

# TEXAS PUBLIC CHARTER SCHOOLS **20 YEARS LATER**

### A STATE OF THE SECTOR REPORT





### **Table of Contents**

Letter from the Chairman of the Board & the Executive Director	4
Executive Summary	7
Growth of Texas Public Charter Schools	8
Demand Over Time	10
Hortensia Mata, A Waiting List Parent Perspective	12
Pushing Innovation: Diverse Models of Public Charter Schools	14
Ki Charter Academy, Innovation at Work	16
Barriers to Growth & Solutions	19
Funding Equity	20
NYOS Charter School, Not Your Ordinary School	22
Charter School Authorization Process & the Promise of Senate Bill 2	24
Charter School Demographics	26
Quality and Academic Outcomes	29
National Assessment: NBER & CREDO	30
State Assessment: Texas Education Agency	30
TCSA Data: Similar Students Measure	34
Collaboration	37
Public Charter School & School District Partnerships	38
Looking Towards the Future	40
References	42



512.584.8272 Phone 512.584.8492 Fax 700 Lavaca Street, Suite 930 Austin, Texas 78701 www.txcharterschools.org

Dear Texas Education Colleagues, Partners, and Stakeholders,

We are honored to present *Texas Public Charter Schools Twenty Years Later, a State of the Sector Report.* 

This is a comprehensive overview of public charter schools in Texas and our progress in the last 20 years. Our report showcases successes in the movement and also provides us an opportunity to reflect on our performance as a sector, challenges, efforts to improve, and our path looking forward.

In 1995, the legislature changed the course of education in Texas with the dawn of public charter schools and a year later, first generation charters began operations. Public charter schools were established to improve student learning, increase the choice of learning opportunities within public education, create opportunities to attract new teachers, and encourage innovation.

Since then, we have experienced exponential growth and currently, there are nearly a quarter million students attending a public charter school at 629 campuses in the state. These campuses range in size and include various models such as college preparatory, residential treatment facilities, dropout recovery, specialized mission, and preK/elementary. Each model, whether small or large, is intended to serve students by offering programs to meet their needs.

The good news is that Texas charter schools are working and have a proven record of success. Three out of the five Broad Prize for Public Charter Schools have gone to Texas schools, U.S. News and World Report consistently ranks our state's charter schools among the best in the country, and we have our fair share of National Blue Ribbon Schools.

As a result of our success, we are also seeing an increase in demand. Nearly two-thirds of registered voters believe public charter schools offer a quality education choice for children. Seventy-five percent of registered Texas voters believe lawmakers should equitably fund all public schools. Tragically, almost 130,000 students remain on a waiting list because there are a lack of seats in classrooms.

With the clear demand from parents for choice within public education and a proven record of effectiveness, it's time to move forward. Public charter schools will continue to strive to improve the quality in the sector and champion for our cause — ensuring that every child has access to a quality public education. Texans deserve no less.





The Honorable Rod Paige Chairman of the Board Texas Charter Schools Association



David Dunn Executive Director Texas Charter Schools Association



### **Executive Summary**

During the past 20 years, Texas has seen its public charter school sector grow from a mere 20 charters with 2,500 students to 183 charters, 629 school campuses and nearly 250,000 students. The growth is astronomical — increasing on average 13 percent each year during the past decade. The 130,000 students currently on a waiting list to enroll in a charter school highlight the demand for a public charter school seat.

Further, when compared to their traditional school district counterparts, public charter schools serve higher proportions of economically disadvantaged, African-American, Hispanic and Limited English Proficienct students. These same charter school students outperform their traditional school district peers in reading — a critical indicator for academic success.

Over time, more and more public charter school students are attending public charter schools that perform above the state average. In only two years, the percentage of public charter school students attending a public charter school performing above state average rose by 10 percent. The likely variable at work in this analysis is the passage of Senate Bill 2 (SB 2) from the 83rd Legislature. With SB 2 Texas has closed over 10 percent of underperforming schools, 29 charters, indicating there is a strong correlation between SB 2 and the improvement in quality of the Texas charter school sector. While charter school quality is solid and improving, we must continue to push for even stronger academic results.

Considering the great demand for public charter school seats, and the fact that the sector continues to get stronger, it is time to take on public charter schools' two biggest hurdles — the lack of facilities funding and the charter authorization process. Charter schools received zero dollars from the state for facilities. Without facilities funding, dollars meant for class instruction are diverted to pay for school buildings. A per student allotment for facilities is the most direct method to provide a resolution to this barrier.

While SB 2 has worked well in shutting down chronically failing schools, the underlying promise of the bill, to open and expand effective charter schools, has yet to be fulfilled. It is clear Texas is not authorizing enough charter schools to meet demand. Though it is imperative that Texas ensures the authorization of quality charter schools, Texas must take care that the charter application process does not institute barriers to entry that eliminate and deter successful applicants.

TCSA stands ready to work with Texas' elected leadership and the Texas Education Agency °to address these hurdles. The need to speed the growth of quality charter school seats in the state of Texas is central towards improving the state of public education, as well as meeting the demand of the nearly 130,000 families waiting for a seat in a classroom.

### Growth of Texas Public Charter Schools

The path to creating public charter schools in Texas spanned a decade, saw the state's political system shift significantly, and traveled through two major legislative efforts to reform the K-12 public education system. The legislature authorized public charter schools in 1995 during a major rewrite of the state's education law. Signed into law by then Governor George W. Bush, the law created three types of charter schools: open enrollment charter schools granted by the state with a cap of 20 schools; charter schools granted by a school district with no cap; and home-rule school district charter schools also granted by a school district with no cap.<sup>1</sup>

After the Texas Legislature authorized their establishment, the 20 public charter schools began

#### Similarities in Public Charter Schools and ISDs

PUBLIC CHARTER SCHOOLS & INDEPENDENT SCHOOL DISTRICTS	
Academic accountability	
Financial accountability	
Teacher retirement system	
Immunity from Tort	
Open meetings	
Open records	
Mandatory board training	
State curriculum & graduation	
PEIMS Reporting	
Criminal history background checks	
Conflicts of interest	
Nepotism	

operating in the fall of 1996 and enrolled about 2,500 students.<sup>2</sup> The average campus had approximately 147 students. A year later public charter school enrollment grew to about 4,200 students. Between the first and second year, six of the original public charter schools doubled in size and two more grew more than 50 percent. By the 1998-99 school year, 84 charter schools were operating in Texas. Forty of these schools either were specifically designated as charter schools for at-risk students or were open-enrollment charter schools with a mission to serve at-risk students.

