform.

Twenty-one states have authorizers other than school boards that may approve and hold charter schools accountable as of January 2010. An additional four states have strong binding appeals processes, which allow applicants an open and objective avenue to seek a charter if it is initially denied by an authorizer. Some states, such as Pennsylvania, are introducing legislation to create university or other independent authorizers to strengthen their charter law. States that do not have multiple authorizers create hostile environments for charters because

school boards often view charter schools as competition and reject applications not based on merit, but on politics. Without multiple authorizers, charter school supporters have no alternatives for approval and growth in a state is severely stunted. School board hostility has prevented certain states, such as Maryland, Tennessee, and Illinois from meeting growing demand for school choice.

Figure 4 highlights the authorizers by type that have approved schools who responded to the CER *Annual Survey* for each of the last two years. The number of schools approved by school boards decreased nine percent from last year to 42 percent, while other authorizers now approve a full 58 percent of all charter schools. This number would be substantially higher if more states permitted independent authorizers and if fewer caps were in place. In addition to states that only allow school boards as authorizers, other states that might allow independent boards have caps on the types and number of schools they can authorize, keeping percentages at about the same level. Charters approved by state boards of education increased by five percentage points, and New Jersey, Texas, and New York are all examples of states that allow the state board to charter schools, either exclusively or in tandem with other authorizers.

Figure 4. Percentage of Charters Approved by Various Authorizers

	2009	2008
School Boards	42%	51%
State Boards of Education	33%	28%
State Charter School Boards	12%	12%
Universities/ Colleges	8%	7%
Other (nonprofits, etc.)	4%	1%
Mayor or City	1%	1%

DEMOGRAPHICS

A Majority of Charter Students Are Poor—A Fact Ignored by Federal Poverty Data

Year after year, researchers analyze charter schools, hoping to find what they believe will be the definitive answer as to how charter schools impact student achievement. They use various test score data, perform trials and proven experiments using real and imaginary students, and often rely almost exclusively on one set of federal government data to draw conclusions about the effects of charter schools on students in poverty.

That set of government data is the free and reduced lunch program and it's based on survey information collected by states from schools that report the number of students who qualify for this program and thus receive services. School districts spend enormous amounts of energy and resources ensuring that they count every applicable student, as each increase in numbers draws additional federal money for programs such as Title I and subsidized federal lunch.

But because most charter schools do not belong to school districts, they must collect and distribute their own data. Smaller charter schools have found this to be an onerous process. Larger charter school networks find it equally costly and many prefer not to participate in the federal lunch program because of the regulations imposed. One DC-based charter school leader, for example, reports that he would have had to fire part-time parent workers as a condition for federal funds – parents he believed served a dual role for their students by demonstrating involvement and a presence at the school.

The most prevalent reason why charters do not participate is because they do not have the proper facilities to prepare meals (Figure 5) and federal regulations concerning facilities are onerous. Many charters do not have full kitchens or cafeterias. Twenty-one percent choose not to apply because of the massive amount of paperwork and bureaucratic red tape that is difficult to abide by with fewer administrators. As the charter responses indicate, it is not that they do not serve a disadvantaged population, but that **many choose not to participate or cannot because of the facilities' limitations.**

The CER *Annual Survey of America's Charter Schools* reveals again that a majority of charter school students, 54 percent, qualify for the federal free and reduced lunch program. However, 39 percent of all responding charter schools said they do not participate in the federal free and reduced lunch program for a variety of reasons, such as those cited above.

