
Building Excellence in Charter School Authorizing

Critical Design **Issues**, **Illustrations** and Case Studies



National Association of Charter School Authorizers

promoting quality charter schools

Published by
National Association of Charter School Authorizers
1125 Duke Street
Alexandria, VA 22314-3513
703/683-9701
703/683-9703 (fax)
www.charterauthorizers.org

Copyright © 2003 National Association of Charter School Authorizers

Dear Colleague,

Charter schools serve an increasingly vital role in enhancing the education opportunities of students and raising the performance expectations of public education as a whole. Lately, there has been growing recognition that the quality of charter schools across the country is greatly influenced by the capacities and effectiveness of their authorizers.

The *Building Excellence in Charter School Authorizing* project has served as a platform for the National Association of Charter School Authorizers (NACSA) to develop practical resources to strengthen the capacities of a diverse array of authorizers to charter high quality schools.

Supported by an initial two-year grant from the U.S. Department of Education, the *Building Excellence* project has enabled NACSA to develop a comprehensive Online Library of Charter School Authorizer Resources, conduct critical design research into core authorizer responsibilities and issues of transparency in authorizer practices, and launch a series of Intensive Seminars addressing these core responsibilities in a practice-based workshop environment.

The ***Critical Design Issues for Charter School Authorizers*** has provided a guiding framework for all of NACSA's *Building Excellence* work. Through a series of planning questions, *Critical Design Issues* identifies a core set of activities and practical choices associated with a comprehensive charter school authorizing program. The accompanying illustrations, case studies and authorizer resources augment the value of the guiding questions by describing approaches used by experienced authorizers.

Earlier drafts of the *Critical Design Issues* have provided grist for several state and regional efforts to identify effective authorizing practices and served as the underpinnings of research into charter school authorizing published by the Thomas B. Fordham Institute in Spring 2003. We are now pleased to publish this work in final form.

We wish to acknowledge the project guidance received from the NACSA Board of Directors and the *Building Excellence* Advisory Committee. We offer our special thanks to project director Margaret Lin, principal investigator Bryan Hassel, and a team of our colleagues from Public Impact, New American Schools, the Center on Reinventing Public Education at the University of Washington and NACSA's associate director, William Haft.

Over the next three years, we will be adding substantially to this body of work thanks to renewed support from the federal Charter School Program. The core concepts and practices discussed in this publication will inform our future work and lead to more resources that support the development of high-quality charter schools in greater numbers across the country.

We commend this resource to you with our thanks for your continued interest.

Sincerely,



Greg Richmond
President



Mark Cannon
Executive Director

Acknowledgments

The National Association of Charter School Authorizers conducted this work on *Critical Design Issues for Charter School Authorizers* through a grant awarded under the Charter Schools Program of the U. S. Department of Education's Office of Innovation and Improvement.

Development of this publication involved the work of skilled researchers and writers, including:

Project Team

Directors: Mark Cannon & Margaret Lin

Manager: William Haft

Principal Investigator: Bryan Hassel

Researchers:

Meagan Batdorff	Cynthia Skinner
Paul Herdman	Nelson Smith
Robin Lake	Fonda Sutton
Jeff Petty	Michelle Godard Terrell

Special appreciation goes to Margaret Lin, former NACSA executive director, and William Haft, associate director, for their extensive involvement in writing, editing and managing the project.

Project Advisors

Paul Hill, Center on Reinventing Public Education, University of Washington
Bruno Manno, Annie E. Casey Foundation
Marc Dean Millot

Building Excellence Advisory Committee

Josephine Baker, Cynthia Banach, Susan Barnes, Doris Caine, Rebecca (Holmes) Cass, Mick Founts, James Goenner, John Griego, David Harris, Courtney Henderson, Yvette Jenkins, Kristen Jordison, Julie Lane, Marta Reyes, John Rothwell, Lynne Sobczak, Iris Zvi

NACSA Board of Directors - 2003

Greg Richmond, Chicago (IL) Public Schools Charter Schools Office (President)
Josephine Baker, District of Columbia Public Charter School Board (Vice President)
James Goenner, Central Michigan University Charter Schools Office (Treasurer)
Marta Reyes, El Dorado County (CA) Office of Education (Secretary)
Jonathan Gyurko, New York City Department of Education
David Harris, Office of the Mayor, City of Indianapolis (IN)
James Merriman, Charter Schools Institute, State University of New York
Otho Tucker, North Carolina Department of Public Instruction Office of Charter Schools

