



CENTER FOR URBAN AND MULTICULTURAL EDUCATION

INDIANA UNIVERSITY

School of Education
IUPUI

Charter Schools Research Brief

School Reform

The infusion of education reform and marketplace principles has been a part of education discourse for decades. This brand of education reform incorporates market principles of choice, competition, deregulation, and accountability, and assumes that deregulation and competition encourage innovation and reform among schools (Mickelson, Bottia & Southworth, 2008). In theory, school choice empowers parents to meet their children's educational needs with an array of options, which, consequently, improves the quality of their child's education. The 2001 No Child Left Behind Act (NCLB) provided for charter schools as alternatives to and catalysts for improving failing public schools (U.S. Department of Education, 2006). Under the NCLB Act, students attending public schools deemed failing may transfer to a better performing school or a charter school (U.S. Department of Education, 2003).

What are Charter Schools

Charter schools are publicly funded, tuition-free schools that are endowed greater autonomy than regular or traditional public schools (TP). These schools each receive a charter or contract from a public agency or sponsor which holds it accountable for performance. While charter schools are not bound by direct government administrative control, "they are accountable to state regulations regarding minimum accountability standards, teacher-student ratios, and laws regarding health, safety, and civil rights (May, 2006, p. 21). Much of the support for charter schools is tied to claims that they meet diverse educational needs, increase student achievement, advance innovation in education, provide better learning environments (May, 2006; Fowler, 2003), and stimulate system-wide improvement (May, 2006; Nathan & Boyd, 2003).

Achievement

In 2003, the Center for Education Reform released a report documenting charter school success in 24 states. Arizona, California, Michigan, and North Carolina were among states reporting that charter schools and students met or exceeded statewide achievement averages, improved at a more rapid rate and/or made more progress than their TP school counterparts, or met NCLB's adequate yearly progress while TP schools failed to make similar milestones (May, 2006). A national study in 2009 determined that 17% of students overall experienced learning gains above

predicted TP achievement, 50% with no statistically significant difference, and 37% of charter school students performed below expected achievement gains in traditional public schools. Specifically, elementary and middle charter school students tend to have significantly higher rates of learning than similar students in TP schools, and English Language Learners and students from low socio-economic backgrounds (when controlled for race) realize significantly higher learning gains than their peers in TP schools (Center for Research on Education Outcomes [CREDO], 2009). This study further confirmed that while some charter schools experience challenges when they initially open, on average, they become as effective as TP schools over time in reading and mathematics achievement (CREDO, 2009; Hanushek, Kain, Rivkin & Branch, 2005).

In contrast to these findings, there is a significant body of literature that suggests research on charter schools is substantially limited or inconclusive (American Federation of Teachers [AFT], 2002; Bulkley & Fisler, 2002; Eckes & Rapp, 2005; Frankenberg & Lee, 2003; Gill, Timpane, Ross, & Brewer, 2002; Hassel, 2005; May, 2006). For example, Hoxby (2004) determined that in most cases students attending charter schools demonstrated a statistically significant advantage in mathematics or reading proficiency. Yet, Roy and Mishel (2005) argue that Hoxby's methodology did not adequately control for differences in relevant student characteristics in the two types of schools. When this is done, nearly all differences become non-significant. Several other studies have found that students attending charter schools demonstrate achievement levels that are similar to or lower than comparable students in regular public schools (Bifulco & Ladd, 2006; Bodine, Fuller, Gonzalez, Huerta, Naughton, Park, & The, 2008; CREDO, 2009; Finnigan et al., 2004; Hanushek, Kain & Rivkin, 2002; Ladd & Bifulco, 2004; Lubienski & Lubienski, 2006; Mead, 2006; NCES, 2003, 2005, 2006; Nelson, Rosenberg & Van Meter, 2004).

Segregation

While there was initial concern that charter schools would glean the most academically talented and financially advantaged students from TP schools (Metcalf, Theobald, & Gonzalez, 2003), research indicates that charter schools, on average, enroll larger numbers of low-income and minority students (Brown Center on Education Policy, 2003; Frankenberg & Lee, 2003; Garcia, 2008; Kahlenberg, 2008; Rapp & Eckes, 2007). However, this trend has had an unintended consequence. In 2000, RPP International reported that charter schools in Connecticut, Illinois, Louisiana, Massachusetts, Michigan, Minnesota, New Jersey, North Carolina, and Texas served significantly "higher percentages of students of color than all public schools in those states" (Rapp & Eckes, 2007, p. 617). Mickelson, Bottia, and Southworth (2008) found the same was true for Arizona, and further noted that US schools are re-segregating and that racial isolation is rising to levels encountered in the 1970s. Consequently, some scholars contend that charter schools lead to greater social stratification by further dividing students by achievement, race, social class, and culture (May, 2006; Levin, 2001; Wamba & Ascher, 2003).

