

SUMMARY

Initiative 1240



Overview

I-1240 is a voter initiative intended to change state law to allow non-profit entities to operate charter schools in Washington state. It was placed on the ballot after sponsors obtained more than the 240,000 required signatures. Voters will decide on the initiative in the November 2012 election.

This is a summary of the initiative. It is not law unless passed by Washington voters in November. The summary is based on staff analysis and may not reflect the views of the WSSDA Board or its membership.

Scale of the initiative

The initiative would allow up to 40 new charter schools over a five-year period, or an average of eight per year. If fewer than eight schools are approved in any one year, the difference can be made up in the remaining years.

There are no limits on how many students a school may have. All charter schools would be defined as public, common schools under state law. They must provide basic education and participate in statewide student assessment. They could provide any grade, program or course that other public schools offer.

Through their boards, charter schools would have the powers to manage staff, receive funds, issue debt, rent, lease or own real property, accept gifts, contract with other public or private entities and issue diplomas. They could not engage in religious practices and could not accept gifts from religious groups.

Creation of a charter school

The initiative defines two types of charter schools.

Conversion school

This is a charter school created by converting an existing non-charter public school into a charter school. An application for a conversion must meet all the requirements of a new charter school (*see below*). In addition, it must include either:

- A petition signed by a majority of parents or
- A petition signed by a majority of teachers.

New charter school

This is a start-up charter school. It is not part of a prior school, as is the conversion school. Approval is based on a number of application elements. The following are a sample:

- Mission and vision, including the targeted student population.
- Information on proposed board members, school leadership and management.
- Description of instructional design.

KEY ISSUES OF CONTROVERSY

- Do charter schools perform better, worse or the same as public schools with regard to student achievement and reducing the achievement gap?
- Are charter schools relatively more or less effective in educating students with disabilities?
- Does allowing a charter school to operate with fewer rules and restrictions and without direct local school board oversight increase productive flexibility or reduce accountability?
- What happens in a conversion school if teachers disagree with parents in petitions for a charter?
- How would the creation of charter schools affect the administration of other schools in a district?
- Does the petition requirement for school conversions act as a trigger or is it simply one among several requirements an authorizer must consider in deciding whether to approve a charter school?
- Are conversion schools included in the 40-school limit on charter schools or is there language in the initiative that suggests they may not be included?

- Evidence the education program is based on proven methods.
- Start-up and five-year cash flow projections and budgets.

A group applies to what is known as an “authorizer” to open a charter school. The authorizer makes a decision based on the information in the application and a previously published set of criteria. They must give preference to applications designed to enroll and serve at-risk populations. However, they cannot require charter schools to serve these populations. The law also allows schools to be organized around a specific concept, theme or emphasis.

Oversight and governance

Authorization of charter schools

Charter schools would be overseen by an existing local school board or a new Washington Charter School Commission. These are referred to as “authorizers.” The state board of education would be responsible for approving local school boards as authorizers.

The state board of education would establish an annual timeline for charter applications. Following the timeline, the authorizers accept applications and decide whether to approve or deny an applicant for a charter school. They must base each decision on a set of previously published criteria. They must act openly, avoid conflicts of interest, and give reasons for a denial.

Before final approval, the state board of education must determine that creating the new school will not cause the state to exceed the number of charter schools allowed by law.

Accountability of charter schools

Within 90 days of a charter application approval, the authorizer and governing board for the approved school must agree on a contract. The contract must require the school to provide services that meet basic education standards in return for funding. The contract includes academic and operational performance expectations and measures.

Authorizers are expected to continually monitor performance and legal compliance by their charter schools. If either is unsatisfactory, the authorizer must in most cases let the school know and give it a chance to fix the problem.

Each authorizer must submit an annual report to the state board of education. The report must cover the academic and financial performance of all schools under the authorizer’s jurisdiction. The state board is responsible for overseeing the authorizers work and can revoke the authorizing contract under some circumstances.

Working with the state charter school commission, the state board of education is required to issue an annual report that includes, among other items, a comparison of the performance of charter and non-charter schools.

Composition of state charter school commission

The governor, president of the senate and speaker of the house would each appoint three people to this new nine-member commission. At least one member would be a parent.

The initiative lists the types of experience the members should have and specifies that all must have demonstrated commitment to charter schooling as a way to improve education. Members would have four-year, staggered terms. Operations and staff costs for the commission would be provided by the governor’s office until other resources are obtained. For administrative purposes, staff would be located in the governor’s office.

QUESTIONS FOR SCHOOL BOARDS

- Which agencies does our state empower to authorize charter schools?
- How does the local school board fit into the authorizing process?
- What is the state process for evaluating whether local charter schools are in fact improving achievement?
- Is there a process for closing underperforming charter schools prior to their renewal date?
- How would the creation of a charter school affect sports and other interscholastic activities of a non-charter public school?
- Does our state have caps or an appeals process for the creation or removal of charter schools?
- What is the interaction between charter and traditional public schools?
- What lessons could we apply from local or national charter schools about school size, instruction, etc. to our traditional public schools?

