

Charter & Cyber Charter School

Reform Report

**4th Edition- Updated Charter School Legislation
& Academic Performance of Charter Schools**

June 2017



Democratic House Education Committee

Representative James R Roebuck

TABLE OF CONTENTS

Charter School FAQ.....	2
The Status of Charter School Reform Legislation	5
HB97: Charter School Reform Proposal Overview.....	5
What’s Wrong With HB97	6
Democratic Charter Schools Legislation Package	10
SB806: Proposed Charter School Funding Commission.....	12
Rep. Roebuck Proposed Charter School Study: 20 years of Successful and Failed Charter Schools Review	13
Performance of Charter and Cyber Charter Schools	14
Executive Summary	14
New Performance Measures Same Results	16
Highlighting High Performing Charter Schools.....	21
APPENDIX A	25
APPENDIX B.....	27

Charter School FAQ

What is a Charter School?

- Charter Schools were established by Act 22 in 1997 to offer alternatives in the education of students using innovative strategies meant to improve student performance and save money.
- Charter Schools are self-managed Public Schools that are created and controlled by parents, teachers, community leaders, and colleges or universities.
- Charter Schools are approved and held accountable by School districts through a 3-5 year charter that can be renewed for up to 5 years.
 - Charter Schools Not Approved by School Districts can seek approval from State Charter School Appeals Board.
- An existing public school can be converted into a charter school if 50% of the school staff and parents of its students agree to the conversion.

What is a Cyber Charter School?

- A Cyber Charter School, established by Act 88 of 2002, primarily delivers instruction to students over the Internet which allows them to enroll students throughout the state.
- Cyber Charter Schools are approved and are to be held accountable by the State since the passage of Act 88 in 2002.
- Like Charter Schools, Cyber Charter Schools are approved through a 3-5 year charter that can be renewed for up to 5 years.
- A significant number of cyber school students were formerly home schooled students.

How many Charter and Cyber Charter Schools are there?

2016-2017	Charter Schools	Cyber Charter Schools	Regional Charter Schools	Totals
Schools	153	14	10	177
Enrollment	143,918	34,128	4,506	182,552
Special Education Students	27,212	8,532	766	36,510

What are some important features about Charter and Cyber Charter Schools?

- Charter and Cyber Charter Schools are relieved of many State Education Mandates, except for those concerning nondiscrimination, health and safety and accountability.
 - A major mandate exemption is that up to 25% of Teachers do not have to be certified.
- Charter and Cyber Charter Schools are funded with State and Local Funds through a Funding Formula at 70-80% of a traditional public school funding.
- Like all public schools, Charter and Cyber Charter Schools are responsible for their students taking the PSSA's and are held accountable under the federal Every Student Succeeds Act (ESSA).
- There are no enrollment caps on Charter and Cyber Charter Schools

How are Charter and Cyber Charter Schools Funded?

As public schools, charter and cyber charter schools are funded in the same way that district-run public schools are funded, namely through tax dollars. Charter and Cyber Charter Schools are not allowed to charge tuition.

- Currently, Charter school entities receive from the school district of residence for **non-special education students** the budgeted total expenditure per average daily membership of the prior school year, minus the budgeted expenditures of the district of residence for nonpublic school programs; adult education programs; community/junior college programs; student transportation services; for special education programs; facilities acquisition, construction and improvement services; and other financing uses, including debt service and fund transfers as provided in the Manual of Accounting and Related Financial Procedures for Pennsylvania School Systems established by the department.
- For **special education students**, the charter school entities receives for each student enrolled the same funding as for each non-special education student plus an additional amount determined by dividing the district of residence's total special education expenditure by the product of multiplying the combined percentage of the special education payment times the district of residence's total average daily membership for the prior school year.

When does a school district have to provide transportation to a charter school?

- The law requires school districts to provide transportation to resident students attending a charter school "on such dates and periods that the charter school is in regular session" if:
 - The charter school is located within the district, or
 - The charter school is located not more than ten miles by the nearest public highway beyond the district boundary, or
 - The charter school is a regional charter school in which the district is participating.

Who is responsible for the actions of a charter school and its employees the charter school or the School District?

- As an independent, publicly funded school, each charter school has its own Board of Trustees. According to the charter law (Act 22 of 1997), the school is a non-profit, non-sectarian corporation and is "solely liable for any and all damages of any kind resulting from any legal challenges involving operation of a charter school."

The Status of Charter School Reform Legislation

As of May 2017 NO Charter School Reform legislation has passed the General Assembly in the 2017-2018 session. HB97 passed the House in April 2017 but has yet to be considered by the Senate.

HB 97: Charter School Reform Proposal Overview

Charter School Funding:

- For the 2017-2018 and 2018-2019 school years, allows school districts to make the following additional deductions from their per-student expenditures when calculating their cyber charter school payments:
 - tax assessment and collection services; 30% of operation and maintenance of plant services; and the actual total amount the district of residence paid to cyber charter schools under this section for the prior school year.
- Establishes a funding commission to consider and make recommendations concerning funding and other matters related to charter school entities.

Charter School Governance:

- Makes ethics, transparency, governance and auditing reforms.

Charter School Entity Requirements:

- Provides for a streamlined payment dispute resolution process.
- Sets limits on charter school entities' allowable unassigned fund balances, and provides for the refund of excess fund balances to tuition-paying school districts.

Charter School Academic and Accountability Requirements:

- A performance matrix to be developed by the State Board.
- Teacher evaluation systems that mirrors those required for school districts.
- Longer renewal terms for high-performing charter school entities.
- Stronger enforcement of truancy laws.
- A process to approve Multiple Charter School Organizations, under which more than one charter school or regional charter school may consolidate under one board of trustees.
 - At least one consolidating school must be high-performing.
 - Local school districts retain initial and renewal approval authority.
 - Districts and the Pennsylvania Department of Education (PDE) have the power to approve or disapprove a consolidation, subject to appeal to the State Charter School Appeal Board.

Charter School Chartering process:

- A standard application form to be developed by PDE for statewide use.
- Changes in the membership on the Charter School Appeal Board.
- A charter amendment process.