This does not stop critics or even credible researchers from incorrectly arguing that charter schools serve fewer disadvantaged children than conventional public schools in similar neighborhoods. Charters do not serve fewer disadvantaged students, but the mechanism used by researchers to determine poverty, participation in the federal lunch program, is flawed. The 2009 Center for Research on Education Outcomes (CREDO) report on student achievement in charters, suggested that poverty rates in charter schools in the states

Figure 5. Why Charter Schools Do Not Participate in Free and Reduced Lunch Program

School does not have the facilities	32%
Other reason (cyber school, half day schedule, etc.)	26%
Chose not to apply because of bureaucratic difficulties	21%
School feeds students with own resources	11%
Not enough eligible students	5%

studied were lower. That's because they incorrectly used the federal lunch program data to draw conclusions. The CREDO results, like many studies, was flawed because when comparing apples to apples, if one set of students appears less poor but their scores are comparable to those of poor children, the conclusions about student achievement for that set of students is naturally incorrect. To put it

another way, using federal poverty data to make comparisons allows researchers to conclude that the scores of charter student are less than what they would expect from children with more advantages.

This evidence should put to rest the myth that charter students are less poor – and achieving less – than students in conventional public schools.

The Neediest Students Are A Majority

Although charter schools are public schools and cannot selectively choose students, the myth that charter schools are creaming the best students from the public school system remains prevalent in public policy debates. According to the results of our annual survey, charters educate students who are largely underserved in the public school environment. The majority of charter school students are minority (52 percent), at-risk (50 percent), or low-income (54 percent). These percentages have remained almost identical for the last three years, showing that charters continually serve a large at-risk student population and are not taking the top students.

When calculating the median number of charter school students who are low-income, that number rises to 60 percent. The median minority population is 46 percent and 45 percent are at-risk of dropping out. These percentages should not come as a surprise, because a large number of charters operate in urban areas with large minority, at-risk populations, and given the state of the economy over the last two years, it is expected that charter schools would be serving a larger numbers of low-income students.

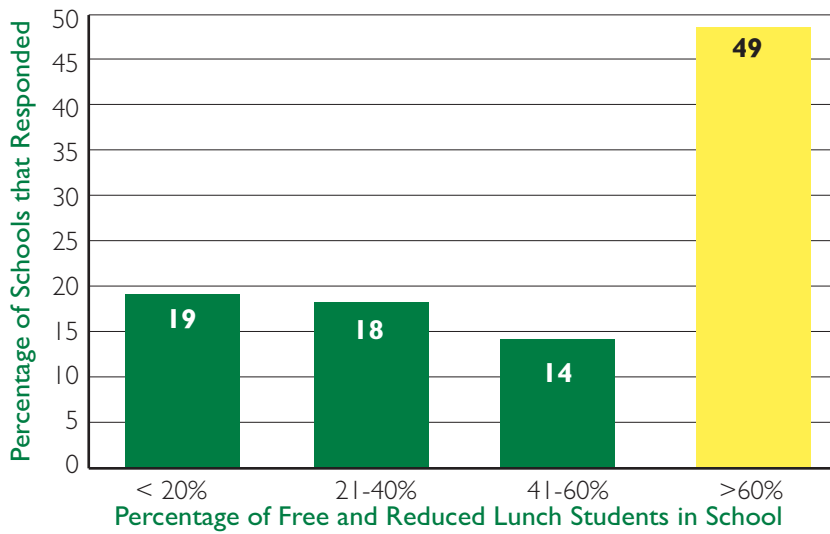
The charts below show that in addition to students in charter schools being a majority at-risk population, 40 percent or more of most charter schools in the country serve student populations that are over 60 percent minority, at-risk, or low-income (Figure 6). Many charter schools in cities such as Washington, DC, Boston, MA, or Detroit, MI, serve student populations that are 100 percent at-risk, low-income and/or minority. Because of smaller school sizes, innovative instruction and individualized attention, these children are receiving the education and services they need the most to be successful.

Nineteen percent of students are English-language learners, 14 percent have special needs, eight percent are teen parents, and almost 14 percent are adjudicated youth. These numbers are higher than those of conventional public schools, and demonstrate that charter schools serve various student populations and are able to use the freedom afforded to them by state law to develop curriculum and programs to adapt to their students' needs.