Today, there are 183 public charter school districts at 629 school campuses across the state with an enrollment of 247,236 students.<sup>3</sup> Public charter schools in Texas have steadily increased student

#### **Differences in Public Charter Schools and ISDs**

PUBLIC CHARTER SCHOOLS	INDEPENDENT SCHOOL DISTRICTS
305 Statutory Cap (By 2019)	More than 1,000 districts
Employment At-Will	Employment contracts
Not eligible for certain state funding opportunities; No facilities funding provided (state or local)	Eligible for more state funding opportunities; Facilities funding subsidized by state or local tax
No minimum salary scale for teachers	Minimum salary scale for teachers
Locally prescribed student code of conduct	Statutorily prescribed student code of conduct
No authority to levy property taxes	Authority to levy property taxes
Three strikes of poor financial or academic rating triggers mandatory closure	No automatic closure triggers in place for poor academic or financial performance
Service contracts pre-approved by TEA	Service contracts approved solely by school board
Some properties tax-exempt	All real properties tax-exempt

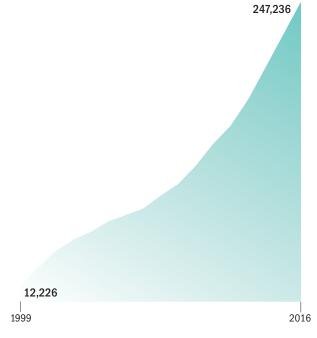
enrollment by more than 13 percent<sup>4</sup> on average each year during the past decade, as opposed to traditional school districts whose growth is two percent on average each year. After California, Texas is among the highest in number of charter schools in the nation.

#### Public Charter Schools\* 1997-2017

SCHOOL YEAR	CHARTERS NEWLY OPENING	CHARTERS CLOSED	CHARTERS IN OPERATION
1997	20	0	20
1998-1999	42	7	55
2000	110	10	155
2001	40	6	189
2002	13	5	197
2003	2	4	195
2004	7	3	199
2005	5	5	199
2006	13	18	194
2007	11	4	201
2008	13	4	210
2009	10	3	217
2010	0	10	207
2011	7	11	203
2012	8	6	205
2013	8	7	206
2014	3	14	195
2015	6	19	182
2016	6	7	181
2017	3	0	183

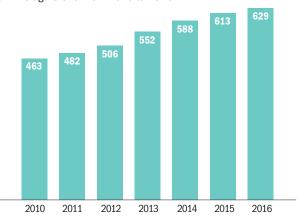
#### Public Charter School Student Enrollment\*

10-Year Average Growth of 13%



This significant growth indicates a clear demand from Texas families for viable options in public education. This need is only magnified when considering the nearly 130,000<sup>5</sup> students that want to attend a public charter school but cannot at this time due to current campus capacity and other school constraints. While enrollment and demand continues to grow substantially, the number of public charter school campuses has only grown by roughly five percent<sup>6</sup> during the last five years. The lack of state facilities funding is the primary reason the waiting lists continue to grow.





SCHOOL YEAR	STUDENT ENROLLMENT	PERCENTAGE GROWTH	STUDENT INCREASE
1999	12,226	_	-
2000	25,687	110%	13,461
2001	37,978	48%	12,291
2002	46,979	24%	9,001
2003	53,156	13%	6,177
2004	60,748	14%	7,592
2005	66,073	9%	5,325
2006	70,861	7%	4,788
2007	80,629	14%	9,768
2008	89,829	11%	9,200
2009	102,903	15%	13,074
2010	119,597	16%	16,694
2011	133,697	12%	14,100
2012	154,278	15%	20,581
2013	178,826	16%	24,548
2014	202972	14%	24,146
2015	227,827	12%	24,855
2016	247,236	9%	19,409
10-Year Avg. Growth		13%	

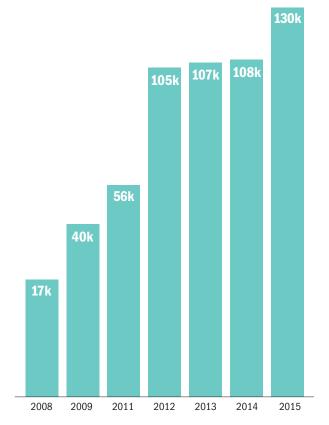
• TEA Summary of Charter Awards and Closures.

+ TAPR and 2016 State Accountability Data.

### **Demand Over Time**

Enrollment growth is one way to measure the demand for public charter schools, but the number of families on a charter school waiting list is a second method. Barriers to charter school expansion, such as the lack of state facilities funding or the relatively small number of charter schools authorized each year, mean thousands of families place their child on a charter school waiting list. These families are left hoping the public charter school will have an opening during the school year, or that they will be one of the lucky ones in the next school year's enrollment lottery. A random lottery process is held when the number of students wanting to enroll in a school is greater than the number of seats available.

The Texas Education Agency (TEA) does not collect data on the number of students waiting to attend a public charter school, yet independently collected, self-reported data shows this number has grown over time. In 2008, the first year anyone attempted to collect data, the number of students on a waiting list to attend a public charter school was 17,000 and today that number exceeds 129,500. For every two students in a charter school seat, there is one waiting for that seat.



#### TX Public Charter School Students On a Waitlist\*



### Hortensia Mata, A Waiting List Perspective

Ms. Mata's story clearly demonstrates the need for additional public charter schools, and makes clear why facilities funding is also needed.

