Texas Charter Authorizer Accountability Report, 2016-17

Executive Summary

for the Texas Education Agency

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AN EDUCATION CONSULTING & RESEARCH GROUP

Charter Authorizer Accountability Report

2016–17 School Year

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List of Acronyms Used in this Report

Alternative Education Accountability (AEA)
Commissioner of Education (COE)
Distinguished Achievement Program (DAP)
Disciplinary Alternative Education Program (DAEP)
Distinguished Level of Achievement (DLA)
End-of-course (EOC)
English Language Learner (ELL)
Foundation High School Program (FHSP)
Foundation High School Plan with Endorsement (FHSP-E)
Independent School District (ISD)
Juvenile Justice Alternative Education Program (JJAEP)
Public Education Information Management System (PEIMS)
Recommended High School Program (RHSP)
Request for Proposals (RFP)
Senate Bill (SB)
Senate Bill 2 (SB 2)
State Board of Education (SBOE)
State of Texas Assessments of Academic Readiness (STAAR)
Texas Academic Performance Reports (TAPR)
Texas Education Agency (TEA)
Texas Education Code (TEC)
Texas Essential Knowledge and Skills (TEKS)

Executive Summary

Background

Charter schools were created to help improve the nation's public school system and offer parents another public school option to better meet their child's specific needs. The first law allowing the establishment of charter schools was enacted in Minnesota in 1991, and the first charter school began serving students in 1992 (National Center for Education Statistics, 2018). Over the 2005–06 to 2016–17 period, the number of charter schools operating across the country nearly doubled from approximately 3,700 to approximately 7,000, with steady annual growth over that time period. Over that same time period, the number of students enrolled at charter schools nearly tripled from approximately one million to just over three million (National Alliance for Public Charter Schools, 2018). There is also some evidence suggesting that the types of charter schools that open, and that persist, have produced improvements in the aggregate quality of charter schools (Baude et al., 2014).

In 1995, the 74th Texas Legislature passed state laws to authorize the creation of charter schools in Texas. The goal of this legislation was to increase innovation in teaching methods, improve student learning, increase options for students and families within the public school system, and create professional opportunities which attract new teachers to the public school system. In addition, this legislation was intended to establish a new form of accountability for public schools (Texas Education Code (TEC) § 12.001). Four types of charter schools, or subchapters, were established in TEC to outline eligibility requirements and regulations for the award and operation of charter.

Charter schools authorized by the State Board of Education (SBOE) or the commissioner of education (COE) are categorized as open-enrollment charter schools, which are operated by public or non-public institutions of higher education, tax-exempt organizations classified as 501(c)(3)s under the Internal Revenue Code, and governmental entities (TEC Chapter 12, Subchapters D and E, 2016). Open-enrollment charter school campuses operated under the charter schools authorized by the SBOE or COE may enroll students from any approved school district as listed in the application for their charter or subsequent amendment(s), cannot charge tuition but may charge fees, and must provide transportation to the same extent as school districts (TEC § 12.101, 2016). TEC Chapter 12, Subchapter C establishes statutory authority among traditional school districts to authorize in-district charter campuses (referred to as ISD-Authorized Charters in this report). Within this authority, the board of trustees of a school district may grant a charter campus to: 1) parents and teachers upon lawful petition and public vote; 2) educational service provider(s); or 3) a campus/program that is designated to operate as though the campus was an open-enrollment charter school (TEC Chapter 12, Subchapter C §§ 12.051-12.065, 2016). The authorization process is determined at the local school board level; however, all participating school districts must adopt policies that outline authorization, evaluation, renewal, and revocation criteria and procedures (TEC § 12.052, 2016). Another type of charter, the home-rule district charter is allowable under TEC Chapter 12, Subchapter B (2016); however, no home-rule district charter schools are currently in operation.

In 2013, the 83rd Texas Legislature, through the passage of Senate Bill 2 (SB 2), added § 12.1013 to the TEC. This legislation required a report on the performance of open-enrollment charter school campuses by authorizer, with results compared to matched traditional public school campuses. SB 2 also modified the process by which open-enrollment charter schools are authorized (i.e., from the State Board of Education [SBOE] to the commissioner of education [COE]).