Table of Contents

Acknowledgments3

Introduction.....5

Critical Design Issues6

Roles and Responsibilities.....7

Agency Capacity and Infrastructure13

Application Process19

Charter Contract or Performance Agreement29

Ongoing Oversight and Evaluation37

Renewal Decisionmaking43

Case Studies & Authorizer Resources49

 Arizona State Board for Charter Schools51

 Central Michigan University.....63

 Chicago Public Schools77

 Los Angeles Unified School District89

 Massachusetts Department of Education101

 North Carolina State Board of Education119

Introduction

With funding from the U.S. Department of Education, NACSA has completed its initial two-year program of research and technical assistance focused on *Building Excellence in Charter School Authorizing* (BECSA). Recognizing the role of charter authorizers at the foundation of the charter school infrastructure, the BECSA project aims to strengthen the quality and success of charter schools nationwide by enhancing the knowledge base, capacities and practices of all types of authorizers.

Since the fall of 2001, the project has built a comprehensive [Online Library of Charter School Authorizer Resources](#). This library provides instant access to a vast collection of resources, policies, protocols and tools developed and used by authorizers and related state agencies across the country in all areas and phases of chartering practice. Available at www.charterauthorizers.org/pubnacsa/library/, NACSA updates and expands the Resource Library regularly.

Through the contributions of the NACSA Board of Directors and project advisors, the project has developed a series of critical design [issues](#) and [illustrations](#) to help authorizers examine options and possibilities in key areas of authorizing responsibilities.

Critical Design Issues for Charter School Authorizers presents a core set of questions that authorizers should address in developing a comprehensive approach to charter school authorizing. These critical design issues prompt authorizers to examine their authorizing goals and to evaluate the best ways to meet those goals. NACSA believes that variations in state law, authorizer goals, and authorizer resources make it philosophically unwise and practically impossible to propose one “right” approach to charter school authorizing. However, *every* authorizer can and should develop a coherent, considered approach to chartering and oversight that is clear and comprehensible to charter applicants, operators, and the interested public. This resource guides authorizers in developing such customized approaches.

The Critical Design Issues publication also includes six in-depth case studies that profile a diverse set of authorizers around the nation, highlight how they have addressed key authorizer challenges and responsibilities, and include *practical resources* these authorizers have developed and use in their practice.

Comments or questions about this publication should be directed to info@charterauthorizers.org.

Critical Design Issues for Charter School Authorizers

Designing charter school authorization policies and practices is complex. State laws dictate many of the policies that charter school authorizers must follow, but they typically leave authorizers substantial discretion in implementing the charter law.

This discretion brings authorizers considerable opportunities, responsibilities and challenges. Authorizers are expected to balance the interests of school autonomy and accountability, which at times may seem to be at odds. For most authorizers, striking this balance is a new challenge, as few precedents exist for developing and managing performance contracts in public education. Authorizers are expected to create systems of oversight and accountability that respect charter schools' granted freedoms and distinct missions, while providing appropriate legal oversight and holding schools accountable for soundly measured educational results.

These are demanding responsibilities, and to date authorizers have had to develop their own models of practice. Authorizers have been pressed to plunge into this work—frequently staying just one step ahead of the schools they authorize—without the opportunity to deliberate on their new roles, build agency capacity, or benefit from chartering practices developed by peer agencies.

Critical Design Issues for Charter School Authorizers aims to help authorizers plan their practices more efficiently, perhaps avoiding the trial-and-error that many pioneer authorizers had to undergo. This planning tool poses a series of questions to help authorizers think through the “critical design issues” over which they may have some control for policy-setting. It is intended to encourage comprehensive,

focused planning in charter school authorizing. At the same time, these questions do not aim to suggest a single best way to authorize charter schools. Rather, their purpose is to prompt authorizers to examine options and possibilities, and to develop their authorizing policies and practices based on thoughtful consideration of options.

The critical design issues identified here fall under six broad areas:

1. Roles and Responsibilities
2. Agency Capacity and Infrastructure
3. Application Process
4. The Charter Contract or Performance Agreement
5. Ongoing Oversight and Evaluation
6. Renewal Decisionmaking

For each of the categories, we have illustrated different approaches authorizers take to resolving the critical design issues. These illustrations are based on interviews and other research conducted with 12 authorizers in agencies across the country on the basis of their geographical, organizational, philosophical and operational diversity. The illustrations show a range of approaches to various tasks within each stage of authorizing responsibility but are not designed to represent direct contrasts or to highlight “right” or “wrong” approaches. The complete list of authorizing agencies interviewed for these Illustrations appears in Table 1.¹ Readers can find resources developed and used by these and many other authorizers in NACSA's easily searchable **Online Library of Charter School Authorizer Resources**, www.charterauthorizers.org/pubnacsa/library/.