### KIPP: Houston

- College Preparatory
- 12,500 Students in Houston area
- Recognized (2009-11)
- Recognized/Met Standard (2013-15)

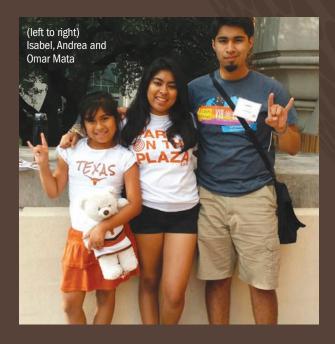
As a Houston mother of three children, I want my children to have the best education. I can't afford private school. For us, public charter schools are the right choice. While my children have found the right public schools for them, there are still daily challenges. I learned about public charter schools because of my oldest daughter, Andrea. She had a good experience in our neighborhood elementary school, but I was concerned her middle school was unsafe. I thought if my daughter goes to this school, I will be afraid every day. My friends told me about a public charter school called KIPP that was helping students. The school had long days and hard work. But they also had visits to colleges. I wanted this for my children.

I tried to sign up Andrea and my son, Omar, who was going to middle school the year after. KIPP told me



there was a waiting list. Andrea had to wait two years, and Omar had to wait one year before they got into the school through a lottery. During those years, they were not being challenged in their classes. I was worried that they would not go to college like I dreamed for them. When Andrea and Omar finally got into KIPP, they were so happy. They found friends right away. Their teachers were welcoming. My children didn't mind staying late at school. Andrea loved the classes, teachers and the university visits. These things inspired her to work harder and make decisions that will lead to a better life.

After I moved my children to KIPP, I learned that Texas gives public charter schools about \$1,000 less per student than what is provided to school districts. That means \$2,000 per year disappeared when Andrea and Omar went to KIPP. Why are my children being punished for choosing a better public school for them?



Our school has to make hard financial decisions. Omar wanted to take robotics, but the class was cut. He wants to major in architectural engineering, so this would have been a good experience and help him get ready for college. They also cut back on the college trips, visiting fewer out-of-state and more Texas universities now. And our school facilities aren't very good. The cafeteria is also used as a gym, theater and big classroom. But even with these problems, my two older children will go to and graduate college because of KIPP.

Andrea was valedictorian at KIPP Houston High School last year. She is now in her second semester at the University of Texas at Austin, studying computer science. Omar is a senior at KIPP Houston High School, and plans to join Andrea at UT-Austin on a full scholarship in the fall. Now I think about my youngest daughter, Isabel. She is in third grade at a KIPP school. She has been in KIPP since pre-K and already knows she is going to college, too. I know KIPP will give her a good education. But I worry that, because of the funding gaps, she will not have the opportunities she deserves like other public school students. If public charter schools like KIPP had fair funding, children wouldn't have to wait for years to get in through the lottery. There are more than 50,000 parents like me with children in a public charter school in Houston. And more than 35,000 other parents on the wait lists. We are talking to each other, writing letters and asking state politicians to help. We need them to hear us. I have traveled to Austin to ask our legislators to fix the funding difference. I say to them: don't need to just listen to my words. Look at Andrea, Omar and Isabel. Public charter schools are helping our children become good people. They need fair funding to help more students.



### Pushing Innovation: Diverse Models of Public Charter Schools

Families choose a public charter school because they are looking for a school to best meet the needs of their child. One size does not fit all and this statement rings most true in public education. Public charter schools offer a plethora of school models to meet the unique needs of students.

If a family is looking for a college preparatory school for their child, about 33 percent of charter school models in Texas are tailored to address this need.<sup>7</sup> Typically these schools have longer instructional days, meet on weekends and during parts of the summer with a goal of graduating each student from a four-year college.

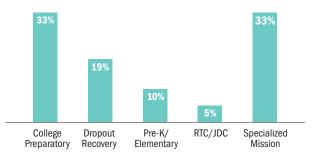
Perhaps a family is looking for a public school with a focus on the fine arts or a focus on math and science; specialized mission schools represent 33 percent of all Texas charter schools. There are other specialized mission charter schools that provide vocational

#### **Types of Charter Schools**

COLLEGE PREPARATORY:
Prepare students for four-year college degree.
SPECIALIZED MISSION:
Serve students of any grade level in a distinctive focus.
DROPOUT RECOVERY:
Serve students who drop out or are at risk or dropping out.
RESIDENTIAL TREATMENT CENTER/JUVENILE DENTION CENTERS:
Serve students in residential setting, ordered to attend school by court of law.
PRE-KINDERGARTEN/ELEMENTARY:
Expressly serve pre-K, elementary students.

• TCSA Defined Metric, Data from SalesForce As of August 2016

#### TX Public Charter Schools Student Enrollment by Charter School Type<sup>+</sup> 2016



training, allowing students to earn a high school degree along with up to two years of college credit or a technical certificate.

Just as important in our public education system are the dropout recovery schools that make up 19 percent of all charter schools. These schools focus on students that have already dropped out or are at risk of dropping out of school. Many of these students are several grade levels behind their peers and need intensive help recovering needed credits to graduate. The schools are structured in a way that allows for these nontraditional students to have a job or take care of family responsibilities. But for these schools, many students would not have earned their high school diploma. Prekindergarten and elementary schools account for a smaller percentage of charter school models in Texas, 10 percent. This model of charter schools specifically focuses on serving the needs of students in prekindergarten through elementary grades. An even smaller group of public charter school models, five percent, include those that are part of a residential treatment center, juvenile detention center or juvenile justice alternative education program. These schools work with students who, notwithstanding their life circumstances, must continue to receive an education if they are going to move forward through their personal challenges.

With the diverse needs of individual Texas students and families, it is imperative that Texas continues to offer a variety of educational programs to promote quality choice within the public education system.



### Ki Charter Academy, Innovation at Work

Public charter schools by design are innovative and flexible and often times serve students that struggle in a traditional public school setting. Much has been written about college preparatory and to a lesser extent drop out recovery charter schools. However, there are a myriad of other types of public charter schools that do not receive as much attention. The following describes a school working to bring academic innovation to students struggling with life challenges.