For this report based on 2016–17 data, comparisons were made between the following types of campuses: 1) charter school campuses authorized by the State Board of Education (SBOE-authorized charter school campuses); 2) charter school campuses authorized by independent school districts (ISD-authorized charter school campuses); 3) charter school campuses authorized by the commissioner of education (COE-authorized charter school campuses); and 4) matched traditional public school campuses for each of the three authorizer-specific charter school campus groups. When reviewing comparative data contained in this report, it is important to note that the intent of the methodology was to select traditional public school campuses that have similar student enrollment profiles in order to generate comparative descriptive statistics for several measures of campus performance. The intent of matching was not to produce differences in the relative effectiveness of charter school campuses compared to matched traditional public school campuses.

Overview of Texas Charter School Campuses

In 2016–17, a total of 748 charter school campuses were in operation, serving almost 311,000 students. This represents approximately nine percent of the public schools in Texas and six percent of the students enrolled in Texas public schools. The vast majority of the charter school campuses operating in 2016–17 (659, or 88%) were SBOE-authorized charter school campuses—of which 49 charter school campuses were residential treatment facilities (approximately 7%). A total of 73 charter school campuses (approximately 10%) were ISD-authorized charter school campuses.

A total of 610 open-enrollment charter school campuses operating under charter schools authorized by the SBOE, 73 charter school campuses authorized by ISDs, and 15 charter school campuses operating under charter schools authorized by the commissioner of education are included in the aggregate performance analyses presented in this report.[1]

Key Findings for SBOE- and ISD-Authorized Charter School Campuses

Aggregate campus-level performance results were explored for several different outcomes, including: 1) attrition rates; 2) percentage of students achieving the Approaches Grade Level standard on the State of Texas Assessments of Academic Readiness (STAAR) Reading and Mathematics exams (for Grades 3–8) and the English I, English II, and Algebra I end-of-course (EOC) exams (for Grades 9–12);[2] 3) Texas Education Agency (TEA) performance index scores (Student Achievement, Student Progress, Closing Performance Gaps, and Postsecondary Readiness indices) under 2017 Accountability;[3] 4) annual dropout rates (for Grades 7–8 and Grades 9–12); and 5) Grade 9 four-year longitudinal graduation rates for the class of 2016.

[1] Residential treatment facilities operated at charter school campuses (n=50) and traditional public school campuses (n=68), Disciplinary Alternative Education Program campuses (n=159), and Juvenile Justice Alternative Education Program campuses (n=142) operated at traditional public school campuses are not included in the analytic dataset for the aggregate performance analyses.

[2] Approaches Grade Level refers to the passing standard on the STAAR exam.

[3] Scores range from 0 to 100 for each of the four TEA performance indices.

Attrition Rates

The attrition rate for this project was defined as the percentage of students who did not return to the same campus in 2017–18 in which they were enrolled in 2016–17. This calculation, however, required several adjustments to account for the grade-level pathways available to students at each campus.[4]

Higher attrition rates were observed at SBOE- (24% vs. 21%) and ISD-authorized (27% vs. 20%) charter school campuses when compared to their matched traditional public school campuses. Further, overall attrition rate differences were driven by attrition rates at the high school level and middle school level, which were higher for both SBOE- (31% vs. 17% and 19% vs. 16%, respectively) and ISD-authorized (33% vs. 16% and 19% vs. 15%, respectively) charter school campuses compared to their matched traditional public school campuses. Attrition rates for SBOE- and ISD-authorized charter school campuses and their matched traditional public school campuses were comparable for elementary schools.

STAAR-Reading and Mathematics, English I and II EOC, and Algebra I EOC Results

The percentage of students achieving the Approaches Grade Level standard on the 2016–17 STAAR-Reading and STAAR-Mathematics exams was calculated for Grade 3–8 students. Thus, only elementary and middle school campuses were included in these analyses. The Approaches Grade Level standard on the 2016–17 English I, English II, and Algebra I EOC exams were used for high school-level analyses.

SBOE-authorized charter school campuses had a higher percentage of students achieving the Approaches Grade Level standard on the 2016–17 STAAR-Reading exams (75% vs. 72%) and a comparable percentage of students achieving the Approaches Grade level standard on the STAAR-Mathematics exams (76% for both) compared to their matched traditional public school campuses. ISD-authorized charter school campuses had a comparable percentage of students achieving the Approaches Grade Level standard on the 2016–17 STAAR-Reading exam (70% vs. 71%) compared to their matched traditional public school campuses. However, ISD-authorized charter school campuses had a lower percentage of students achieving the Approaches Grade Level standard on the 2016–17 STAAR-Mathematics exam (71% vs. 76%) compared to their matched traditional public school campuses.