Charter School student enrollment process:

- Allowing charter school entity students to participate in dual enrollment programs.
- Granting charter school entities a right of first refusal for the purchase or lease of unused school district buildings.
- Requiring school districts, intermediate units, member institutions of the State System of Higher Education and community colleges to make their facilities available to cyber charter school students for purposes of standardized testing, in accordance with the same policy that would apply to other organizations and community groups.
- Allowing families with multiple children attending one cyber charter school to opt out of receiving multiple computers, printers and monitors.
- Making necessary technical amendments.

Although HB97 is a starting point this session for Charter School Reform, it does not go far enough regarding the governance, financing and accountability of Charter Schools. Below is an outline of major revisions needed to this Legislation in order to provide a significant reform:

What's Wrong with HB97?

Charter School Funding Formula:

- The formula changes under HB97 would only be in effect until the end of the 2018-2019 school year and could be changed if the Funding Advisory Commission established a new funding formula.
- Last session, estimates were provided on possible savings that school districts would realize as a result of the formula changes made in an earlier version of HB530.
- HB97 decreases the potential savings that would have been realized under the prior bill from last session, regarding cyber charter school payments, from \$46.9M in savings to only \$25.9M in savings.
- It was estimated last session that the Philadelphia school district's savings would go from \$6.7M to \$3M under this new funding proposal for cyber charter schools.
 - All cyber school payment savings in Philadelphia must be spent on specific school based services only, that may include Early Childhood Education, Including Full-Day Kindergarten & Pre-Kindergarten Tutoring Services; Educational Enrichment Programs; Reducing Class Size; Reducing or Eliminating Fees to Participate in Afterschool Programs such as Music or Athletics; Expanding access to the Arts, Including Music & Art; Library Services.
- It was estimated last session that the Pittsburgh school district savings would go from \$3.2M to \$712,000 under this new funding proposal for cyber charter schools.
- Makes no changes to the per-student regular education or special education rate for charter schools or regional charter schools.

- Creates inconsistency in the law by allowing school districts to deduct certain budgeted items from the tuition payments for Cyber Charters but not brick and mortar Charter schools.
- Does not address special education overpayments.
 - Special Education Funding for Charter and Cyber Charter Schools should be based on the recommendations of the bipartisan special education funding commission.
- Does not address double billing on the following:
 - School library services, nonpublic support services, nonpublic health services and community services provided by a school district.
- Doesn't allow a charter school to also provide tuition discounts to a school district or IU if these entities operate their own cyber charter school.

Statewide Advisory Commission for Funding:

- The Charter School Entity funding Commission is provided with powers and duties that go beyond funding issues and addresses unrelated matters including:
 - Consideration of establishing a state authorizer for charter schools
 - Providing a process to use the performance matrix to compare the academic performance of each charter school with the academic performance of the resident school district of students enrolled.
 - Consideration of a method of determining if charter school are sufficiently distributed throughout a school district.
- This 14 member commission should only address issues relating to funding charter school entities.

State Charter School Appeals Board:

- Expands The State Charter School Appeal Board's membership from (7) members to (10) by adding an administrator and a board of trustee member of a charter school, regional charter school or cyber charter school to the panel and a public school principal. The parent member is clarified to read that the parent must have a student who attends a charter school, essentially stacking the board pro-charter
 - The bill should restore the CAB's membership to what is currently in law; this board has demonstrated a balanced and fair appeal's processes and changing the membership to a pro charter advantage would be unfair to the process.

Unassigned Fund Balance Limits:

- Increases the percentage limits for the amount of unassigned fund balances Charter School Entities may keep in their reserve; this would make the percentages higher than what is in current law for school districts.
 - Each limit is increased by four (4%) percentage points from 8% to 12% up to 12% to 16%.
- This would allow Charter School Entities to retain a greater portion of their unassigned fund balance limits than school districts, the result would be that Charter School Entities would refund less money to School Districts that paid tuition to them.

- Should decrease the Charter School Unassigned Fund Balance Limit Percentages to reflect what is in current law for Public School Districts, 8% to 12%.

Charter School Amendments:

Allows a charter school to request amendments to its approved written charter for additional changes by filing a written document describing the requested amendment to the local board of school directors.

- Within 60 days of receipt of the amendment, the school board must hold a public hearing on the amendment. Within 60 days of the hearing, the school board must grant or deny the requested amendment. If a school board fails to follow this procedure the amendment will be granted and if the school board denies an amendment, the applicant is allowed to appeal to the state charter school appeals board.
- This amendment process does not limit or specify the amendments that can be requested, including possibly amending a charter to raise the enrollment limit.
- This amendment process also circumvents the renewal process.

Charter School Educational Management Service Provider Contracts:

- Contains weak provisions regarding educational management organization's fiscal transparency concerning for profit management companies disclosure of taxpayer funds and requiring auditing.
- Doesn't require charter schools to amend their current charter, if after approval they seek to contract any services of the charter school including, management, educational or administrative services to an educational service provider.

Charter School Teacher Evaluation:

- Doesn't ensure that Charter and Cyber Charter teachers, principals and certified support staff are evaluated under the same system of evaluation as other public schools.
- Does not require PDE to pre-approve the evaluation system to determine if it is rigorous.

Charter School Non-Renewal/Revocation and Terms

Allows charter school entities to be granted a 10 year charter renewal if they meet academic quality benchmark established by the state board of education. Provides for 5 year renewal terms for charter school entities that fail to meet the academic quality benchmark created by the State Board of Education.

- The performance matrix standards and academic quality benchmark or any accountability standards established for Charter schools students should be created and implemented in the ESSA state plan so that all students in all public schools have the same accountability system.

Charter School Leasing Overpayments:

- Doesn't prohibit a founder, a board of trustee or an administrator of a charter school, administrator or executive of the educational management service provider of a charter school from receiving any payments for approved

reimbursable annual rental for leases of buildings or portions of buildings for charter school use;

- Doesn't require that in its application for funding for lease reimbursement that the charter school provide a copy of the signed lease agreement for the leased building and a copy of the deed for the leased building that was previously required by the Department of Education in 2009-10 but has not been required by the department since then;
- Doesn't require PDE to seek reimbursement from any charter school for all inappropriate lease reimbursements.