- Residential Treatment Center
- 212 Students

Ki Charter Academy serves students who reside at the state's largest residential treatment center (RTC). The RTC is a last resort for these students as they have already been removed from their respective public school, disciplinary center, and likely inpatient or outpatient care. We provide our students an alternative approach to a holistic education.

Ki Charter is the first school in the nation to offer students in an RTC access to a STEM (Science,



Technology, Engineering and Math) curriculum, including a state of the art science and technology lab. Every teacher is certified in their content area and grade level, as well as certified in special education. As part of its team, Ki seeks U.S. armed service veterans through agencies such as Troops to Teachers, whose



skillset in discipline, structure and ability to work with diverse populations positively impacts student learning. Further, understanding the needs of our students, we researched a variety of student desks to improve health outcomes, reduce off-task behavior and increase academic performance. Ki utilizes kinesthetic desks to support neurodevelopmental disorders (Autism Spectrum Disorder and ADHD) to include small group bicycle desks, a desk with a pedestal that students can stand and sway, as well as balancing stand-up desks. Ki supplements traditional all-in-one student desks with specialty furniture to include stand-biased desks.

Ki Charter uses a multi-modal curriculum delivery with the full integration of visual, auditory, and kinesthetic learning strategies and aids; the presentation of vocabulary words in context; and the hands-on representations of conceptual elements. Ki utilizes

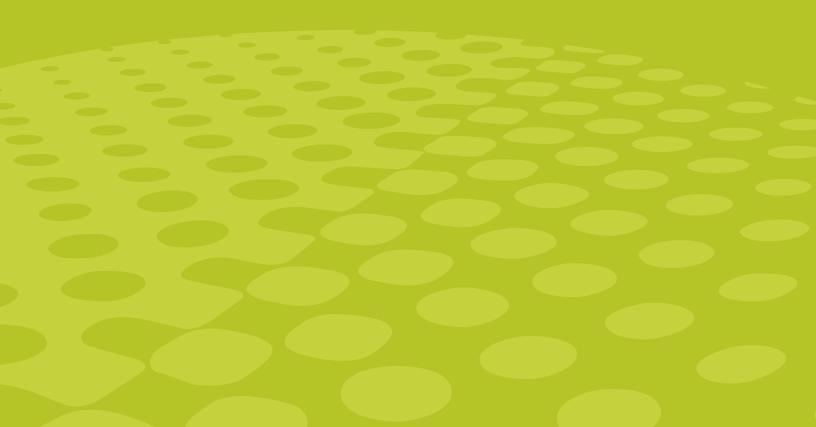


a response to intervention programming within the learning environment and incorporates social and emotional character building within the curriculum. Students learn how to develop skills such as communication, teamwork, problem solving, critical thinking, and professionalism. Each experiential lab unit includes real world, hands-on tasks and project-based activities. Students learn skills through performing tasks at various workplace readiness levels and transfer those skills from one environment to another environment. Ki incorporates a varied set of instructional strategies and learning methodologies enabling students to engage in the learning process. Finally, in preparation for the future, our students research career opportunities, including the work conditions, market demand, and required education for each career, which helps students to see the possibilities before them as they choose a path to their future occupation.





# Barriers to Growth & Solutions



#### **BARRIERS TO GROWTH & SOLUTIONS**

### **Funding Equity**

Funding is an ongoing challenge for public charter schools and a significant barrier to growth. The largest cause of this inequity is the lack of facilities funding. In 2013-2014 ISD's received \$5.5 billion in facilities funding. Charter schools received **zero** dollars from the state for facilities. As indicated in the chart below, charter schools of every size face a gap in funding. They all receive less when compared with similarlysized school districts. Without facilities funding, dollars meant for class instruction are diverted to pay for school buildings.

In an attempt to address the funding gap, five charter school families filed a lawsuit led by TCSA in 2012 challenging the constitutionality of the school finance system as applied to public charter schools. The charter school claims were joined with a larger school finance lawsuit filed by traditional school districts. Ultimately, the Texas Supreme Court chose not to side with public charter schools, ruling that the school funding system, while deeply flawed and in need of dramatic overhaul, was constitutional.<sup>8</sup>

Facilities funding for public charter schools hit a dead end in the courtroom, but the fight returns to the halls of the Texas Legislature where state leaders must solve this chronic problem to meet the demand of families to attend a charter school. A per student allotment for facilities is the most direct method to provide resolution. In 2015, Senate Bill 1900 was filed to establish such a funding stream.<sup>9</sup> Although the bill made its way out of a committee, the full Senate did not schedule it for a vote. This effort begins anew when lawmakers return in 2017.

#### Comparison of FSP Funding for TX Charter Schools vs. ISDs<sup>+</sup> 2013-2014

		CHARTERS		ISDs		DIFFERENCE		
Student Enrollment	Charters <sup>1</sup>	Total ADA	Avg. FSP Revenue per ADA <sup>2</sup>		ISDs	Total ADA	Avg. FSP Revenue per ADA <sup>2</sup>	Avg. Total Revenue per ADA
<200	29	4,142	\$9,898		152	19,777	\$14,522	-\$4,624
200-499	57	20,363	\$8,833		208	72,329	\$12,342	-\$3,510
500-999	34	25,080	\$8,522		191	140,473	\$10,615	-\$2,093
1000-1999	23	32,330	\$8,667		168	239,600	\$9,586	-\$919
2000-4999	5	16,260	\$8,566		146	473,034	\$9,072	-\$506
5000-19999	5	53,577	\$8,380		105	1,023,795	\$8,868	-\$489
20000+	1	24,724	\$8,065		58	2,626,266	\$8,815	-\$751

1. Total number of charters represent the number of unique charter holders.

2. Avg. FSP = Both local and state components of I&S revenue and M&O.

Acronymns: ADA=Average Daily Attendance; FSP=Foundation School Program; ISD=Independent School District; I&S=Interest & Sinking; M&O=Maintenance & Operations

2013–2014 TEA Final Summary of Finance Data



### NYOS Charter School, Not Your Ordinary School

NYOS is an acronym for Not Your Ordinary School. A group of families started NYOS in Austin 18 years ago determined to create a better public school environment for their students. We now have 927 students of incredible diversity in grades Pre-K to 12. NYOS serves every student who enrolls, regardless of ability or disability.