Sources: The Center for Public Education
WSSDA staff

Elements of the charter contract

The authorizer and charter governing board are required to have a contract in place within 90 days of approval of an application. In it, the charter school must agree to meet at least minimum basic education requirements in return for funding. The contract must also clearly lay out the academic and performance expectations and measures by which the school will be judged.

They must report academic performance, academic growth, achievement gaps, attendance, the percent of students who return from one year to the next, graduation rates, post-secondary readiness, financial status and sustainability, and board performance. Working with their authorizers, charter schools would be required to set annual performance targets.

The contract can cover one or more charter schools approved by the authorizer, but each school is considered separately as part of the limit on total charter schools in the state. Performance information must also be reported separately for each school.

Renewal and shut down of charter schools

An authorizer may renew a charter contract for additional five-year terms. In some cases, the term could be shorter or contingent upon improvements, including corrective action. Renewal depends upon the school fulfilling its contract, in part based upon performance.

A contract may be revoked at any time or not be renewed if a school commits a significant violation of its contract, fails to meet or make progress toward performance goals, fails to meet fiscal standards or violates the law. Except under exceptional circumstances, a contract would not be renewed if the school's performance falls into the bottom 25 percent of all schools. If a school is closed, any remaining public funds return to their original state or local account.

Compliance with laws

Charter schools would have to comply with the same federal and state laws involving health, safety, parents' rights, civil rights and nondiscrimination laws that govern other public schools. These laws are not expressly described in the initiative, so it is uncertain which Washington state laws would apply. The governing board is subject to the state's Open Meeting Act. Charter schools would be exempt from statutes and rules on scheduling, personnel, funding and education programs. They would also be exempt from school district policies, unless those were included in the charter contract.

Admission and staffing

Student admission

Age group, grade level and capacity are the only criteria for limiting the admission of a student. A charter school would be open to any student regardless of where he or she lived. Conversion schools would have to have enough capacity to fit all students who wanted to transfer from the existing school. If a charter school has more applicants than it has capacity, it must select students by lottery, with one exception. Siblings of existing students would get preference.

Staff credentialing, benefits and collective bargaining

The initiative requires charter school teachers to meet the same certification requirements as other public schools under the law. This includes requirements that non-certified instructors be of "unusual competence" and work under the supervision of a certified teacher.

CHARTER SCHOOL FACTS

- **Forty-one states and the District of Columbia have laws allowing charter schools.**
- **California is the state with the largest number of charter schools at 982. Arizona is second with 508. Wyoming has the fewest at three, according to the National School Boards Association.**
- **Nationally, about four percent of public school students attend charter schools. The percentage ranges from 40% in Washington, D.C. to 0.3 percent in Wyoming.**
- **There are about 5,700 charter schools in the U.S, according to the Center for Education Reform (CER).**
- **Of about 6,700 charter schools that have opened in the U.S. since 1992, 15 percent, or 1,036 have closed, according to CER.**
- **About 17 percent of charter schools perform significantly better than the traditional public schools in reading and math, while 37 percent performed worse and 46 percent were about the same, according to the Center for Research on Education Outcomes (CREDO).**

Sources: National School Boards Association, Center for Education Reform, Center for Research on Education Outcomes, Center for Public Education, RAND Corporation.

Charter schools do not have to follow the state salary schedule that other public schools must meet and they would not be subject to existing union-district agreements governing the use of certified or classified staff.

Funding and facilities

Funding of charter schools

Under I-1240, charter schools would report student enrollment and receive funding in the same way as other public schools. This includes general apportionment, special education, categorical and other basic education funding.

A charter school would be entitled to its first year payments based on enrollment projections. The payments would later be adjusted by OSPI based on actual enrollment.

Charter schools would qualify for transportation payments as part of the allocation to the school district where the charter school is located. They could also apply for special grants on the same basis as other schools.

Tax levies and authorizers fee

For the purposes of tax levies, charter schools authorized by a local school board would be included in levy planning, budgets and funding distributions in the same way as other schools in the district. Charter schools not under a local school board would not be eligible for levy funds passed before their start-up, but would have to be included in the above planning, budgets and funding after they open. Conversion schools would be eligible for local levy funds approved by voters before startup.

The charter authorizer — a local school district or the state charter school commission — can receive up to four percent of a school's operating funding as an oversight fee. The actual formula would be determined by the state board of education and the funds can only be used to carry out responsibilities as an authorizer.

Facility funding for charter schools

Like other public schools, charter schools would be eligible for state matching funds for construction. In addition, a charter school would have the right of first refusal to purchase or lease a closed public school facility or unused space in that district. This is contingent on a district deciding to sell or lease the facility or space.

The charter school could also contract for space with a district or any other public or private group, including colleges. All of this would be at or below market rates. A conversion school would be allowed to use the existing facility without paying rent. The school district would be responsible for major repairs and safety upgrades while the charter school would cover routine maintenance.

Other school district responsibilities

The initiative includes a number of school district responsibilities designed to support charter schools. First, it requires districts to inform parents and the public of charter school enrollment options. Second, it requires a district to accept credits for any student who enters from a charter school. Third, it makes charter schools eligible for state or district-sponsored interscholastic programs, awards, scholarships and competitions on the same footing as other public schools.



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