

EVALUATION OF NEW TEXAS CHARTER SCHOOLS (2007–10)

SECOND INTERIM REPORT
EXECUTIVE SUMMARY
FEBRUARY 2011



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EXECUTIVE SUMMARY

Since 1994, the U.S. Department of Education (USDE) has provided funding to new charter schools through Charter School Program (CSP) grants designed to provide support for the planning and implementation of effective new charter programs. CSP funding is available for a period of 3 years, of which no more than 18 months may be used for charter school planning and program design and up to 2 years may be used to implement the educational program. Grants are awarded to state education agencies, which then provide funding to approved charter schools through a system of subgrants. As a condition of CSP funding, state education agencies are required to evaluate new charter schools using objective criteria and quantitative and qualitative data (Federal Register, 2007).

The Texas Education Agency (TEA) was awarded CSP funding in 2007, and specified that the required evaluation would focus on the experiences and outcomes of new charter schools authorized to begin serving students across 4 school years: 2006-07, 2007-08, 2008-09, and 2009-10. TEA categorizes charter schools in terms of “generations” that roughly align with the years in which schools are first authorized to serve students as charter schools, which frames the evaluation in terms of Generation 11 (2006-07), Generation 12 (2007-08), Generation 13 (2008-09), and Generation 14 (2009-10) charter schools. The evaluation examines how new charter school operators plan and implement their programs and considers the following research questions:

1. How are federal start-up funds used to implement new charter school programs?
2. What processes and practices guide the planning of new charter schools?
3. What processes and practices guide the implementation of new charter school programs?
4. How effective are new charter schools at designing and implementing successful educational programs?
5. What is the effect of charter school maturity on students’ academic outcomes?
6. How do students at new charter schools perform academically relative to comparable students at traditional district schools?

The evaluation will produce three reports—two interim reports (spring 2009 and winter 2011) and a final report in spring 2011. This is the evaluation’s second interim report. It presents findings for Research Questions 1 through 5 drawn from data collected from Generation 11, 12, and 13 charter schools,¹ and includes analyses based on TEA’s Public Education Information Management System (PEIMS), Academic Excellence Indicator System (AEIS), and Texas Assessment of Knowledge and Skills (TAKS) data. The report also includes the results of spring 2009 surveys of principals, teachers, and students in Generation 11, 12, and 13 charter schools, and the parents of students attending such schools, as well as information collected during site visits to a set of seven Generation 13 charter schools during the 2008-09 school year. Site visits included interviews with school administrators, focus group discussions with teachers, students, and board members, as well as observations in core content area classes.

¹The evaluation’s final report (spring 2011) will include findings for Research Question 6 and information collected from Generation 14 charters.

Throughout the report chapters, results are disaggregated by charter school generation and charter school type where appropriate.²

THE CHARACTERISTICS OF NEW TEXAS CHARTER SCHOOLS

The sections that follow provide information about the characteristics of new Texas charter schools drawn from AEIS data for the 2008-09 school year and present comparisons between new charter schools (Generations 11 through 13) and older charters (Generations 1 through 10), as well as between campus and open-enrollment charters.

There were 59 new charter schools in Generations 11, 12, and 13, and 453 older charter schools in Generations 1 through 10 operating during the 2008-09 school year. Compared to older schools, a larger percentage of new charter schools were campus charter schools (39% vs. 11%). However, a smaller percentage of new charter schools were alternative education campuses (11% vs. 46%). Compared to older schools, new charter schools enrolled proportionately more students at kindergarten through Grade 8 and proportionately fewer students at pre-kindergarten and Grades 9 through 12.

Irrespective of years of operation, average enrollment was larger for campus charters than for open-enrollment charters. Average student enrollment was larger for new campus charter schools than for new open-enrollment charter schools (396 vs. 264 students). Likewise, average enrollment was larger for older campus charter schools than for older open-enrollment charter schools (411 vs. 232 students).