Charter School Transparency:

- Doesn't require advertising by charter school entities to include a disclaimer that all programs and services, including transportation services are paid for by taxpayer funds and are not "free".
 - This would be consistent with the requirement that paid advertising by state agencies include the phrase "Paid for with Pennsylvania taxpayer dollars" (Taxpayer-Funded Advertising Transparency Act, aka Act 90 of 2015).

House Democratic Charter Schools Legislation Package

Treating all Public Schools Equally

In April 2017 House Democrats unveiled a package of eight charter school reform bills designed to treat all Pennsylvania public schools- both traditional and charter – and their students equally under the law. With charter and cyber charter school viewed more as another school choice option, rather than the original intent of the charter school law, that they be innovative and serve as models for all public schools, it is important that charter and cyber charter schools be held to the same academic and financial accountability standards of traditional public schools. This 8 package of bills address the deficiencies in HB97 already noted in an earlier section of the report “What’s Wrong with HB97.”

Rep. Roebuck has said, **“The core idea of our legislative package is this: Charter schools and traditional public schools should be treated equally under the law. Both receive tax dollars, and both are already considered public schools under Pennsylvania law.”**

Charter School Legislation		
Bill #	Description	Sponsor
HB1198	<u>Limitations on Certain Unreserved Fund</u> – Amend Section 688 of School Code. Sets limits on charter and cyber charter schools’ allowable unassigned fund balances the same as school districts, and provides for the refund of excess fund balances to tuition-paying school districts.	Carroll
HB1199	<u>Lease Payments</u> - Prohibits lease overpayments by prohibiting individuals related to the charter school or public school entity or educational management service provider of a charter school or public school entity from receiving any payments for approved reimbursable annual rental for leases of buildings or portions of buildings for charter school or public school use. Requires all lease agreements entered into by any public school entity to include a copy of the lease agreement.	Roebuck
HB1200	<u>Special Education Payments to Charter Schools</u> Applies the same funding principles used in the special education formula for school districts to determine a school district’s payment for a special education student enrolled in a charter school. These provisions include a gradual phase-in that has the effect of applying the new methodology for calculating special education funding to only newly enrolled special education students.	Miller, D
HB1201	<u>Contractors Transparency and Fees</u> - Provide adequate transparency and financial accountability for contractors, including for-profit management companies that provide management, educational or administrative services to school districts or charter school entities. Also requires these entities to publicly disclose the use of any monies received from a school district or charter school as well as subject those funds to audit by the state. Limits Charter School and School District Management Organizations Fees by limiting the amount of overhead that management organizations are permitted to charge to no more than 5% of the tuition charged per student enrolled.	Longiotti
HB1202	<u>Teacher Evaluation System</u> - Requires charter school entities to be included	McCarter

	in the current rating system used for all public school employees beginning in the 2017-2018 school year. This will ensure that Charter and Cyber Charter teachers, principals and certified support staff are evaluated under the same system of evaluation as other public schools.	
HB1203	Advertising – Requires all public school advertising to state that the ads are paid with taxpayer money. Ads can't state that schools, programs, services or transportation are free.	Schlossberg
HB1204	School Building Closure – Amend Section 780 & 1311 of School Code to include procedures when a public school building closes or is shut down by the authorizer.	Donatucci
HB1205	Transfer of School Records – Requires school districts and charter schools to share student records with each other in a timely fashion. Public and nonpublic schools must transfer student records within 10 days of receiving a request from a school entity, records include attendance records.	Madden

True charter school reform needs to include the reforms contained in these bills in order to, in the words of Rep. Mike Sturla, chairman of the House Democratic Policy Committee, “improve efficiencies and accountability, which means that there will be more money available for education. Providing high-quality education to all Pennsylvania students should be the ultimate goal of our educational system.

SB806: Proposed Charter School Funding Commission

Legislation to Establish a Charter School Funding Advisory Commission

Senator Browne and Senator Vulakovich have just introduced SB806, legislation to establish a Charter School Funding Advisory Commission to review and make recommendations concerning charter and cyber charter school funding. The Charter School Advisory Commission will operate in a similar manner to the Special Education and Basic Education Funding Commissions and the Public School Construction and Reconstruction (PLANCON) Advisory Committee.

Unlike the Charter School Entity funding Commission in HB97 it is expected that the focus of this new Commission will be restricted to funding issues and will not, like the Commission in HB97, focus on additional unrelated non funding issues such as:

- Consideration of establishing a state authorizer for charter schools.
- Providing a process to use the performance matrix to compare the academic performance of each charter school with the academic performance of the resident school district of students enrolled.
- Consideration of a method of determining if charter school are sufficiently distributed throughout a school district.

Adding these other non-funding issues to the Charter School Entity funding Commission in HB97 has been a major obstacle in passing Charter School reform legislation. Focusing on charter school funding issues is an important first step in real and lasting charter school reform.

This new commission will consist of members of all four caucuses, including the majority and minority chairs of the Appropriations and Education Committees, two members appointed by the House and Senate majority leaders and one member appointed by the House and Senate minority leaders and the Secretary of Education.

The commission shall be charged with examining all current laws, regulations and executive policy statements which determine funding for charter and cyber charter schools in the Commonwealth.

The commission shall issue a report with its findings and recommendations, no later than eighteen months from the effective date of the legislation.

Rep. Roebuck Proposed Charter School Study: Review of 20 years of Successful and Failed Charter Schools

It is important to stress that high performing charter schools fulfill one of the original and what many of the original sponsors of the Charter School law enacted in 1997 believe is the most important intent of the law; to “encourage the use of different and innovative teaching methods” and to improve student learning that can be replicated by other public schools. In previous sessions charter school reform legislation was seriously considered, that would have eliminated one of the crucial criteria that is to be used by a school district in evaluating whether to approve a charter school which is “the extent to which the charter school may serve as a model for other public schools.” Fortunately, the latest major charter school legislation, HB97 of this session, maintains this important language in the charter school law to ensure that the intent of the law to “encourage the use of different and innovative teaching methods” to improve student learning is met.