- Specialized Mission
- 927 Students
- Recognized/Met Standard (2009-15)

Recently NYOS achieved national rankings like Top 100 high schools in Newsweek's The Daily Beast and Top 5 in Austin from Children at Risk. We were one of only 24 districts in Texas to receive a district-wide distinction in Postsecondary Readiness. NYOS currently has almost 3,000 students on the wait list. Parents choose NYOS because they want the small class sizes, field-based experiences and well-trained teachers NYOS is known for. Incoming parents say that their home school in a traditional ISD is fine for most, but not for them.

Parents do not choose NYOS for its facilities. We rent one campus from an adjacent church. All classrooms



are in portable buildings. NYOS owns the other campus, purchased piecemeal as the school grew, renovating an advertising agency, a bread bakery, and my personal favorite, a transmission repair shop. There is no green space for recess, no athletic fields or facilities, no theater or music space. The classrooms are cramped and small. But, we are creative in our use of the space we have. We turned a hallway into a science lab/ art classroom/teachers workroom. We offer yoga for PE since it doesn't take up much space and choir for music since we don't have room to store instruments.



NYOS relies on state and federal programs for 95% of its funding. We have no big donors or parent organization. Our success is predicated on small class sizes, further limiting state revenue. NYOS has no hope of providing facilities on par with our traditional public school neighbors without one of two things – 1) a major capital campaign that would take years to develop or 2) facilities funding from the state.





There is no reason why charter schools should not receive public funds for public students. NYOS students have the same accountability and state assessment requirements as the students at the high school down the street. NYOS should not have to use instructional funds to pay for school buildings and utilities. We serve public school students in public schools. Our students should not have to make do with inferior facilities and fewer instructional resources.



### Charter School Authorization Process & the Promise of Senate Bill 2

In 2013, with strong support from TCSA the Texas Legislature passed Senate Bill 2. This landmark charter school reform bill's two most significant components consisted of: (1) a mandate to close a charter school not meeting academic or financial standards for three consecutive years; and (2) authority given to the Commissioner of Education to speed both the opening and expansion of effective and proven charter schools. Additionally, this bill increased the cap on the number of charter holders in the state. TCSA supported this bill because of a strong commitment to a quality public education for the students and families of Texas.

The accountability aspects of the new law are working; Twenty-nine charter schools in the last three years alone have been shut down. However, the underlying premise of the bill, to open and expand effective charter schools, has yet to be fulfilled. While it is clear Texas is addressing quality through recent closures of chronically underperforming charter schools, it's also clear the Commissioner is not authorizing enough charter schools to meet the demand. In 2016, there were 26 charter applicants and yet only two charters were granted.<sup>10</sup> Other states actively recruit Texas charter schools while Texas turns away quality schools from other states.

In order to ensure quality charter schools, we must ensure that the open-enrollment charter application process does not institute barriers to entry that eliminate and deter potentially successful applicants. The quality of charter applicant reviewers must be improved and training for the reviewers must be rigorous. Finally, TCSA encourages an appeals process so that the life or death of a charter applicant does not hinge upon the very initial stage of the charter application process.

Despite having the second largest public charter school student population in the nation, the vast majority of highly successful charter school operators from other states have not opened schools in Texas. The publication of a separate "out-of-state" application for charter operators that operate in other states suggests that applicants from outside of Texas are subject to a different type of review and scrutiny in the charter application process. Such a process discourages new entrants into the charter school sector. Rather, there should be one application for open-enrollment charters and successful operators from other states should be rewarded in the evaluation process for success in student performance.

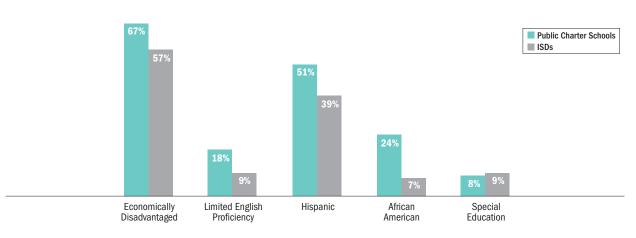
The need to speed the expansion of quality charter school seats in the state of Texas is critical in order to meet the demand of the nearly 130,000 families on waiting lists to attend a charter school.



### **Charter School Demographics**

Students attend charter schools across the state from rural communities to the Rio Grande Valley. However, the greatest number of campuses are located in the five largest cities including Austin, Dallas, Fort Worth, Houston, and San Antonio.<sup>11</sup>

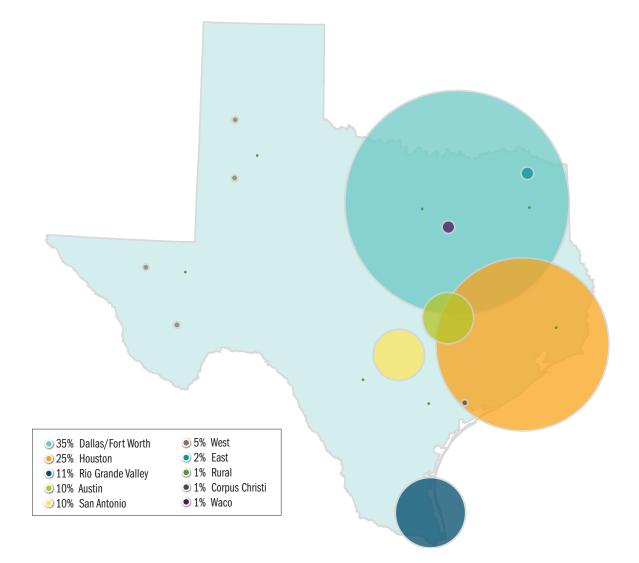
In Texas, public charter schools serve a higher proportion of economically disadvantaged, African-American, Hispanic, and students with Limited English Proficiency (LEP) as compared to traditional public school districts.<sup>12</sup> As of 2016, 67 percent of charter school students are economically disadvantaged compared to 57 percent of traditional public school students.<sup>13</sup> Hispanic students accounted for the largest percentage of minority total enrollment in open-enrollment charter schools in 2015-16 (51 percent), followed by African American students (24 percent). Last year, public charters educated one percent fewer special education students when compared to traditional public school counterparts. It is clear that Texas public charter schools serve a critical student population.