There were lower percentages of administrative staff in campus charter schools across years of operation. Campus charter schools had lower percentages of central (1% vs. 2%) and campus (3% vs. 7%) administration than open-enrollment charter schools.

Charter school administrator and teacher salaries were higher in campus charter schools, irrespective of years of operation. Campus administrator annual salaries in campus charter schools were about \$18,000 higher than in open-enrollment charter schools. Similarly, teacher annual salaries in campus charter schools were about \$9,000 higher than teacher annual salaries in open-enrollment charter schools.

There were differences in school type (e.g., elementary or secondary schools) between new open-enrollment and new campus charter schools. New campus charters typically had traditional elementary (35%) and secondary (48%) grade organizations; while new open-enrollment charters typically were either elementary (42%) or non-traditional configurations (39%) spanning elementary and secondary grades.

Differences in racial/ethnic percentages existed between new open-enrollment and new campus charter schools. New open-enrollment charter schools had higher percentages of White (26% vs. 5%) and Asian students (10% vs. 1%). New campus charter schools had a considerably higher percentage of Hispanic students (82% vs. 49%).

²Three types, or classes, of charter schools currently operate in Texas: open-enrollment, campus, and university charter schools. Open-enrollment charter schools are authorized by the State Board of Education (SBOE) and may be operated by independent nonprofit entities or governmental entities. Campus charter schools are authorized by traditional districts and may be converted district programs or programs operated under contract with an external provider of educational services. University charters are authorized by the SBOE and are operated by universities. Because only one university charter is included in Generations 11, 12, and 13, survey and quantitative data for this school are combined with those of open-enrollment charters so that the school's results are not identifiable.

Differences in special population percentages existed between new open-enrollment and new campus charter schools. New campus charters had higher percentages of economically disadvantaged students (85% vs. 50%), English language learners (16% vs. 7%), and special education students (10% vs. 5%).

There were differences in teacher characteristics between new open-enrollment and new campus charter schools. New campus charter schools had higher percentages of minority teachers (64% vs. 32%) and teachers with advanced degrees (31% vs. 17%). New open-enrollment charter schools had a higher percentage of beginning teachers (33% vs. 7%), as well as a higher annual teacher turnover rate (38% vs. 14%).

USE OF CSP FUNDING BY NEW CHARTER SCHOOLS

The evaluation examines trends in open-enrollment and campus charter schools' use of CSP funding across 8 school years (2000-01 through 2007-08³). Across this time, TEA's application requirements for CSP funding did not require that applicants budget in terms of planning and program design costs and implementation costs,⁴ and PEIMS financial reporting does not identify CSP funds expended for program planning or for program implementation. This creates limitations for the evaluation because it is not possible to identify how new charter schools use CSP planning and program design funds relative to their use of CSP implementation funds. Instead, researchers examine open-enrollment charter schools' aggregate use of CSP funding across the years in which funds were expended. Note that due to timing of grant awards, the campus charter schools among the generations included in analyses for this report did not participate in the planning and design component of CSP grants and only accessed funding for program implementation.

Open-enrollment charter schools spent a total of almost \$51 million in CSP funding from 2000-01 through 2007-08. Campus charter schools spent a total of more than \$19 million in CSP funding across the same period. Average expenditures per open-enrollment charter per year ranged from a low of \$47,746 in 2000-01 to a high of \$188,025 in 2001-02. In 2007-08, average expenditures per open-enrollment charter school campus (\$90,663) were lower than the previous 6 years. Campus charters' CSP spending ranged from a low of \$81,774 in 2002-03 to a high of \$248,488 in 2004-05.

Across years (2000-01 through 2007-08), both campus and open-enrollment charters tended to spend the largest share of CSP revenue on areas related to instruction. Campus charters were able to spend a larger proportion of their CSP funding on instruction in large part because parent districts provide for many operational needs, such as facilities maintenance. In contrast, open-enrollment charters spent proportionately more CSP resources for facilities maintenance and operations, which reduced the funding available for instruction.