Unfortunately, the charter school movement’s original intent of developing and promoting innovative public schools has been largely replaced and subsumed under the “school choice” movement. Where what matters more is that families have more education choices either public or private for their children at taxpayer’s expense with limited or no academic or fiscal accountability to taxpayers.

In the near future I will be introducing a resolution to require the State Board of Education to conduct a study on the best practices of high performing charter schools to meet the first three goals of the charter school law: (1) Improve student learning; (2) Increase learning opportunities for all pupils; (3) Encourage the use of different and innovative teaching methods. In addition the study shall investigate those practices by our worst charter schools in regards to their failing academic performance and/or their fiscal irregularities. Only by learning from both the successes and failures of charter schools can we improve the existing charter school law AND also learn from our best charter schools about those different and innovative teaching methods that can improve student learning and increase learning opportunities in all public schools for all of our students.

Performance of Charter and Cyber Charter Schools 2015-2016 Update

Executive Summary Charter and Cyber Charter School Performance On School Performance Profile Scores

For 2015-2016, based on a scale of 100, the average SPP score for traditional public schools was 70.3, for charter schools 58.4 and for cyber charter schools 50.9.

None of the 14 cyber charter schools had SPP scores over 70, considered the minimal level of academic success and 9 cyber charter schools had SPP scores below 50.

As was the case in 2012-2013 and 2013-2014, charter schools, particularly cyber charter schools, still perform academically worse than other traditional public schools. For the 2015-2016 school year 54% of traditional public school had SPP scores at or above 70 while only 24% of brick-and-mortar charter schools had SPP scores at or above 70 in 2015-2016

The performance of brick-and-mortar charter schools does not significantly improve the longer that a charter school has been open. Fifty-six percent (56%) of brick-and-mortar charter schools have now been open for ten years or more. Unfortunately, for 2015-2016, a significant majority, 65% of these charter schools have SPP scores below 70. This is better than those charter schools opened within the last 5 years where 94% have SPP scores below 70. The continued underperformance of these charter schools raise concerns about renewing so many charter schools with poor performance over so many years.

As is the case with traditional public schools, **the performance of brick-and-mortar charter schools are affected by the level of students enrolled in a charter school who are economically disadvantaged.** Fifty-four percent of brick-and-mortar charter schools have enrollments of economically disadvantaged students that are 75% or more. Of these 81 charters, 77 (96%) have SPP scores below 70. In contrast, of the 32 charter schools with less than 50% economically disadvantaged students, 19 (59%) have SPP scores above 70.

Since enactment of charter school legislation in 1997 a total of 38 charter and cyber charter schools have closed including 33 brick-and-mortar charter schools and 5 cyber charter schools. This means that 18% of charter and cyber charter schools that opened since 1997 have closed.

The number of high performing charter schools decreased by more than 50% from 24 in 2013-2014 to only 11 in 2015-2016. Of the 38 charter schools that had SPP scores over 80 in either 2012-2013 or 2013-2014 only 10 had SPP scores over 80 in 2015-2016 with the 11th charter school being a charter school established in 2013.

Note: Due to a more rigorous PSSA, School Performance Scores for all public schools, both traditional and charter and cyber charter schools on average declined from the first two years of reported SPP scores in the 2012-2013 and 2013-2014 school year.

New Performance Measures Same Results for Charter & Cyber Charter Schools

School Performance Profile Score Averages

In terms of school performance, in 2013 the state changed how it measures the academic performance of schools from Adequate Yearly progress to a School Performance Score on the new School Performance Profiles (SPP). All public schools receive a School Performance Score between 0 and 100 similar to the scores a student would receive on their report card. **Although the measures have changed, charter schools, particularly cyber charter schools, still perform academically worse than other traditional public schools.**

For 2015-2016, based on a scale of 100, the average SPP score for traditional public schools was 70.3, for charter schools 58.4 and for cyber charter schools 50.9. None of the 14 cyber charter schools had SPP scores over 70, considered the minimal level of academic success and 9 cyber charter schools had SPP scores below 50.

In terms of charter schools, there was a small difference in the SPP scores between charter schools in Philadelphia that had an average SPP score of 56.6 compared to an average SPP scored of 60.3 of charter schools in the rest of the state.

It's important to note that according to the Pennsylvania Department of Education "the 2015-2016 SPP follows a year-long pause in the calculation of scores for a majority of Pennsylvania's schools last year (2014-2015), which was put in place to mitigate the unintended impacts of changes in student performance on the newly-aligned PSSA. Consequently, this year's SPP scores are the first to reflect student performance on the more rigorous PSSA."

Because of the more rigorous PSSA, School Performance Scores for all public schools, both traditional and charter and cyber charter schools on average declined from the first two years of reported SPP scores in the 2012-2013 and 2013-2014 school year.

However, as was the case in 2012-2013 and 2013-2014, charter schools, particularly cyber charter schools, still perform academically worse than other traditional public schools.

For 2012-2013, based on a scale of 100, the average SPP score for traditional public schools was 77.1, for charter schools 66.4 and for cyber charter schools 46.8. None of the 14 cyber charter schools had SPP scores over 70, considered the

minimal level of academic success and 8 cyber charter schools had SPP scores below 50.

For 2013-2014, based on a scale of 100, the average SPP score for traditional public schools was 79.9, for charter schools 64.6 and for cyber charter schools 48.8. None of the 14 cyber charter schools had SPP scores over 70, considered the minimal level of academic success and 8 cyber charter schools had SPP scores below 50.

These results also mirror results in both the 2010-2011 and 2011-2012 school year where traditional public schools performed better than charter schools and significantly better than cyber charter schools in terms of achieving Adequate Yearly Progress (AYP), the federal school performance standard established under the federal No Child Left Behind law for the 2010-11 and 2011-12 school year. AYP was determined by student academic performance on state reading and math assessments (PSSAs).