High-cost Student Populations

In contrast, charter schools enroll significantly smaller numbers of English Language Learners (ELL) and students with disabilities (AFT, 2002; Guarino & Chau, 2003; Mickelson, Bottia, & Southworth, 2008; NCES, 2003; Rhim, Ahearn, & Lange, 2007). In general, these students are considered high-cost populations, and while charter schools are legally required to provide

special education services under state and federal mandates, in practice, they have limited resources (i.e., human and financial) and often utilize inclusion only, rather than the broader array of services school districts are required to provide (AFT, 2002; Miron & Nelson, 2002). Common themes in the literature indicate charter schools struggle with understanding their responsibilities to students with disabilities, enrolling a proportionate share of these students, and providing required services (Finn, Manno, & Vanourek, 2000; Fiore, Harwell, Blackorby, & Finnigan, 2000; Miron & Nelson, 2002; Morando Rhim, Ahearn, & Lange, 2007; Rhim, et. al., 2007).

Impact on Traditional Public Schools

Steady increases in charter school enrollment have caused much concern and revenue loss to already struggling TP schools, because for each student who enrolls in a charter school, funds are diverted away from TP schools (AFT, 2002; Fusarelli, 2002; Ohio Department of Education, 2004; May, 2006). A study of the 46 major urban districts in the US found that the number of parents opting out of TP schools tripled in a single school year from 2002-03 to 2003-04 (Lewis, 2004). As a result, nearly two-thirds of the charter school population were transfers from public schools (Jewell, 2004). Recent studies illustrate how this trend costs districts millions of dollars annually. For example, in Ohio, state funds directed to charter schools rose from \$11 million in the 1998-99 academic year to more than \$350 million in 2004-05 (Jewell, 2004). This represents an 80% single year increase from academic year 2003-04 to 2004-05 (May, 2006).

Teacher Quality Indicators

Research on school quality indicators reveal that charter schools lag behind TP schools in teacher experience, credentials, retention, and mean salaries (AFT, 2002; Bodine, et. al., 2008; Burian-Fitzgerald et al., 2004; Dillon, 2009; Opfer & Robinson, 2005; NCES, 2003; Zimmer et al. 2003). For example, in Ohio, Opfer and Robinson (2005) found that about 78% of charter school teachers have less than 5 years teaching experience, compared to only 27% in TP schools. Almost half of Ohio charter school teachers (45%) held long-term substitute licenses (commonly provided to those who do not qualify for regular licensure), compared to only 2% of TP school teachers. And from 2000 to 2003, between 44% and 52% of charter school teachers left their positions each year, compared to between 6% and 11% of TP school teachers. More recently, the Center for Evaluation and Education Policy (CEEP, 2008) reported that Indiana's average base teacher salaries follow the national trend. Indiana average base teacher salaries were higher in TP schools than those in charter schools. In fact, the salaries for charter school teachers decreased by 0.6 percent while TP school teacher salaries increased by 3% over a three year period (from 2004-05 to 2006-07). By 2006-07, the difference between average base salaries of TP and charter school teachers was \$13,300.

Indiana Charter Schools

The 2008 CEEP report also found that attendance rates for charter and TP schools were equal; retention rates were not markedly different, and there was virtually no difference in charter and TP school performance. Specifically, there were no statistically significant differences in student gains or level of performance for any grade level, and no practical difference in ISTEP+ performance. In terms of school enrollment, the report revealed that the majority of the students served by charter schools (approximately 70 %) were minority, compared to about 47% of

students in TP schools. More than 60 % of charter school students received free or reduced lunch, compared to 49% of similar students in TP schools. Only 10.9% of charter school students received special education services, while 17.9% of students in TP schools received similar services. And finally, in examining Limited English Proficiency (LEP) student enrollment, only 3.5% of charter students were classified as LEP, while 12.9% of TP school students were in the same classification.

Conclusion

Collectively, the research indicates that charter schools are expanding options for parents and students, and that some charter schools have a significant positive impact on the achievement of certain sub-populations of students. It also suggests that, after a period of time, charter schools eventually tend to perform at a level commensurate to that of TP schools. However, the substantial challenges charters encounter with teaching diverse learners raise questions about how and the extent to which they serve high-cost student populations (ELL/LEP students and students with disabilities); the impact on student academic achievement and development when a significant portion of their teachers are under-certified, underpaid, and have high rates of attrition; and the overall effects of schools with high concentrations of poverty and racial and social isolation. When coupled with inconclusive evidence on student achievement in charter schools, these issues raise more questions about the long-term benefits of charter schools, their economic impact on traditional public schools, and the overall direction of the public education system.