#### Student Enrollment by Demographics\* 2016

• 2016 TAPR, District Download

Public Charter Schools Student Enrollment by Geographic Region\* 2016







## Quality & Academic Outcomes

Charter school performance is solid and improving. However, TCSA remains actively engaged in the work of continuous improvement and will press on until all students have high quality public education options. To evaluate performance there are several measures and studies to consider in reviewing academic outcomes of Texas' public charter schools: those by nationally recognized education think tanks, the Texas Education Agency, and TCSA's measures.

### National Assessment: NBER & CREDO

#### "The Texas Charter School movement has improved substantially since 2009.

Our results suggest that the charter sector was initially characterized by schools whose quality was highly variable and, on average, less effective than traditional public schools. However, exits from the sector, impovement of existing charter schools, and positive selection of charter management organizations that open additional schools raised average charter school effectiveness over time relative to traditonal public schools."

#### Baude, Casey, Rivkin, and Hanushek National Bureau of Economic Research 2014

In 2014, the National Bureau of Economic Research, in conjunction with the University of Texas at Dallas Texas Schools Project, conducted a ten-year analysis of public charter school quality. The decade review (2001-2011) shows marked improvement in public charter schools as chronically underperforming charters close and new schools open and produce stronger results. The authors believe a decline in student turnover along with the increase in college preparatory charter schools leads to better academic performance for the sector. They cite "dynamic improvements," over time and believe that public charter schools are making a positive impact as an important reform lever for all schools.<sup>14</sup>

A year later, the Center for Research on Education Outcomes (CREDO) identified both the success of Texas charter schools as well as areas for needed improvement.<sup>15</sup> CREDO highlights that Texas charter schools have completely eliminated the gap in reading performance between public charter school students and traditional public school students. The authors found charter school students learned more in reading than their peers in traditional public schools. When the length of time a student attends a charter school is factored in, annual progress in reading and math improve dramatically. Students that are enrolled four or more years in a public charter school gain an additional 43 days of learning in reading and 50 additional days in math. The 2015 study found similar gains for all charter students and even stronger trends for minority students. Additionally, CREDO cites that English Language Learning students in charter schools outperform their traditional public school peers and separately, students classified as low socio-economic in charter schools outperform their traditional public school peers. However, and just as important, the CREDO report highlights areas for improvement needed in Texas charter schools. For example, while the gap in math performance has significantly improved since 2009, it has yet to be eliminated. Also, CREDO indicates that African-American and Hispanic charter school students perform below their traditional public school peers. One will note that this last finding regarding minority students is in direct contradiction to reports by the TEA.



### State Assessment: Texas Education Agency

TEA data tells us that in 2016 lower socio-economic charter school students, as well as minority charter school students and students with Limited English Profiency (LEP), outperformed their peers attending traditional public schools in reading.<sup>16</sup> More specifically, 69 percent of economically disadvantaged students attending public charter schools passed the reading portion of the State of Texas Assessments of Academic Readiness (STAAR) exam, as compared to 67 percent in traditional public schools. LEP students at public charter schools far outpaced their peers at traditional school districts in every subject; most impressively, 60 percent of LEP students passed reading as compared to 51 percent of LEP students at traditional public schools.

Further, public charter schools graduate higher proportions of African American, Hispanic and economically disadvantaged students as compared to traditional public schools.<sup>17</sup> Additionally, charter school graduates are going on to a college, university, Graduation Rates by Student Group (%)<sup>↔</sup>

	STANDARD CHARTERS	TRADITIONAL DISTRICTS <sup>+</sup>	
	Class o	f 2012	
African American	93.1	88.6	
Hispanic	92.8	88.2	
Economically Disadvantaged	93.8	88.7	
State of Texas	92.8	90.9	
	Class of 2013		
African American	93.1	89.1	
Hispanic	93.8	88.9	
Economically Disadvantaged	94.1	88.9	
State of Texas	93.7	91.3	

or certificate program within the state at larger rates. In fact, 61 percent of charter school graduates enroll in a Texas institution of postsecondary education, compared to 56 percent of high school graduates as part of the state population.<sup>18</sup>

#### 2016 STAAR Performance\*

LEP Students Excelled in Every Subject

	STUDENTS WITH LIMITED ENGLISH PROFIENCY					
	ALL TESTS	MATH	READING	SCIENCE	SOCIAL STUDIES	WRITING
CHARTER	71	75	72	72	66	66
ISD	52	64	60	61	49	55

Charter schools are standard accountability charters only.

+ 2016 State Accountability Data Downloads

<sup>+2014</sup> Comprehensive Biennial Report on Texas Public Schools.



### TCSA Data: Similar Students Measure

TCSA's commitment to improving and supporting public charter school quality has existed since the beginning of the organization. In late 2008, not long after the formation of the association, TCSA engaged the University of Texas at Austin's Institute for Public School Initiatives to lead the effort to define quality indicators and a method by which charter schools could better understand their gaps and strengths and pursue increased performance in areas of need. From this effort the Quality Framework was developed. A self-evaluation process, the Quality Framework enables charter schools to comprehensively analyze their organization in the areas of academics and operations, as well as helps them identify opportunities for growth and gaps in critical systems that support student outcomes and operational sustainability. Charter school leaders can also see how their students perform by subject relative to the statewide average and other schools and school boards can determine if a turnaround campus under new leadership is showing growth, called the Student Growth Percentile. Additionally, teams can evaluate campus performance relative to other schools that serve similar student populations, known as the Similar Students Measure ("SSM"). SSM is a measure unique to TCSA.