1. Roles and Responsibilities

Authorizers must, first and foremost, define their roles and responsibilities in relation to the charter schools they authorize and oversee. Will an authorizer be a contract manager, performance evaluator, and judge? Yes, by definition of the role.

Will the authorizer also be a technical guide, resource broker, technical assistance provider, and/or charter school advocate? That answer will depend on a number of factors including political climate, resources, and relevant law. However, agency mission and philosophy should provide the basis for the decision.

Some authorizers retain an “arm’s-length” relationship with charter schools on the principle that this is the best way to honor the autonomy/accountability exchange at the heart of the charter idea. Other authorizers believe that a potentially good school should not be allowed to fail for lack of information, resources, guidance, or assistance that the authorizer is equipped to provide. Potential authorizer roles can span a continuum from arm’s-length decisionmaker to resource broker to direct partner. Of course, the authorizer’s ongoing responsibilities as contractor, evaluator, and judge underlie any point on the continuum.

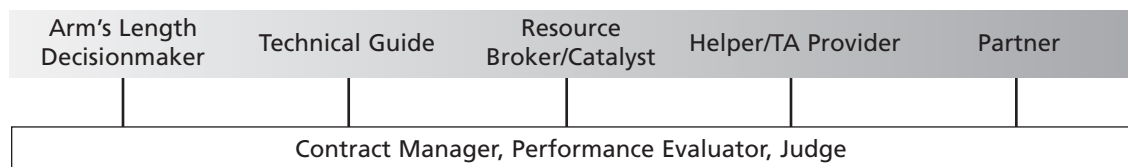
Practical, philosophical, legal, and political variation among authorizers means that the degree to which an authorizer engages in any of these roles varies greatly. At the same time, many authorizers choose multiple roles along the continuum of choices—the roles are not mutually exclusive. All authorizers are, by definition, contract managers, but the variations lie in how different authorizers shape this role. For example, a contract manager must provide some degree of guidance to schools under its oversight, but the degree may vary from

minimal—providing only the types of information necessary for schools to operate legally—to more proactive, such as offering information to help schools navigate bureaucracies. Although authorizers can and do take different approaches, it is essential that every authorizer make considered decisions about its appropriate roles and responsibilities. The following questions provide a framework for making these decisions.

Continuum of authorizer roles:

Where do you want to be on the continuum of authorizer roles? Will you choose to maintain distance and focus on performance contracting, or will you be an active partner for the school? Will you choose a role somewhere between these two points on the continuum, choosing to be a catalyst or broker for third-party support or providing direct technical assistance by the authorizer?

- If you choose to maintain greater objectivity by staying at arm’s length and focusing solely on performance contracting, how will schools get the technical and other assistance they need?
- If you choose to provide technical assistance or have a partner relationship with schools, how can you ensure that you maintain the distance needed to oversee the schools, ensure their operating autonomy, and evaluate them objectively?
- If you choose to be a catalyst or broker for third-party support, how will you structure your activities and relationships to accomplish this goal?
- In case of budget or staffing constraints, what are your highest priorities or primary authorizing goals?



Providing resources to schools:

- Will you take on the same responsibilities with all charter schools or will you adjust your role according to each school's needs? For example, will you provide additional technical assistance or supplementary funds, or help identify such resources for charter schools?
- If your agency controls charter schools' funding, how will you set charter funding levels and timing? Will you ensure that all

charters have access to similar school district, state and federal resources? How will funding policies address issues like mid-year student transfers?

- What will your role be regarding facilities access or financing?
- If your agency does *not* control charter schools' funding or facilities, what role, if any, will you play in ensuring that schools you authorize have access to available resources?

Illustration 1: Roles & Responsibilities

What role(s) and responsibilities will you assume?

Should charter authorizers be very "hands-on," providing intensive support to schools in a close partnership? Or should they maintain more distance, overseeing the schools' fulfillment of their charters but avoiding much involvement as helpers? Authorizers have different responses to these questions. Some have their roles clearly defined by legislation. Others have less explicit but very real political constraints on the roles they can or must play. Most authorizing agencies are elected bodies or consist of political appointees. In this context, philosophy and politics inevitably will generate widely varying authorizer policies and practices.

The level of human and financial resources provided to charter authorizers also affects their design choices. Authorizers with low levels of funding cannot afford to provide much technical assistance and strong support or conduct intense oversight. Within the constraints they face, it is also natural for the staff and boards of authorizing agencies to bring their own perspective and vision to bear on the decisions they make.