Differences in the percentage of students achieving the Approaches Grade Level standard on the STAAR-Reading and Mathematics exams were observed when data were disaggregated by school level. Higher passing rates were found at the high school level on the English I and II and Algebra I EOC exams for ISD-authorized charter school campuses compared to matched traditional campuses (79% vs. 58% for English I, 79% vs. 61% for English II, and 81% vs. 76% for Algebra I). A higher percentage of students at SBOE-authorized charter school campuses achieved the Approaches Grade Level standard at the elementary school level on the STAAR-Reading exam (74% vs. 70%), but a comparable percentage of students at SBOE-authorized charter school campuses achieved the Approaches Grade Level standard at the elementary school level on the STAAR-Mathematics exam (75% vs. 76%) compared to their matched traditional public school campuses. A substantially lower percentage of students at ISD-authorized charter school campuses achieved the Approaches Grade Level standard at the elementary school level on the STAAR-Reading (61% vs. 70%) and the STAAR-Mathematics (66% vs. 77%) exam when compared to students at matched traditional public school campuses.

[4] Refer to Appendix A for additional detail on attrition rate calculations.

A lower percentage achieved the Approaches Grade Level standard at the high school level on the English I and II and Algebra I EOC exams (58% vs. 62% for English I, 61% vs. 63% for English II, and 72% vs. 77% for Algebra I).

TEA Performance Index Scores

The 2017 Accountability Ratings system used a performance index framework to combine a broad range of indicators into a comprehensive measure of campus and district performance. Index scores from the 2017 Accountability Ratings were used in the analyses described below. Results are presented for each of the four performance indices:

1) S*tudent Achievement* (which measures campus and district performance based on satisfactory student achievement combined over all subjects for all students);
2) *Student Progress* (which measures student progress by subject and reports results by student demographics: race/ethnicity, English Language Learners (ELLs), and special education);
3) *Closing Performance Gaps* (which emphasizes the academic achievement of economically disadvantaged students and the two lowest performing racial/ethnic student groups); and
4) *Postsecondary Readiness* (which emphasizes the role of elementary and middle schools in preparing students for the rigors of high school and the importance of earning a high school diploma that provides students with the foundation necessary for success in college, the workforce, job training programs, or the military).[5]

Differences in TEA performance index scores for the Student Achievement, Closing Performance Gaps, and Postsecondary Readiness were observed between SBOE- and ISD-authorized charter school campuses (evaluated under standard accountability provisions) and their matched comparison campuses. Compared to matched traditional public school campuses, both SBOE- and ISD-authorized charter school campuses had higher performance index scores for Student Achievement (75 vs. 72 for both SBOE- and ISD-authorized charter school campuses) and Closing Performance Gaps (44 vs. 41 for both SBOE- and ISD-authorized charter school campuses). For Postsecondary Readiness, both SBOE- (52 vs. 45) and ISD-authorized (51 vs. 46) charter school campuses had higher index scores than matched traditional public school campuses. Compared to matched traditional public school campuses on the Student Progress performance index, both SBOE- (39 vs. 40) and ISD-authorized (38 vs. 39) charter school campuses had comparable scores.

Composite TEA index scores, which include all index scores available for a particular campus, for charter school campuses, evaluated under standard accountability provisions, were higher for both SBOE-authorized (52 vs. 50) and ISD-authorized (52 vs. 50) charter school campuses than those of their matched comparison campuses.

SBOE-authorized charter school campuses evaluated under alternative education accountability (AEA) provisions posted higher scores than their matched traditional public school campuses on the following two indices: Student Achievement (56 vs. 49); and Closing Performance Gaps (31 vs. 27). SBOE-authorized charter school campuses evaluated under AEA provisions posted lower scores than their matched traditional public school campuses for the following two indices: Student Progress (23 vs. 25); and Postsecondary Readiness (87 vs. 90).

[5] Refer to the 2017 Accountability Manual for additional detail about the TEA performance indices: https://tea.texas.gov/2017accountabilitymanual.aspx.