SSM evaluates and compares every public school in Texas by using the percentage of economically disadvantaged students served by the school as the variable. Such evaluation allows for an apples-to-apples comparison and hones in on whether a public school is under or over performing based on the school's

+2016 State Accountability Data Downloads

 Public Charter Schools

 ISDs

 81%
 80%

 79%
 77%

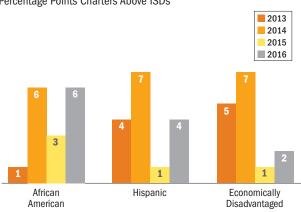
 77%
 73%

 73%
 73%

 2013
 2014
 2015

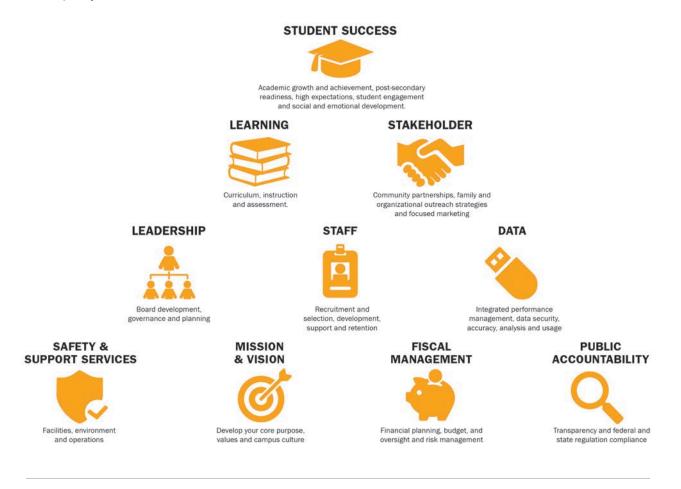
Reading Rates for All Students\*

peer set. The SSM analysis of African-American, Hispanic, and Economically Disadvantaged charter school students tells a positive story. During the past four years these student groups have consistently outperformed their peers in traditional school districts.



#### Reading Performance by Demographics<sup>+</sup> Percentage Points Charters Above ISDs

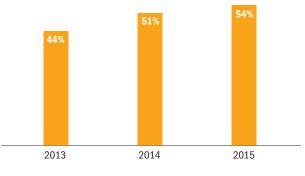
#### **TCSA Quality Framework**



Yes, minority and economically disadvantaged charter school students outperform their school district peers. Nevertheless, the results are not as consistent as they should be and the charter school movement must continue to strive to raise the bar of performance even higher.

To that end, SSM also tells us that over time more and more public charter school students are attending public charter schools that perform above the state average. In a mere two years, the percentage of public charter school students attending a public charter school performing above state average rose by 10 percent. There are a couple of different variables likely at work in this analysis. First, with the passage of SB 2, Texas has closed down over ten percent of underperforming schools, indicating there is a strong correlation between SB 2 and the improvement in quality of the Texas charter school sector. Secondly, high performing charter schools are expanding, adding additional school campuses. It cannot be understated that this expansion, however, is not rapid enough to meet parental demand.

### Percentage of Charter School Students Attending a Charter School Performing Above Statewide Average\*



↔ Performance determined by the TCSA's Similar Students Measure,

a metric which calculates relative performance for charter schools and ISDs while controlling for student population differences.





## Collaboration

#### **COLLABORATION**

### Public Charter School & School District Partnerships

Public charter schools and school districts are both public schools, tuition-free, receive federal and state funding, and subject to the same educational and financial accountability requirements. Both experience challenges with teacher recruitment and retention, leadership development, doing more with less, and the desire to provide a high quality public education to students. The promise of public charter schools is to innovate and identify practices that could be translated throughout the entire public education system. While many excellent public charter schools and charter networks have emerged over time and will continue to grow, the trend of partnerships between public charter schools and traditional school districts is also coming into sharper focus.

To develop and implement meaningful solutions for students, these partnerships examine education models with successful outcomes and identify what works. These innovative approaches to collaboration reveal a shared commitment to excellence in public education. When charter schools and school districts share best practices and implement proven strategies, their efforts result in providing a quality public education to benefit students, which is a lasting result. We identify a number of examples to help showcase this important work.

#### **IDEA Public Schools & Pharr San Juan Alamo ISD**





IDEA Public Schools, and Pharr-San Juan-Alamo Independent School District in the Rio Grande Valley started a limited initiative to address the shared challenge of recruiting high-quality teachers. Over time, the initiative has transformed into a much wider-scale collaboration

between IDEA and multiple districts to transform their human-capital systems. In 2015, IDEA Public Schools and Pharr-San Juan-Alamo ISD (PSJA) completed the fourth and final year of the Investing in Innovation Fund (i3) federal grant, awarded by the U.S. Department of Education. The grant enabled the charter school and school district, both nationally-recognized, to partner and improve the way they hire, train, and evaluate teachers and leaders. As part of the i3 grant, the two organizations agreed to a rigorous third party evaluation of the effectiveness of their training program for newly hired teachers. The evaluation shows that students of the new teachers who participated in the training program perform on par with the students of veteran teachers.

#### YES Prep & Aldine Independent School District





In 2015-16, YES Prep and Aldine ISD formally launched its partnership with the purpose of increasing student achievement. Working under a shared-campus model, Aldine and YES Prep are united behind the commitment to provide outstanding educational options for all students. Aldine ISD students have accesses to YES Prep's

highly regarded college-preparation program, while some YES Prep students use Aldine ISD facilities. Building on the success of this partnership, YES Prep Hoffman is the second district-partnership school that opened in 2013 and serves grades 6-8. This partnership continues to grow and in 2016 YES Prep opened YES Prep Eisenhower to serve grades 9-12.