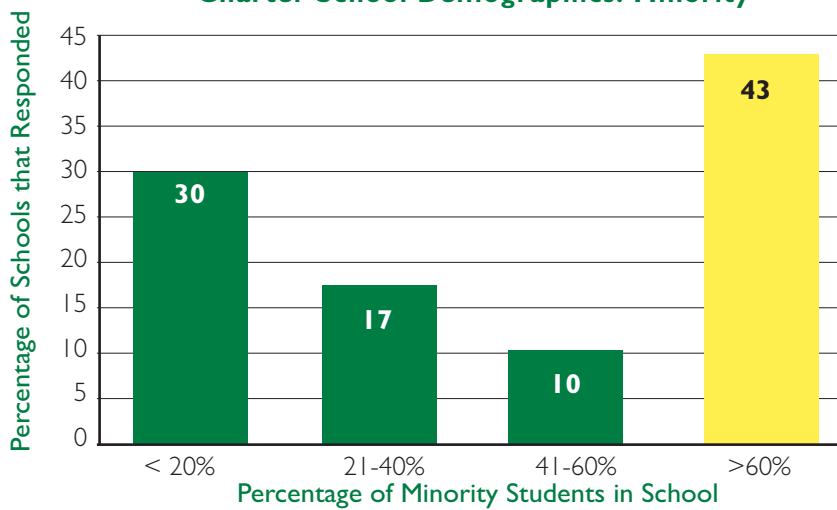
Figure 6. Demographics: Percentage of Charter Schools Serving Selected Populations

Charter School Demographics: Free and Reduced Lunch



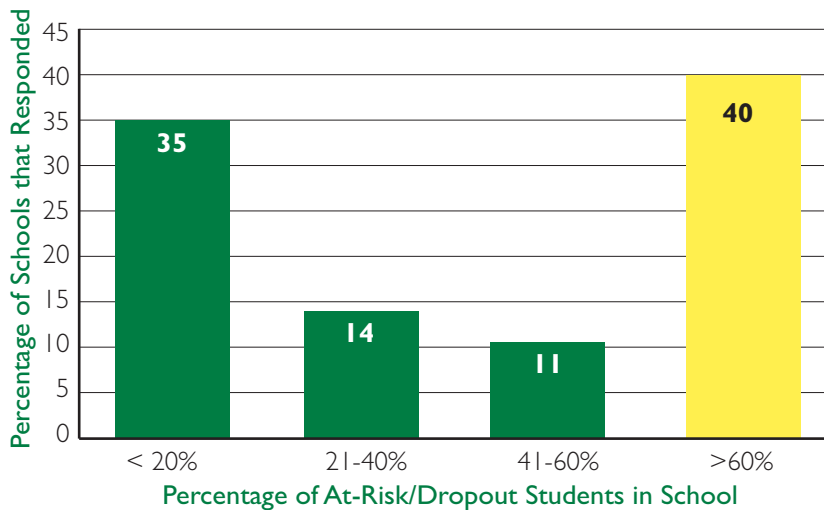
49% of charter schools serve a free/reduced lunch population over 60%.

Charter School Demographics: Minority



43% of charter schools serve a minority student population over 60%.

Charter School Demographics: At-Risk/Dropout



40% of charter schools serve an at-risk student population over 60%.

OPERATIONS

Funding and Expenditures Remain Below Average

Fiscal equity is one of the key components of a strong state charter law. As public schools, charter schools should receive the same type and amount of funding as conventional public schools. However, only a handful of states, not even all of those with strong charter laws, fund these schools close to equitably. Nationally, charters are funded at only 68 percent of their district counterparts, averaging \$7,286 per pupil compared to \$10,754 per pupil at conventional public schools, according to the National Center of Education Statistics for FY 2007.

By going one step further and analyzing the median per pupil revenues and costs for a charter school, the picture becomes even more inequitable. The median per pupil revenue for charter schools is \$6,600, about \$715 less than the average, and per pupil cost is \$7,350. Calculating the median eliminates outliers in the data, such as charter schools that specialize

in serving severely disabled students, and therefore receive much larger per pupil amounts, sometimes over \$20,000 per student. In addition, urban area charters, such as in DC, Los Angeles, or New York City also receive much higher per pupil funding than schools in rural areas or communities to the south or west.