School Performance Profile Score by Achievement Levels

Traditional public schools also outperform charter and cyber charter schools in terms of the percentage of their schools that are achieving academic success. The table below provides the percentage of schools for each type of public school that are scoring at a certain academic achievement level based on their School Performance Profile Score:

Percentage of 2015-16 School Entity SPP Scores by Achievement Level

SPP Scores	Public School	Charter School	Cyber Charter School
90-100	4%	2%	0%
80-89.9	20%	5%	0%
70-79.9	30%	17%	0%
60-69.9	19%	17%	14%
Below 60	19%	59%	86%

As the tables indicates, for the 2015-2016 school year 54% of traditional public school had SPP scores at or above 70 while only 24% of brick-and-mortar charter schools had SPP scores at or above 70 in 2015-2016. For 2015-2016 none of the cyber charter schools had SPP scores above 70 as was the case in 2012-13 or 2013-14.

While the percentage of all public schools both traditional and charter schools had fewer schools with SPP scores above 70 in 2015-2016 as compared to the two

previous years with SPP scores, the difference between the percentage of traditional public schools with SPP scores at or above 70 and the percentage of charter schools with SPP scores above 70 remains substantial with more than double the number of traditional schools with SPP scores above 70 than charter schools with SPP scores above 70 in both 2013-2014 and 2015-2016.

Percentage of 2012-13 School Entity SPP Scores by Achievement Level

SPP Scores	Public School	Charter School	Cyber Charter School
90-100	15%	2%	0%
80-89.9	32%	17%	0%
70-79.9	27%	24%	0%
60-69.9	14%	24%	19%
Below 60	11%	32%	81%

Percentage of 2013-14 School Entity SPP Scores by Achievement Level

SPP Scores	Public School	Charter School	Cyber Charter School
90-100	13%	3%	0%
80-89.9	33%	13%	0%
70-79.9	29%	22%	0%
60-69.9	15%	29%	14%
Below 60	10%	33%	86%

Performance of Charter Schools Based on How Long They Have Existed

As was documented in last year’s charter school report, overall, the performance of just brick-and-mortar charter schools do not significantly improve the longer that a charter school has been open. Fifty-six percent (56%) of brick-and-mortar charter schools have now been open for ten years or more. Unfortunately, for 2015-2016, of these 84 charter schools a significant majority, 55 of the brick-and-mortar charter schools (65%) opened 10 years or more have SPP scores below 70. This is better than those charter schools opened within the last 5 years where 94% (33 of 35 brick and mortar charter schools) have SPP scores below 70. Overall, these results are not encouraging.

For cyber charter school, no cyber school, no matter how long they have been open has an SPP score above 70.

Additionally, as of 2015-2016, there are 41 brick-and-mortar charter schools and 9 cyber charter schools that have been open more than 10 years that have SPP scores under 60. The continued underperformance of these charter and cyber charter schools raises concerns about renewing so many charter schools with poor performance over so many years.

Impact of Student Poverty on Performance of Charter Schools

As is the case with traditional public schools, the performance of brick-and-mortar charter schools are affected by the level of student enrolled in a charter school who are economically disadvantaged. The following table compares the performance of brick-and-mortar charter schools by the percentage of their enrollment that are economically disadvantaged.

2015-2016 Number of Charter Schools by SPP Scores and Percentage of Economically Disadvantaged Students Enrolled

SPP Scores	% Economically Disadvantaged				Totals
	75-100%	50-74%	26-49%	0-25%	
90-100	0	1	0	2	3
80-89.9	0	1	3	4	8
70-79.9	3	12	6	4	25
60-69.9	15	5	4	2	26
Below 60	63	18	6	1	88
Totals	81	37	19	13	150

Fifty-four percent of brick-and-mortar charter schools have enrollments of economically disadvantaged students that are 75% or more. Of these 81 charters, 77 (96%) have SPP scores below 70. Of the 118 charters with more than 50% economically disadvantaged students, 101 (86%) have SPP scores below 70. In contrast, of the 32 charter schools with less than 50% economically disadvantaged students, 19 (59%) have SPP scores above 70.

As is the case in traditional public schools, as the percentage of economically disadvantaged students enrolled in a charter school goes down the academic performance of the charter school improves. **Unfortunately, poverty remains the number one predictor of academic performance regardless of the type of public school - traditional, charter or cyber charter. Those public schools that address poverty and the risk factors associated with poverty will be the most successful in raising academic achievement.**

Charter School Closures

*In looking at the performance of charter and cyber charter schools it is also important to document the number of charter and cyber charter schools that have closed. **Since enactment of charter school legislation in 1997 a total of 38 charter and cyber charter schools have closed including 33 brick-and-mortar charter schools and 5 cyber charter schools. This means that 18% of charter and cyber charter schools opened since 1997 have closed.** Two other charter schools in Philadelphia are in the process of having their charters revoked by the School Reform Commission. There are variety of reasons for the closure of these charter schools including academic, financial and operational reasons that either led to the revocation of the charter by a school district, or in the case of cyber charter schools by the state, or by the charter school voluntarily closing.*

Advocates for charter schools point to these closures as evidence that the charter school law is ensuring that charter schools are being held accountable and charter schools failing to fulfill their charter's mission are closed. However, as noted in a recent report Better Isn't Good Enough: The Path to Improving Philadelphia's Charter School Sector by Philadelphia School Advocacy Partners and Philadelphia Charters for Excellence, the process for closing a failing charter school in Philadelphia can drag on for years "while students attending these low-performing schools continue to receive a substandard education. Evidence of this problem statewide, as noted in the previous section, is that at least 41 failing charter and cyber charter schools that have been in existence more than 10 years with SPP scores still below 60 are still open. The report calls on the Philadelphia School Reform Commission and the State Legislature to streamline the process of closing charter schools that are underperforming.

Appendix A provides a list of Charter and Cyber Charter Schools that have closed

Highlighting High Performing Charter Schools

What makes them work and what makes them different?

While overall academic performance of charter schools and particularly cyber charter schools is disappointing and trails the academic performance of traditional public schools, there are examples of charter schools that are successful in terms of academic performance and in being innovative in their approach to educating students. By looking at those charter schools we can identify what characteristics make them work as well as the student population factors that impact their academic performance.

What are the High Performing Charter Schools?