#### **SKY Partnership in Spring Branch**







In the SKY Partnership in Spring Branch Independent School District, both KIPP Houston and YES Prep are charters authorized by Spring Branch ISD. The charters performance scores count in the Spring Branch ISD accountability ratings. In this case, the district offers highperforming charters help with the cost of facilities and a simpler renewal process and the charter schools offer the district an increasing number of high-quality seats and contribute to a boost in their

overall performance rating. As part of sharing resources, they share established systems, including summer leadership institute, and opportunities for teachers to observe each other, to ensure collaboration of ideas and best practices. In the case of the SKY Partnership, KIPP and YES elected to be authorized by the district and receive their funding directly from the district.

#### Uplift Education/Grand Prairie ISD— Education Energized (E2 Partnership)





In 2014, Grand Prairie ISD (GPISD) and Uplift Education came together to form Education Energized with the vision of creating a bolder impact on the 43,000 students served by both organizations as well as setting an example of positive district/ charter partnership and

collaboration for North Texas. In March 2015, the Board of Directors at both organizations unanimously approved the contract to open Uplift Lee Preparatory at GPISD Lee Elementary School for the 2015-16 school year. The partnership's goals include: bringing together an independent school district with a portfolio of choices for their patrons with a charter management organization, allowing the opening of a charter school of choice within an established district school; sharing best practices on implementation of diverse school models and programming (i.e., International Baccalaureate Program, Road to College Program, ESL dual-language programming, etc.); and collaborating on teacher and staff professional development.

#### **Districts of Innovation**

In 2015 the Texas Legislature created Districts of Innovation.<sup>19</sup> With this law, the Legislature provided traditional school districts a path to implement the flexibilities public charter schools have successfully practiced for years. Such flexibilities may include those dealing with educator certifications, teacher contracts, school calendar, and class size.

With the District of Innovation law comes the opportunity to expand the charter school footprint and provide some relief regarding the facilities challenge by encouraging school districts to enter into charter school/school district partnerships. Considering the recent authorization of this law, it is too soon to tell the impact the law will have on the state's public education system.

### Looking Toward the Future

Public charter schools serve a critical student demographic in Texas and it is clear that Texas public charter schools continue to improve year over year. Further, the demand from families continues to increase each year. To meet the growing demand, the resolution is two fold: (1) the state should provide facilities funding for charter schools and (2) ensure highly effective new charter schools open in Texas.

TCSA will once again take up the mantle the next legislative session and fight for facilities funding for charter schools. However, there are steps the Commissioner can take now to provide some relief from the growing demand. Current law grants the Commissioner of Education the ability to expedite both expansion amendments and the granting of new charters that meet certain requirements. These actions require no new legislation and would provide immediate relief from bureaucratic processes and ensure progress.

Public charter school partnerships with traditional public schools are yielding improvements across the public education system. The promise of public charter schools is to innovate and identify practices that could then translate throughout the entire public education system. The trend of partnerships between public charters and traditional public schools is growing and yielding benefits in professional development, instructional practices, curriculum design, and credit recovery. Continued partnership between both models of public schools will speed other academic gains and continue to demonstrate the value of charter schools. The charter school sector in Texas has experienced tremendous growth and gains in the last 20 years, along with challenges and lessons learned. Parents have options for their children within public education and are not resigned to low-performing schools because of their address. As a result of the innovation and flexibilities provided to charter schools, campuses in this sector are able to meet the needs of students. Further, charter school students are receiving a quality education and achieving outcomes with strong results. While charter schools and students made great strides in the last two decades, there is still work to do and as a sector, we will look for ways to build on our success and improve in the next 20 years. TCSA remains committed to further improving the quality of the charter school sector. TCSA also stands ready to work with Texas' elected leadership and the Texas Education Agency to address the current hurdles at hand: facilities funding and improving the charter authorization process. The need to speed the growth of quality charter school seats in the state of Texas is central towards improving the state of public education in Texas as well as meeting the demand of the nearly 130,000 families waiting for a seat.



### References

- S.B. 1, 74th Leg., Reg. Sess. (Tx.1995). The remainder of this report considers only open-enrollment charter schools.
- 2. Latino Education Policy in Texas, Texas Charter School Movement History and Statistics available at http://www.edb.utexas.edu/latino/non\_traditional\_page.html.
- 3. Texas Education Agency, 2016 State Accountability Data Download.
- 4. Texas Education Agency and Texas Academic Performance Reports, and 2016 State Accountability Data Downloads.
- 5. TCSA In-house data self-reported by member schools
- 6. 2016 State Accountability Data and Texas Academic Performance Reports.
- 7. TCSA defined metric, August 2016.
- 8. 490 S.W.3d 826 (TEX. 2016).
- 9. S.B. 1900, 84th Leg., Reg. Sess. (Tx. 2015).
- 10. Texas Education Agency, castro.tea.state.tx.us/charter\_apps/production/applications.html
- 11. Texas Education Agency, 2016 State Accountability and Directory Data.
- 12. Texas Education Agency, 2014-15 Texas Academic Performance Reports.
- 13. Texas Education Agency, 2016 State Accountability Data Downloads.
- 14. Patrick L. Baude, † Marcus Casey, ‡ Eric A. Hanushek, § and Steven G. Rivkin, The Evolution of Charter School Quality, available at http://www.parthen-impact.com/parthen-uploads/78/2015/ add\_1\_258490\_7wcWjDdqL4.pdf, October 2014.
- 15. Center for Research on Education Outcomes, Charter School Performance in Texas, available at https://credo.stanford.edu/pdfs/Texas\_report\_2015.pdf, July 22, 2015.
- 16. Texas Education Agency, 2016 State Accountability Data Downloads.
- 17. Texas Education Agency, 2014 Comprehensive Biennial report on Texas Public Schools, 2015.
- 18. Texas Education Agency, 2014-15 Texas Academic Performance Report (campus reports).
- 19. TEX. EDUC. CODE § 12A (2015).