Figure 7 shows four ranges of per pupil revenue, the number and percentage of charter schools that fall in each range, and the average per pupil revenue in each range of those who responded to the survey. Fifty-one percent of the 594 reporting charter schools said that they receive on average between \$4,500 and \$7,000 per student. While the number of charters that receive over \$9,500 doubled from last year, only 20 percent of charters are funded on par with conventional public schools. Such charters are likely to be in communities in the District of Columbia, which has higher per pupil operation revenues.

Figure 7. Average and Median Revenue Per Pupil Breakdown

Average Charter Revenue Per Pupil: \$7,286 • Median Charter Revenue Per Pupil: \$6,600
Surveys reporting a per pupil revenue amount between:

Range	Number of Surveys	Average Revenue per Pupil	Median Revenue per Pupil	Percentage of Charter Schools
\$0-\$4,500	54	\$3,801	\$3,972	9%
\$4,500-\$7,000	304	\$5,983	\$6,000	51%
\$7,000-\$9,500	119	\$7,835	\$7,628	20%
\$9,501+	117	\$11,724	\$11,023	20%

Required to do more, with less. Charter schools spend on average \$8,001 per pupil versus \$9,056 per pupil in conventional public schools. However, looking at these raw numbers does not tell us the whole story. When looking at revenue versus cost, charter schools spend more than they receive, which is not the case for

conventional public school counterparts. Charters spend, on average, \$715 more than they receive from public sources per pupil, putting them at a disadvantage in having to seek additional funds from charitable contributions or other revenue sources. In addition to salaries, benefits, supplies and purchased services, total

expenditures include capital outlays for school construction and equipment (Figure 8).

Forty-one percent of the 455 reporting charter schools said that they spend on average between \$4,500 and \$7,000 per student. Charters are forced to use their valuable time and minimal

resources to find additional funding to cover their already low costs because they are shortchanged with state and local funding. Charter schools are public schools and should be funded like all other public schools with identical funding sources and amounts.

Figure 8. Average and Median Cost Per Pupil Breakdown

Average Cost Per Pupil: \$8,001 • Median Cost Per Pupil: \$7,034

Surveys reporting a per pupil cost amount between:

Range	Number of Surveys	Average Cost per Pupil	Median Cost per Pupil	Percentage of Charter Schools
\$0-\$4,500	39	\$4,008	\$4,100	9%
\$4,500-\$7,000	187	\$6,056	\$6,100	41%
\$7,000-\$9,500	127	\$8,138	\$8,000	28%
\$9,501+	102	\$12,923	\$12,231	22%

Few Schools Receive Facilities or Capital Support

In addition to inequitable operational costs, charter schools also rarely receive facilities funding to cover the cost of securing and maintaining a facility, and those that do, receive only a fraction of the construction and facility support provided for conventional public school buildings. Of charter schools that responded, only 26 percent receive some funding specifically targeted towards facilities. When analyzing the data further, those schools reporting assistance tend to be only in a cluster of states where facilities aid is given. The amount of funding these schools do receive only averages ten percent of their total budgets, not nearly enough for the high costs of renting, purchasing, or maintaining proper school facilities.

Charter schools are often criticized because they operate in former stores, office buildings or unrenovated public school buildings. Yet this is a condition of flawed policy, not choice. Charter school operators must improvise and be creative when it comes to finding a location for their school. They often lease unused spaces such as

retail facilities, former and current churches, lofts, or turn portable trailers into classrooms, cafeteria and gym space. Sixty-two percent of survey respondents rent their school building and only 33 percent own. Charters rent their buildings from a variety of people and businesses, wherever there is space. Twenty-seven percent rent space from private commercial businesses, often spending more money because of the location and the facility owner (Figures 9-10).