For purposes of this analysis, a high performing charter school is one that had School Performance Profile (SPP) scores of 80 or above. This list does not include any cyber charter school as none of the 14 cyber charter schools have SPP scores even above 70 let alone 80. The tables below provides data on high performing charter schools for the 2012-13, 2013-14 and 2015-16 school year:

Charter School Characteristics	2012-2013	2013-2014	2015-2016
TOTAL	28	24	11
SPP score of 90 to 100	3	4	3
SPP Score of 80.0 to 89.9	25	20	8
50% or More Economically Disadvantaged Students	12	9	2
Less than 50% Economically Disadvantaged Students	16	15	9
15% or More Special Education Students	2	4	1
Less than 15% Special Education Students	26	20	10
Less than 10% Special Education Students	10	11	5
Established Pre-2005	22	16	9
Established 2005-2009	5	6	1
Established 2010-2014	1	2	1

What is most startling about the 2015-2016 SPP results for charter schools is the significant drop off in the number of high performing charter schools compared to 2012-13 and 2013-2014. As noted earlier in the report, due to a more rigorous PSSA, School Performance Scores for all public schools, both traditional and charter

and cyber charter schools on average declined from the first two years of reported SPP scores in the 2012-2013 and 2013-2014 school year.

Still, the number of high performing charter schools decreased by more than 50% from 24 in 2013-2014 to only 11 in 2015-2016. Of the 38 charter schools that had SPP scores over 80 in either 2012-2013 or 2013-2014 only 10 had SPP scores over 80 in 2015-2016 with the 11th charter school being a charter school established in 2013 – Capital Area School for the Arts.

For 2012-2013, twenty-eight charter schools had SPP scores of 80 or above. The number of charter school that had an 80 or above SPP score declined to 24 charter schools in 2013-14. Only 16 charter schools had SPP scores of 80 or above in both the 2012-2013 AND 2013-14 school years.

While 12 of the charter schools that had SPP scores of 80 or above in 2012-13 saw their SPP scores go below 80 in 2013-14, 8 other charter schools that had SPP scores below 80 in 2012-13 saw their SPP scores increase to 80 or above in 2013-14. Overall there were 36 charter schools that had SPP scores over 80 in either 2012-13 OR 2013-14.

Characteristics of High Performing Charter Schools

The characteristics of the significantly lower number of 11 charter schools than in past years make them even more unlike traditional public schools and more like specialty or magnet versions of traditional public schools.

In prior years, in terms of how many **economically disadvantaged students** these high performing charter schools enrolled, there were more charter schools with fewer than 50% of their students economically disadvantaged than charter schools with 50% or more economically disadvantaged students in both school years with the difference increasing from 2012-13 where 12 of the 28 high performing charters had 50% or more of their students that were economically disadvantaged as compared to 2013-2014 where 9 of the 24 high performing charters had 50% or more of their students that were economically disadvantaged.

For 2015-2016, only 2 of the 11 charter schools had 50% or more of their students that were economically disadvantaged with 6 of the 11 charter schools having 21% or less of their students being economically disadvantaged.

This is noted not to disparage these high performing charter schools but to point out how difficult it is for schools serving high poverty student populations to be high performing schools whether they are traditional public schools or charter schools. Student poverty remains the number one predictor of the academic performance of a school.

These charter schools also serve significantly fewer **special education students** than traditional public schools. **In fact for 2015-2016 none of the 11 high performing charter schools had a special education student population**

greater than the 15% average of traditional public schools with 6 of the 11 charter schools with a special education population of 10% or less. For 2012-13, only two of these 28 high performing charter schools had a special education student population greater than the 15% average of traditional public schools and it rose to only 4 high performing charter schools in 2013-14. Finally, as noted in the 2013 Special Education Funding Commission report, charter school enroll significantly less special education students with severe disabilities than traditional public schools. The academic performance of special education students is significantly lower than non-special education students.

For 2015-2016, in terms of **how long a high performing charter school has been in existence**, 10 of the 11 charter schools were established more than 10 years ago. This is a higher percentage than in 20102-2013 or 2013-2014 where with 22 of the 28 high performing charters in 2012-13 and 16 of the 24 high performing charters were established more than 10 years ago.

The high performing charter schools in 2015-2016 are less like the high performing charter schools in previous years in terms of the **Grade Range and Size of Charter Schools. For 2015-2016, only 3 of the 11 schools are strictly primary schools while 5 are secondary schools and 3 enroll both primary and secondary with 4 of the 11 schools enrolling more than 1,000 students.** In comparison, for the previous two years, the high performing charter schools tended to be smaller with less than 1,000 students in part because more of them were elementary schools. In 2013-2014, 14 of the 24 charter schools enrolled fewer than 500 elementary and middle school students. For 2013-2014, only 4 out of the 24 charter schools had more than 1,000 students enrolled and only 2 of the 24 charter schools enroll high school students, though there are 4 charter schools that serve K-12 grades and 3 charter schools serving middle and high school students.

The biggest drop in the number of high performing charter school from the previous two years was among small elementary schools where only 3 of the 11 schools enrolled less than 500 students elementary or middle school students.

Based on the characteristics of the 11 high performing charter schools in 2015-2016 outlined above, the picture of a typical high performing charter school is one that:

- was established more than 10 years ago;
- with less than 50% of their student enrollment being economically disadvantaged; and
- with 15 % or less of their student enrollment being special education students.
- are more like magnet type specialty school as evidenced that 3 of the high performing schools are Performing Arts Charter Schools.

What is most common is that these high performing charter schools offer innovative education programs with most of them focused on a specific approach to education instruction or a specific academic area of instructional focus. They offer different approaches to instruction, many offer longer school days and more days of schools

and many offer more individualized education programs. All public schools, whether they are traditional public schools or charter schools would benefit from the innovative education programs offered by these high performing charter schools.

Appendix B lists all the high performing charter schools and their characteristics for the 2012-13, 2013-14 and 2015-2016 school year.