In contrast, ISD-authorized charter school campuses evaluated under AEA provisions posted lower scores than their matched traditional public school campuses on three of the four indices: Student Achievement (47 vs. 50); Student Progress (24 vs. 28); and Closing Performance Gaps (24 vs. 26). ISD-authorized charter school campuses evaluated under AEA provisions posted higher Postsecondary Readiness index scores than their matched traditional public school campuses (86 vs. 82).

Composite TEA index scores for charter school campuses evaluated under AEA provisions were higher for both SBOE-authorized (49 vs. 46) and ISD-authorized (45 vs. 44) charter school campuses than those of their matched comparison campuses.

Annual Dropout Rates

Dropout rates for Grades 7–8 were small and not materially different between SBOE- (0.2% vs. 0.4%) and ISD-authorized (0.3% vs. 0.3%) charter middle school campuses and their matched traditional public school campuses. While differences were not observed for Grades 7–8 (middle schools), annual high school dropout rates (Grades 9–12) were consistently higher for both SBOE-authorized (5.5% vs. 2.0%) and ISD-authorized (6.4% vs. 1.9%) charter school campuses than their matched traditional public school campuses.

Graduation Rates

The Grade 9 four-year longitudinal graduation rate calculated for state accountability was used for this project.[6] The Grade 9 four-year graduation rate for the class of 2016 is defined as the percentage of the class of students who began Grade 9 in Texas public schools in 2012–13 that graduated by August 31, 2016.

The Grade 9 four-year longitudinal graduation rate was lower for both SBOE-authorized (87% vs. 92%) and ISD-authorized (79% vs. 91%) charter school campuses compared to their matched traditional public school campuses.

Key Findings for COE-Authorized Charter School Campuses

Aggregate campus-level performance results were explored for several different outcomes, including: 1) attrition rates (i.e., the percentage of students enrolled at a campus in 2016–17 who did not return to that same campus in 2017–18); 2) percentage of students achieving the Approaches Grade Level standard on the STAAR-Reading and Mathematics exams (for Grades 3–8)); and 3) TEA performance index scores (Student Achievement, Student Progress, Closing Performance Gaps, and Postsecondary Readiness indices). Due to the relatively small number of COE-authorized charter school campuses included in the analysis, findings related to COE-authorized charter school campuses and their matched traditional public school campuses should be interpreted with caution.

Attrition Rates

Attrition rates at COE-authorized charter school campuses were approximately seven percentage points higher than they were at matched traditional public school campuses (29% vs. 22%).

[6] There is a one-year lag for the publication of graduation rates in TAPR.

STAAR-Reading and Mathematics Results

COE-authorized charter school campuses had a substantially higher percentage of students achieving the Approaches Grade Level standard on the 2016–17 STAAR-Reading (78% vs. 68%) exams and a comparable percentage of students achieving the Approaches Grade level standard on the STAAR-Mathematics (72% for both) exams compared to their matched traditional public school campuses.

TEA Performance Index Scores

COE-authorized charter school campuses and their matched traditional public school campuses have comparable scores on the Student Achievement and Student Progress indices (72 vs. 73 and 37 vs. 37, respectively). For the Closing Performance Gaps (40 vs. 43) and Postsecondary Success (36 vs. 51) indices, COE-authorized charter school campuses had lower index scores than their matched traditional public school campuses.

Study Limitations

The findings presented in this report do not suggest that one type of public school campus consistently outperforms another type. When interpreting aggregate performance outcomes, it is important to recognize that differences remain in the composition of the student populations at charter school campuses and their matched traditional public school campuses. Because the analyses were conducted at the campus level, and no statistical controls were used to account for the differences in the characteristics of students enrolled at charter school campuses and their matched traditional public school campuses, these differences in student characteristics may have had an impact on the aggregate outcome results for the various charter school campus types and their matched traditional public school campuses. In addition, differences in prior academic performance and other unobservable characteristics not available through publicly available data may have also had an impact on performance results at charter school campuses and students enrolled at traditional public school campuses. Furthermore, the number of campuses available for some of the analyses reported in this report, particularly those involving campuses evaluated under AEA provisions, may be fairly small. Analyses involving small numbers of campuses warrant cautious interpretation. In addition, due to the small number of COE-authorized charter school campuses available for analysis, and the relatively short time they have been operation when compared to their traditional public school campus peers, analyses included in Chapter 5 of this report should also be interpreted with caution.