Thirty-four percent of charters that rent space sign leases on an annual or short-term basis, less than four years. This means that charters have the additional burden of instability when they have to revisit their lease every few years, encountering unpredictable and larger fees or having no flexibility to accommodate promising new enrollment in limited spaces. These are not issues that plague other public schools, and operational issues relating to facilities are a big factor in the evidence on closed schools.

Figure 9. Charter School Facility Acquisition

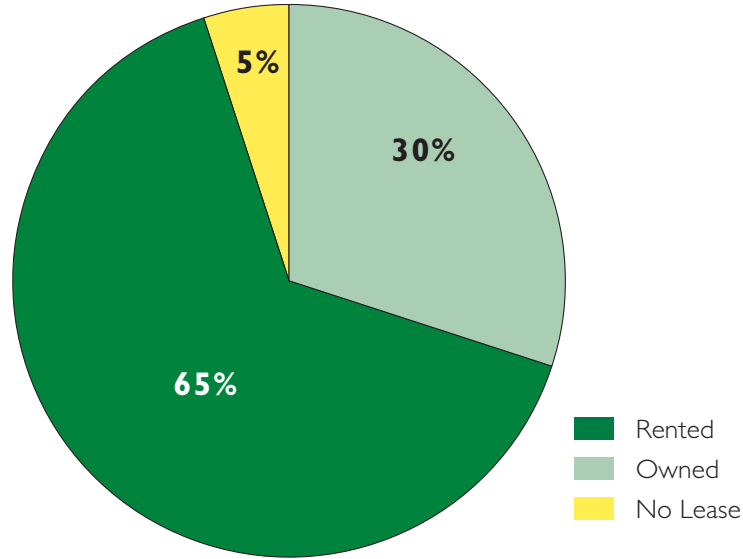


Figure 10. Property Owners of Rented Charter School Facilities

Private Commercial	27%
District	20%
Other Nonprofit (not church)	20%
Church	18%
Individual/ Residential	10%
Other Local Government (not district)	3%
State	1%
University/ College	1%
Federal	0%

Leaner staff, less bureaucracy. An effective balance between teachers and administrators is key to ensuring schools meet their primary responsibility, to educate children. Charter

schools generally maintain high ratios of teachers to administrative personnel, averaging 23 full-time teachers to five full-time administrative staff (Figure 11).

Figure 11. Average Number of Employees

Administrative Full Time	5
Administrative Part Time	2
Teacher Full Time	23
Teacher Part Time	4

Teachers Have Freedom to Produce Results

In some states, because of a weak charter law, collective bargaining agreements are required of charters and nullify the freedoms that define them. In order to carry out innovative curricula and produce positive results, charter boards need the autonomy to govern and charter principals need the freedom to make operational decisions and manage their educators and staff. Recently, there have been stories in the media about charter schools that have been pressed to unionize, and some have asked if this is a fast-spreading trend. However, according to our survey, 88 percent of schools said that their teachers do **not** participate in a district collective bargaining or master district teacher agreement. Of the 12 percent that do participate, many of these schools are in states where, by law, charters must remain covered by collective bargaining agreements. Weak charter school laws make it difficult for charters to fully recognize their independence because these laws constrict operations, impose burdens, and stifle creativity. The numbers are also influenced by data from California, which has numerous conversion charter schools.

Performance pay at work. In a dramatic change from 2008 edition's survey data, uniform pay guidelines that follow local or state pay scales at least on a minimum level represent 46 percent of teacher compensation in our survey, down from 60 percent. Fifty-four percent of respondents compensate teachers by either contracts based on skills or performance based pay. This is a positive trend that shows that when given the freedom to do so — and once they accumulate experience — charter schools

take hold of their own staffing authority and create a salary system that is based on skills and performance, and not fixed levels that have been comfortably adhered to and influenced by teachers unions to ensure uniformity.

The charters that continue to rely on uniform pay guidelines do so believing this will keep them competitive in the market to attract the best teachers. However, once one begins teaching in a charter school, performance based pay and other incentives, which take considerable work and innovation to develop, are not uncommon.