APPENDIX A

Institution Name	City	School District	Closed Date	Reason for Closing
Advanced Charter Enterprise School	Mercer		10/26/2014	Temporary closing – ACES suspending operations 10/26/14 for the remainder of the school year.
ARISE Academy Charter High School	Philadelphia	Philadelphia City SD	6/30/2015	academic, financial, and management problems since opening
Beaver Area Academic CS	Beaver		9/30/2015	No reason in EdNA
Career Connections Charter Middle School	Allegheny		9/26/2006	No reason in EdNA
Career Connections CHS	Allegheny	Pittsburgh SD	6/30/2014	Didn't meet all of the conditions of its charter, didn't meet requirements for student performance, and didn't provide expanded choices or serve as a model.
Center for Economic & Law CHS	Philadelphia	Philadelphia City SD	6/30/2003	Close Date 6/30/03 – Charter revoked
Chester CS	Delaware	Chester-Upland SD	6/30/2014	No reason in EdNA
Creative Educ Concepts CS	Delaware	Chester-Upland SD	8/31/1999	Charter revoked
Education Plus Academy Cyber CS	Chester		12/30/2015	financial issues stemming from the state budget freeze of 2015
Einstein Academy CS	Bucks	Morrisville Borough SD	6/30/2003	Charter revoked
Erin Dudley Forbes CS	Chester	Oxford Area SD	6/30/2010	Closed
Frontier Virtual Charter High School	Philadelphia	Philadelphia City SD	7/1/2012	Financial mismanagement, student truancy, poor academic performance
Germantown Settlement CS	Philadelphia	Philadelphia City SD	6/30/2009	No reason in EdNA
Graystone Academy CS	Chester	Coatesville Area SD	6/30/2013	No reason in EdNA
Hope CS	Philadelphia	Philadelphia City SD	6/30/2013	Closed 6/30/13 charter revoked by School District – academic, financial and operational issues
Imani Education Circle CS	Philadelphia	Philadelphia City SD	6/30/2016	Poor academic performance and financial mismanagement
Medical Academy CS	Lehigh		6/30/2016	Poor academic performance and financial mismanagement
Midwestern Regional Virtual CS	Mercer		6/30/2016	No reason in EdNA
New Hope Academy CS	York	York City SD	6/30/2014	failure to meet state academic performance requirements
New Media Technology CS	Philadelphia	Philadelphia City SD	6/30/2016	Poor academic performance and financial mismanagement. Failure to provide students with the rich technology outlined in its application
Northeast CS	Lackawanna		8/7/2003	No reason in EdNA
Northwest PA Collegiate Academy CS	Erie	Erie City SD	6/30/2005	Closed
PA Learners Online Regional Cyber CS	Allegheny	Steel Valley SD	6/30/2013	Closed June 2013 organizational/operational reasons
Pennsylvania Global Academy CS	Erie	Millcreek Township SD	8/9/2005	Closed – PA global reclosed with date of 8/17/05. It had been reopened on 9/21/05 to allow child accounting to process a final social security reimbursement.
Pocono Mountain Charter School	Monroe	Pocono Mountain SD	6/30/2014	Closed June 23, 2014
Pocono School of Excellence CS	Monroe	Pocono Mountain SD	6/30/2004	No reason in EdNA

Renaissance Acad Pgh Alt of Hope CS	Allegheny	Pittsburgh SD	6/30/2007	No reason in EdNA
Renaissance CS	Philadelphia	Philadelphia City SD	6/30/2009	No reason in EdNA
Ronald H Brown CS	Dauphin	Harrisburg City SD	6/30/2006	No reason in EdNA
Sankofa Academy CS	Chester	West Chester SD	6/30/2014	Closed June 2014 academic, financial and operational
Solomon Charter School, Inc.	Philadelphia	Philadelphia City SD	10/30/2013	Closed October 2013 charter voluntarily surrendered charter due to organizational/operational reasons
Thurgood Marshall Acad. CS	Allegheny	Wilkinsburg City SD	11/15/2002	failure to provide the promised curriculum, to use the number of certified teachers required by law, to meet the requirements for student performance and to follow acceptable financial standards
Truebright Science Academy CS	Philadelphia	Philadelphia City SD	6/30/2019	failure to make adequate yearly process (AYP) in every year during the Charter School's current charter term, failure to provide adequate academic supports and program implementation for English Language Learners and for students with special needs, and having fewer than 75 percent of professional staff certified.
Village CS of Chester-Upland	Delaware	Chester-Upland SD	6/30/2008	Charter and district merged the school into the district program
Vitalistic Therapeutic CS of the Lehigh Valley	Lehigh	Bethlehem Area SD	1/30/2013	Closed January 2013 charter revoked by School District
Wakisha CS	Philadelphia	Philadelphia City SD	12/23/2014	Closed December 19, 2014 financial and Operational
Walter D Palmer Leadership Learning Partners CS	Philadelphia	Philadelphia City SD	1/30/2015	Closed December 31, 2014, financial and operational; SRC revocation of Charter on January 15, 2015.
Young Scholars Kenderton CS	Philadelphia	Philadelphia City SD	6/30/2016	Partnership school that reverted back to SRC control. Scholar Academy's charter operator left Kenderton due to the high cost of operating the school's large special education population.

APPENDIX B

2012-2013 High Performing Charter Schools GREATER THAN 50% Economically Disadvantaged Students

County	School Name	Grade Range	Total Enrollment	% Econ. Disadv. Students	% of Spec. Needs Students	Year Est.	SPP Score
Allegheny	Propel CS-McKeesport	K-8	394	87	12	2004	82.8
Allegheny	Urban League of Greater Pittsburgh CS	K-5	214	86	7	1999	85.5
Philadelphia	Folk Arts-Cultureal Treasures CS	K-8	477	85	13	2005	88
Philadelphia	Young Scholars CS	MS 6-8	250	83	12	1999	88.6
Allegheny	Propel CS-Montour	K-8	416	71	16	2007	80.4
Allegheny	City CHS	HS 9-12	622	66	12	2002	81.2
Philadelphia	Ad Prima CS	K-8	407	66	4	2004	86
Philadelphia	Christopher Columbus CS	K-8	779	66	12	1999	86
Philadelphia	New Foundations CS	K-10	1,067	62	9	2000	83.5
Philadelphia	Franklin Towne Charter Elementary School	K-8	902	55	11	2000	81.8
Erie	Montessori Regional CS	K-6	337	52	8	2004	89.8
Philadelphia	Franklin Towne CHS	HS 9-12	1,013	51	11	2000	89.1