In 2007-08, campus charters' use of CSP revenue reflected an increase in average funding to accelerated education programs⁵ for students at risk of academic failure over previous years (52% in 2007-08 vs. 20% from 2000-01 through 2006-07). This shift likely reflects an increase in the number of programs focused on dropout recovery and at-risk students in Generation 13 campus charters.

³The most current data available at the time of the report's writing.

⁴Beginning with the 2008-09 cycle of CSP grant awards (Generation 13 charter schools), TEA required that grant applicants budget CSP funding in terms of (1) planning and program design and (2) program implementation.

⁵Accelerated programs enable students at risk of failure or dropping out to accrue credits rapidly and recover credit for missing coursework.

PLANNING AND IMPLEMENTING NEW CHARTER SCHOOL PROGRAMS

Findings that address how new charter schools plan and implement their programs are drawn from spring 2009 surveys of new charter school principals, teachers, and students in Generation 11, 12, and 13 charter schools, as well as a survey of parents of students who attended new charter schools during the 2008-09 school year. Results also include information gathered from site visits to seven Generation 13 charter schools during their first year of operation (2008-09). Site visits were conducted in summer 2008, fall 2008, and spring 2009 and included interviews with school administrators; focus group discussions with board members, teachers, and students; as well as observations in core content area classrooms.

Establishing New Charter School Programs

The founders of Generation 13 charter schools who participated in site visits experienced a range of challenges in starting their schools. All founders of open-enrollment and university charter schools who participated in evaluation case studies experienced challenges completing TEA's application process. Founders reported difficulties obtaining the necessary information about application requirements and timelines. Some founders did not have experience working in education, and their lack of expertise created additional challenges as schools began operations. The founders' lack of experience with legal, regulatory, and reporting requirements for public schools in Texas produced confusion and tension, which may have resulted in turnover in several schools' leadership in the early months of operation.

All site visit charters involved community members in their charter school planning processes, but community involvement in some schools diminished across schools' first year of operation. New charter schools that included community members on governing boards and actively promoted opportunities for community involvement in fundraising or volunteering experienced stronger community support than schools that provided fewer opportunities for community engagement.

Most surveyed new open-enrollment charters were located in spaces that were not designed for educational purposes, while most campus charters remained in district-provided facilities or were Early College High School (ECHS) programs⁶ located in space shared with a partner college or university. Of the new open-enrollment principals that responded to the survey, most indicated that they leased or rented space for their schools in renovated retail facilities, church buildings, former warehouses, college or university buildings, and so on. Across generations, open-enrollment principals reported \$127,548, on average, in annual facilities expenditures. In contrast, few surveyed campus charter principals reported expenditures on facilities. Surveyed principals across generations and types of charter schools noted that most facilities issues were minor challenges.

Recruiting Staff and Students

Most surveyed new open-enrollment (77%) and campus (57%) charter schools relied on word of mouth to recruit staff. Principals in open-enrollment charters noted the difficulty of recruiting and retaining qualified staff when charters offered lower salaries than neighboring districts. Across both types of new charters, teachers reported that they chose to work in charter schools because they were attracted to schools' missions and academic standards, as well as the opportunity to be involved in an educational reform and to work with like-minded educators. These teachers also reported valuing the small school environments and small class sizes typically found in new charter schools.

⁶ECHSs combine high school and college curricula, providing students with the opportunity to earn up to 60 hours of college credit while completing high school.

Most surveyed new open-enrollment (91%) and campus (64%) charters relied on word of mouth to recruit the largest share of their student enrollments. New open-enrollment charters also recruited a large proportion of enrollment through the use of fliers, print advertising, and community outreach, while campus charters relied more heavily on district referrals. Principals in both open-enrollment and campus charters reported that limited extracurricular programs in new charter schools made it difficult to compete with traditional district schools for enrollment.