Certification trends. Eighteen percent of survey respondents said that some of their teachers are certified under alternative certification programs that permit them to recruit and hire individuals without need for a traditional education school degree. Alternative certification is an effective approach that allows professionals who choose teaching after specializing in another area and do not have a traditional teaching certificate, to earn one without spending prohibitive amounts of time and money. Charter schools that do not allow for alternative certification are likely located in states with weak charter laws where traditional certification is mandatory. Some alternative certification programs are:

- Ⓒ American Board for Certification of Teacher Excellence (ABCTE),
- Ⓒ Texas Teachers Alternative Certification, and
- Ⓒ South Carolina's Program for Alternative Certification for Educators (PACE).

MANAGEMENT

The Same Regulations for Academic Accountability Apply

The data show that not only do charters comply with the same requirements for testing and reporting as all other conventional public schools, but that they also administer additional tests and measurements often self-imposed or required by their authorizers. All of the federal requirements, such as Adequate Yearly Progress milestones, apply.

According to the survey, 88 percent of charter schools administer the required state standardized test. Fourteen percent of schools—those focusing on serving non-traditional students such as dropouts, special needs students or pre-school age children—have

alternative learning programs and thus assess children in non-traditional ways.

This year, the survey collected data on the specific kinds of tests that charter schools choose to administer in addition to a state test. The survey demonstrates a trend in testing; over the last few years, schools are relying less on national standardized tests, such as the Iowa Test of Basic Skills, and instead on individual school-developed assessments to measure a student's progress in subjects over the school year. Other tests that are given include DIBELS, Brigance and graduation competency tests. Respondents were allowed to choose more than one answer (Figure 12).

Figure 12. Tests that Charter Schools Administer

State's required test	88%
Terra Nova	12.2%
SAT 9	11.8%
Iowa Test of Basic Skills	6.5%
California Achievement Test	4.6%
California Test of Basic Skills	1.4%
Another standardized test	62%

Curricula Variety Makes Innovative and Effective Choices

Most charter schools are permitted by a waiver in the state's charter law to pursue their own academic and programmatic vision rather than use and administer books and courses typically seen throughout traditional districts. Thus, the leaders of these schools develop and find instructional programs that they believe meet the need and demand of their focused population of students. Philadelphia's Boy's Latin Charter School requires college-level reading for incoming freshman that is not required in any other city high school. Challenge Charter School in Arizona infused Core Knowledge throughout the entire school.

Seventy-six percent of schools have a particular theme or focus (Figure 13). College preparatory programs make up 31 percent of these, which is an increase of eight percentage points over last year's survey results. In recent years, there has been a focus on preparing youth for the rigors of college, especially urban youth with one or no parents who attended college, and charter networks such as KIPP pride themselves on this focus.

Some schools focus on specific disciplines, such as math, technology or the arts. Others use well-known methods like Core Knowledge or

Montessori, and a few charters focus on engaging students through vocational work. Sixteen percent of charters selected “other” as their instructional focus, and some examples given on the survey include: health and wellness, experiential learning, environmental and Native American culture. Conventional public schools are less likely to specialize

because their programs are dictated largely by the centralized school district and everything from their books to their programs are determined and purchased at the district level, making any attempt to innovate difficult to accomplish. Larger student bodies are also a barrier to instructional innovation.

Figure 13. Curriculum/Instructional Focus

College Preparatory	31%
Back to Basics	13%
Science/ Math/ Technology	12%
Constructivist	6%
Arts	5%
GED/ High School Completion	5%
Montessori	4%
Bilingual	3%
Home/ Independent Study	3%
School-to-Work/ Vocational	2%
Other	16%

Charters Provide More Instructional Time

The added instructional time many charters require is one factor that allows the diversity in instruction and design to succeed. It is rare for a conventional public school student to attend school for more than 180 days a year or longer than six and a half hours a day. Charters are able to provide additional instruction time because decision-making is done at the school level, and resources and teachers are typically not bound by contracts and collective bargaining agreements restricting work hours and permissible activities. Many schools offer

Saturday tutoring sessions, summer sessions, and after-school programs to encourage learning among students and to help create a sense of community in the charter school.