2012-2013 High Performing Charter Schools LESS THAN 50% Economically Disadvantaged Students

County	School Name	Grade Range	Total Enrollment	% Econ. Disadv. Students	% of Spec. Needs Students	Year Est.	SPP Score
Philadelphia	Philadelphia Performing Arts CS	K-8	1,060	44	10	2000	83.9
Bucks	School Lane CS	K-8	642	38	9	1998	82.3
Philadelphia	MAST Community Charter School	K-12	1,306	37	13	1999	90.0
Luzerne	Bear Creek Community CS	K-8	421	36	14	2004	80.0
Philadelphia	Philadelphia Academy CS	K-12	1,182	31	21	1999	80.4
Allegheny	Environmental Charter School at Frick PA	K-8	525	30	10	2008	85.0
Beaver	Baden Academy CS	K-5	210	25	9	2012	89.1
Chester	Collegium CS	K-12	2,043	25	12	1999	86.2
Chester	Renaissance Academy CS	K-12	975	20	8	1999	87.9
Philadelphia	Green Woods CS	K-8	413	16	11	2002	89.5
Centre	Young Scholars of Central PA CS	K-8	246	14	10	2005	82.3
Dauphin	Infinity CS	K-8	121	12	4	2003	89.9
Northampton	Souderton CS Collaborative	K-12	1,083	11	7	2002	85.0
Montgomery	Lehigh Valley Academy Regional CS	K-8	197	7	11	2000	93.2
Bucks	Bucks County Montessori CS	K-6	199	0	10	2000	94.2
Monroe	Evergreen Community CS	HS 6-12	94	0	5	2006	82.3

2013-2014 High Performing Charter Schools GREATER THAN 50% Economically Disadvantaged Students

County	School Name	Grade Range	Total Enrollment	% Econ. Disadv. Students	% of Spec. Needs Students	Year Est.	SPP Score
Philadelphia	*Folks Arts-Cultureal Treasures CS	K-8	481	84	13	2005	88.4
Allegheny	Propel CS-Northside	K-5	295	84	15	2011	81.8
Allegheny	*Propel CS-McKeesport	K-8	397	83	11	2004	83.8
Philadelphia	*Young Scholars CS	MS 6-8	251	81	12	1999	89.2
Philadelphia	Mastery CS-Thomas Campus	K-12	1123	71	14	2006	81.5
Philadelphia	*Christopher Columbus CS	K-8	794	65	11	1999	87.7
Philadelphia	*Franklin Towne CHS	HS 9-12	1190	56	9	2000	86.1
Philadelphia	Laboratory CS	K-8	497	55	3	1998	83.9
Philadelphia	Planet Abacus CS	K-8	492	55	4	2007	81.8

*Charter Schools was also a Performing Charter School in 2012-2013

2013-2014 High Performing Charter Schools LESS THAN 50% Economically Disadvantaged Students

County	School Name	Grade Range	Total Enrollment	% Econ. Disadv. Students	% of Spec. Needs Students	Year Est.	SPP Score
Luzerne	*Bear Creek Community CS	K-8	437	41	15	2004	87.4
Bucks	*School Lane CS	K-8	822	41	8	1998	83.3
Philadelphia	*MAST Community Charter School	K-12	1322	37	13	1999	86.6
Northampton	*Lehigh Valley Academy Regional CS	K-12	134	33	8	2002	82.8
Centre	*Young Scholars of Central PA CS	K-8	271	28	9	2005	82.6
Beaver	Lincoln Park Performing Arts CS	HS 7-12	656	28	7	2005	81.1
Northampton	Lehigh Valley Charter School for Arts	HS 9-12	472	25	10	1999	88.0
Centre	Centre Learning Community CS	MS 5-8	102	24	27	1998	87.3
Chester	*Renaissance Academy CS	K-12	999	20	15	1999	92.5
Philadelphia	*Green Woods CS	K-8	466	17	9	2002	83.8
Lackawanna	Howard Gardner Multiple Intelligence CS	K-8	189	13	0	2012	85.7
Dauphin	*Infinity CS	K-8	124	10	0	2003	96.7
Montgomery	*Souderton CS Collaborative	K-8	204	5	12	2000	92.0
Bucks	*Bucks County Montessori CS	K-6	200	0	10	2000	94.4
Monroe	*Evergreen community CS	MS 6-12	95	0	0	2006	84.3

*Charter Schools was also a Performing Charter School in 2012-2013

**2015-2016 High Performing Charter Schools GREATER THAN 50%
Economically Disadvantaged Students**

County	School Name	Grade Range	Total Enrollment	%Econ. Disadv. Students	% of Spec. Needs Students	Year Est.	SPP Score
Allegheny	City CHS	9-12	617	68	14	2002	89.8
Philadelphia	Franklin Towne CHS	9-12	1197	67	12	2000	94.9

**2015-2016 High Performing Charter Schools LESS THAN 50%
Economically Disadvantaged Students**

County	School Name	Grade Range	Total Enrollment	%Econ. Disadv. Students	% of Spec. Needs Students	Year Est.	SPP Score
Bucks	School Lane CS	K-11	1089	46	11	1998	83.7
Allegheny	MAST Community Charter School	K-12	1313	40	14	1998	86.2
Beaver	Lincoln Park Performing Arts CS	7-12	706	27	7	2005	81.7
Northampton	Lehigh Valley Charter HS for the Arts	9-12	553	21	6	1999	84.8
Chester	Renaissance Academy CS	K-12	1060	20	15	2000	82.8
Dauphin	Capital Area School for the Arts CS	9-12	187	17	7	2013	86.7
Dauphin	Infinity CS	K-8	151	7	6	2003	80.8
Montgomery	Souderton CS Collaborative	K-8	222	5	10	2000	92.9
Bucks	Bucks County Montessori CS	K-6	194	0	8	2000	91.1

Intentionally left blank