References

- American Federation of Teachers. (2002). Do charter schools measure up? The charter school *experiment after 10 years: The AFT charter school study*.
- Bifulco, R., & Ladd, H. (2006). Charter schools in North Carolina. Prepared for the National Conference on Charter School Research. Vanderbilt University.
- Bodine, E., Fuller, B., Gonzalez, M. Huerta, L., Naughton, S., Park, S., & The, L. (2008). Disparities in charter school resources—the influence of state policy and community. *Journal of Education Policy*, (23)1, 1–33.
- Brown Center on Education Policy. (2003). *The 2003 Brown Center report on American education: How well are American students learning?* Washington, DC: Brookings Institution.
- Bulkley, K., & Fisher, J. (2002). A decade of charter schools: From theory to practice. *CPRE Policy Briefs*, April.
- Burian-Fitzgerald, M., Luekens, M., & Strizek, G. (2004). Less red tape or more green teachers: Charter school autonomy and teacher qualifications, In *Taking account of charter schools*, ed. K. Bulkley and P. Wohlstetter, 11–31. New York: Teachers College Press.
- Center for Evaluation and Education Policy. (2008). Study of the effectiveness and efficiency of charter schools in Indiana. Prepared for the Indiana General Assembly. Bloomington, IN: Indiana University.
- Center for Research on Education Outcomes (CREDO). (2009). Multiple choice: Charter school performance in 16 States. Stanford University: Stanford, CA
- Dillon, S. (2009). As more charter schools union, educators debate the effect. New York Times. Retrieved August 21, 2009 from http://www.nytimes.com/2009/07/27/education/27charter.html?_r=1&partner=rss&emc=rss
- Eckes, S., & Rapp, K. (2005). Charter school policy: Trends and implications. In E. St. John (Ed.), *Readings on education, Vol. 21: Public policy and equal educational opportunity* (pp. 3-36). New York: AMS.
- Finn, C., Manno, B., & Vanourek, G. (2000). *Charter schools in action: Renewing public education*. Princeton, NJ: Princeton University Press.
- Finnigan, K., Adelman, N., Anderson, L., Cotton, L., Donnelly, M., & Price, T. (2004). *Evaluation of the public charter schools program: Final evaluation report*. Washington, DC: US Department of Education.
- Fiore, T., Harwell, L., Blackorby, J., & Finnigan, L. (2000). *Charter schools and students with disabilities: A national study*. Washington, DC: U.S. Department of Education, Office of Educational Research and Improvement.
- Fowler, F. (2003). School choice: Silver bullet, social threat or sound policy? *Educational Researcher*, 32(2), 33-39.
- Frankenberg, E., & Lee, C. (2003). *Charter schools and race: A lost opportunity for integrated education*. Cambridge, MA: Harvard University, The Civil Rights Project. Retrieved October 10, 2004 from http://www.civilrightsproject.harvard.edu/research/deseg/Charter_Schools03.pdf
- Fusarelli, L. (2002). Charter schools: Implications for teachers and administrators. *Clearing House*, 76(1), 20-24.