Twenty-six percent of charters go beyond the “typical school year” or “typical school day.” Charter schools across the country have embraced increased instructional time as a method to improve academic performance, help close the achievement gap, and teach students about community and life skills.

CONCLUSION

Eighteen years into the development of a new public school model, the promise offered by charter schools is accomplishing the intended results. The genesis of charter schools dates back to the 1980s, when, faced with *A Nation at Risk*, researchers, open-minded educators and thoughtful leaders sought new solutions that would bring competitive forces to a monopoly structure that rewarded mediocrity, not quality outcomes. The development of the charter school idea — which many claim to own but which actually evolved over several years — was rooted in a quest to free schools from bureaucracies, and provide parents a wide variety of choices within the public school framework that would bring new found accountability to a system long ailing.

Charters provide this wide variety of options to parents, for which they are held directly accountable, and serve mostly children whose needs are not being met by the one-size-fits-all system offered in their zoned school.

The number of charter schools has grown at a rapid pace, surpassing a milestone of over 5,000 charter schools currently operating in the US serving over 1.5 million students. While this survey does not address student achievement, other reports and resources do confirm that the majority of charter school students are exceeding expectations and receiving quality education not otherwise available.

The Center for Education Reform's *Annual Survey of America's Charter Schools* has confirmed since 1997 that where state laws are weak, charter schools are stifled and prevented from becoming fully autonomous public school alternatives for parents. Demand is at an all time high with waiting lists growing across the country. But until state legislators work harder to improve their laws and allow charters to flourish, demand will continue to overrun supply.

According to polls conducted for CER by *the polling co, inc.*, 78 percent of people support “allowing communities to create new public schools — called charter schools — that would be held accountable for student results and would be required to meet the same academic standards/testing requirements as other public schools but not cost taxpayers additional money.”

The survey's results offer four key policy decisions that are needed to improve the ability of strong charter schools to open and accomplish their mission of providing quality education:

- ② Multiple and independent authorizers are needed to ensure charter school quality and growth,
- ② Charter schools are public schools and should be funded like all other public schools with identical funding amounts and funding streams,
- ② Caps and moratoriums on approving new schools need to be lifted, and
- ② Freedom from rules and regulations defines charter schools, and they need to be allowed to make their own decisions regarding management and personnel.

METHODOLOGY AND DATA NOTES

Beginning in January 2009 and several times throughout the year, CER distributed survey instruments to 4,624 operating charter schools. The survey posed general questions about educational programs and operations, standardized testing, and demographics. Through September 2009, 980 charter schools returned their surveys, for a 21 percent return rate. This CER survey provides the most comprehensive and current data available on public charter school operations and has done so since 1997. The data is reviewed, compiled, analyzed and presented in this report. CER also maintains the nation's only comprehensive and searchable national database of America's charter schools. Figures 1 and 2 represent a snapshot of charter school information taken in November 2009. Figures 3-13 are drawn from the most recent survey data.

OTHER RESOURCES

Additional resources maintained by the Center for Education Reform from its storehouse of data include:

© *Charter School Laws Across the States: Rankings and Scorecard*

<http://www.charterschoolresearch.com/>

© *Find Your School! The National Online Charter School Directory*

<http://www.charterschoolsearch.com/>

© *The Accountability Report: Charter Schools*

<http://www.edreform.com/accountability/>

ANNUAL SURVEY *of* AMERICA'S CHARTER SCHOOLS

The Center for Education Reform's *Annual Survey of America's Charter Schools* provides the most comprehensive look at the charter school environment of any single analysis performed to date. Based on an intensive survey process with the nation's charter schools, its results are highly reliable, offering a detailed view into the context for and environment surrounding the operation of these independent public schools.

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