Most parents and students who participated in surveys chose new campus and open-enrollment charter schools because the schools offered programs that were not available in their previous schools (e.g., dual language instruction, fine arts programs). Surveyed parents reported that they liked new charter schools' educational programs, approach to discipline, and staff. Parents also reported being attracted by small school size and schools' ability to serve specific student needs. Few surveyed parents reported that they chose a new charter school because they were dissatisfied with their child's previous school.

Implementing New Charter School Instructional Programs

Most of the new open-enrollment and campus charter schools that participated in surveys offered college preparatory programs, particularly at the high school level. At the elementary and middle school level, new charter schools also offered programs for gifted and talented students or programs targeted to particular academic interests (e.g., science and technology, liberal arts). New charter high schools also offered dropout recovery and career and technical programs. Eight campus charter high schools included in Generations 11 and 12 were ECHS programs in which students may receive up to 60 hours college credit while completing the requirements for high school graduation. The campus charter ECHS programs were located in college or university facilities, where charter students attended courses taught by college or university faculty.

At the elementary level, all surveyed campus charter schools offered multiple educational programs in the same school. For example, a campus charter elementary school included as a case study site for the evaluation offered dual language programs in Spanish and Russian, a fine arts program, and a program focused on environmental sciences. Administrators at the school reported that the costs for such a range of programs created a strain on the school's budget, and consequently community donations and PTA fundraising were needed to support many school activities.

Students attending some surveyed charter schools experienced educational benefits in terms of peer groups with similar educational interests. Unlike students attending conversion campus charters which continue to serve as the district-assigned schools for neighborhood students, all students attending open-enrollment charters and ECHS campus charters have enrolled in the school because either they or their parents actively chose the school. In choosing schools, parents and students also selected student peer groups who had similar educational goals. In surveys and site visit interviews, students attending such schools commented that it was easier to learn in school environments with peers who were like themselves. Students reported that they felt more confident and supported when their classmates were focused on learning. In contrast, students attending some conversion campus charter schools experienced difficulty focusing on instruction because of disruptive classmates and students involved with gangs and drugs.

NEW OPEN-ENROLLMENT CHARTER SCHOOLS' EFFECTS ON ACADEMIC OUTCOMES

The second interim report examines whether academic achievement in new open-enrollment charter schools changes as schools gain more experience serving students. The evaluation's analyses compare the academic outcomes of students attending new open-enrollment charter schools with those of students attending more mature charter schools that have been in operation longer and consider differences that may exist between standard and alternative education charter school programs.⁷ The academic outcomes included in comparisons are reading/English language arts (ELA) and mathematics TAKS scores, attendance rates, and grade-level retentions.

The number of years an open-enrollment charter school has been in operation was not positively related to student academic outcomes. School maturity, or years of experience, was not related to students' reading/ELA or math TAKS scores in either standard accountability or alternative education open-enrollment charter schools. In addition, school maturity was not related to students' attendance rates in standard accountability open-enrollment charter schools, although it was negatively related to attendance rates in alternative education charter schools. That is, alternative education charters that had been in operation longer tended to have lower attendance rates. School maturity also was not related to the likelihood of a student being retained at grade level in either standard accountability or alternative education open-enrollment charter schools.

THE ONGOING EVALUATION

The evaluation's final report (spring 2011) will build on findings presented here to include analyses that compare student outcomes in new charter schools to outcomes for similar students attending traditional district schools (Research Question 6), and update the CSP and charter school maturity analyses presented in this report to include 2008-09 data. In addition, the final report will include the results of survey data collected from Generation 11 through 14 charter schools and information collected through follow up interviews and observations in case study charters conducted at the conclusion of their second year of operation (spring 2010).

⁷Campuses evaluated under standard accountability procedures or under alternative education accountability procedures designed for campuses serving large proportions of at-risk students.

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