- Garcia, D. (2008). The impact of school choice on racial segregation in charter schools. *Educational Policy*, (22)6, 805-829.
- Gill, B., Timpane, P., Ross, K., & Brewer, D. (2002). RAND report on charter schools and vouchers. *Educational Leadership*, 59(7), 90-91.
- Guarino, C., & Chau, D. (2003). *Special education in charter and conventional public schools*. In R. Zimmer, R. Buddin, D. Chau, G. Daley, D.
- Hanushek, E., Kain, J., & Rivkin, S. (2002). *The impact of charter schools on academic achievement*. Retrieved October 15, 2004, from <http://edpro.stanford.edu/eah/papers/charters.aea.jan03.pdf>.
- Hanushek, E., Kain, J., Rivkin, S., Branch, G. (2005). Charter school quality and parental decision making with school choice.
- Hassel, B. (2005). Charter school achievement: What we know. Charter school leadership council.
- Hoxby, C. (2004). *A straightforward comparison of charter schools and regular public schools in the United States*. Unpublished manuscript, Cambridge, MA: Harvard University.
- Jewell, A. (2004). The state of Ohio's charter schools. *Ohio Schools*, 3, 22-26.
- Kahlenberg, R. (2008). The charter schools idea turns 20. *Education Week*, (27)29, 24.
- Ladd, H., & Bifulco, R. 2004. *The impacts of charter schools on student achievement: Evidence from North Carolina*. Working Paper SAN04-01. Durham, NC: Terry Sanford Institute of Public Policy, Duke University.
- Levin, H. (2001). Studying privatization in education. In H. M. Levin (Ed.), *Privatizing education: Can the marketplace deliver choice, efficiency, equity, and social cohesion?* (pp. 3-18). Boulder, CO: Westview.
- Lewi, A. C. (2004). Failing NCLB, *Education Digest*, 69(7), 65-67.
- Lubienski, C., & Lubienski, S. (2006). *Charter, private, publics, schools and academic achievement: New evidence from NAEP mathematics data*. New York, NY: Columbia University.
- May, J. (2006). The charter school allure: Can traditional schools measure up? *Education and Urban Society*, (39)1, 19-45.
- Mead, S. (2006). Maintenance required: Charter schooling in Michigan. *Education Sector Reports: Charter School Series*.
- Metcalf, K., Theobald, N., & Gonzalez, G. (2003). State university roles in the charter school movement. *Phi Delta Kappan*, 84(7), 542-545.
- Mickelson, R., Bottia, M., & Southworth, S. (2008). *School choice and segregation by race, class, and achievement*. Retrieved August 18, 2008, from <http://epsl.asu.edu/epru/documents/EPsL-0803-260-EPRU.pdf>.
- Miron, G., & Nelson, C. (2002). *What's public about charter schools? Lessons learned about choice and accountability*. Thousand Oaks, CA: Corwin Press.
- Morando, L., Rhim, Ahearn, E., & Lange, C. (2007). Charter school statutes and special education: Policy answers or policy ambiguity? *Journal of Special Education*, (41)50-64.
- Nathan, J., & Boyd, W. (2003). Lessons about school choice from Minnesota: Promises and challenges. *Phi Delta Kappan*, 84(5), 442-450.
- National Center for Education Statistics. (2003). *America's charter schools: Results from the NAEP 2003 pilot study*. U.S. Department of Education, Institute of Education Sciences, National Assessment of Educational Progress (NAEP).

- National Center for Education Statistics. (2004). *America's Charter Schools: Results From the NAEP 2003 Pilot Study* (NCES 2005-456). U.S. Department of Education, National Center for Education Statistics. Washington, DC: Author.
- National Center for Education Statistics. (2005). *America's charter schools: Results from the NAEP 2003 Pilot Study*. National Assessment of Educational Progress, U.S. Department of Education: Washington, DC.
- National Center for Education Statistics. (2006). *National Assessment of Educational Progress: A Closer Look at Charter Schools Using Hierarchical Linear Modeling*. National Assessment of Educational Progress, U.S. Department of Education: Washington, DC.
- Nelson, F., Rosenberg, B., & Van Meter, N. (2004). *Charter school achievement on the 2003 national assessment of educational progress*. Washington, DC: American Federation of Teachers.
- Ohio Department of Education. (2004). *Ohio charter school fact sheet*. Retrieved April 2, 2005, from www.ode.state.oh.us/school_Finance/foundation/
- Opfer, D., & Robinson, D. (2005). The Ohio State University Press: Columbus, OH. Retrieved online August 14, 2009 from <http://www.osu.edu/news/newsitem1182>
- Rapp, K., & Eckes, S. (2007). Dispelling the myth of 'white flight': An examination of minority enrollment in charter schools. *Educational Policy*, 21(4), 615-661.
- Rhim, L., Ahearn, E., & Lange, C. (2007). Charter school statutes and special education: Policy answers or policy ambiguity? *The Journal of Special Education*, 50-63.
- Roy, J., & Mishel, L. (2005). *Advantage none: Re-examining Hoxby's finding of charter school benefits*. Briefing Paper 158. Washington, DC: Economic Policy Institute. Retrieved May 23, 2006, from <http://www.epinet.org/content.cfm/bp>.
- RPP International. (2000). *The state of charter schools, fourth year report: National study of charter schools*. Washington, DC: U.S. Department of Education, Office of Educational Research and Improvement. R.S. Mo. § 160.400(2) (1998).
- U.S. Department of Education. (2003). *Choices for parents: Public school choice and supplemental services*. Retrieved April 25, 2004, from www.ed.gov/about/offices/list/oii/about/chice.html.
- U.S. Department of Education. (2006). *Stronger accountability: Questions and answers on No Child Left Behind*. Washington, DC: Author.
- Wamba, N., & Ascher, C. (2003). An examination of charter school equity. *Education and Urban Society*, 35(4), 462-476.
- Zimmer, R., Buddin, R., Chau, D., Daley, G., Gill, B., Guarino, C. et al. (2003). *Charter school operations and performance: Evidence from California*. Santa Monica, CA: RAND.