Los Angeles Unified School District

Los Angeles Unified School District's (LAUSD) approach to chartering focuses on integrating charter schools constructively into the "District family," proactively developing school leadership capacity, and creating a hospitable environment for charter operation. These goals inform the District's entire authorizing process from pre-application through renewal. For example, LAUSD's Charter School Development Office (CSDO) offers charter applicants monthly orientation meetings and strong assistance through the charter development process, as well as referrals to external technical assistance resources. The office is working to foster a "Community of Practice Network" among charter schools to build capacities and encourage replication of effective practices. Likewise, to promote collaboration and learning between charter schools and the broader education community, CSDO envisions sponsoring regular conferences, symposia and site visits bringing together charter- and District-run schools to share and replicate successful practices in many areas.

North Carolina State Board of Education

A lack of financial resources from the state, few technical assistance providers, and a cap of 100 schools provides for a constrained authorizing environment in North Carolina. These limitations have compelled the Board to focus on the essentials—overseeing charter contracts and school compliance with laws and regulations. The scarcity of resources has led the Board to develop a range of low-cost approaches to carrying out its authorizing roles. Low-cost strategies include implementing a volunteer advisory committee to make recommendations on all charter school decisions; taking proactive steps such as developing guidelines to clarify expectations and help prevent problems; and lengthening the start-up timeline to allow schools a planning year.

Central Michigan University

Central Michigan University's Office of Charter Schools (CMU) has blended a hands-on technical assistance approach with regulatory oversight. The state's charter legislation mandates that charter schools comply with nearly all laws and regulations that apply to traditional public schools. The resulting administrative burden is heavy. CMU's Office of Charter Schools must ensure compliance, but it seeks to streamline reporting requirements and reduce burdens wherever possible. The director of the office identifies one of his responsibilities as "running interference" for charters by handling public scrutiny, thereby allowing charter schools to focus on education. The office is requiring increasing amounts of training upfront for charter developers to help schools be self-reliant and successful. CMU has contracted with the National Charter Schools Development and Performance Institute, a Michigan-based nonprofit, to provide governance training to its charter school boards. Using funds from its general operating budget, CMU covers the negotiated fee of \$800 per school for charters that take advantage of the training. CMU's office assigns staff to each school; assigned staff maintain regular contact, provide on-call advice and feedback, and visit schools frequently throughout the year.

Illustration 2: Roles & Responsibilities

If you choose to provide active technical assistance or have a partner relationship with schools, how can you ensure that you maintain the distance needed to preserve schools' operating freedoms and evaluate them objectively?

Authorizers provide two main types of technical assistance: pre-emptive assistance and intervention. Pre-emptive assistance may involve workshops and informal visits and dialogue before problems occur or when they are just beginning to develop. Intervention occurs when a school is already in trouble. Some authorizers believe that providing official technical assistance makes it difficult to carry out their responsibilities and that schools should succeed or fail based on their own ability to get the help they need. Others simply do not have the capacity to provide technical assistance to all the schools they charter. On the other end of the continuum, some authorizers believe that providing technical assistance is necessary to help schools succeed. These authorizers must balance providing explicit hands-on assistance with maintaining enough distance to avoid micromanaging or losing their objectivity. Some authorizers attempt this balance by working with (or referring schools to) third parties that can provide needed assistance completely outside the authorizing agency. Others work to ensure that the contracts that they enter into with schools are freely negotiated and built with clear goals and measures by which the schools will be judged, thereby protecting both school independence and authorizer objectivity even as the authorizer may work affirmatively to support the school's success.

Central Michigan University

The Charter Schools Office at Central Michigan University has married a hands-on approach to a regulatory one. Its goal is to help charter schools become so familiar and comfortable with maintaining accountability standards that a focus on accountability becomes second nature, resulting in nearly all schools succeeding. CMU staff provide daily assistance, visit schools frequently, attend board meetings, provide governance training, and are "on call" to schools for guidance. Under Michigan law, charter schools face the same compliance and reporting requirements as all Michigan public schools. CMU is overcoming the challenge of overseeing schools with numerous compliance and reporting requirements by creating systems (e.g., online forms and Web-based compliance recordkeeping) that allow ease of requirement completion and accessibility for authorizers and schools alike. By developing policies and procedures that minimize administrative burdens and respect school autonomy, CMU has freed time for school administrators to focus on the operation and management of schools. Because CMU is regularly involved with the schools it has chartered, it takes extra care to ensure objectivity in its school evaluations. CMU accomplishes this in part by contracting with Standard & Poor's School Evaluation Services to provide an external analysis of each school CMU has chartered. Standard & Poor's produces annual written reports on each school based on objective analysis of several indicators of school and student performance.

Milwaukee Public Schools

Milwaukee Public Schools (MPS) has chosen to provide “support services” in addition to playing a compliance monitoring role. The authorizer’s goal is to help schools become self-sufficient at problem-solving by establishing early relationships with appropriate departments and helping schools to build strong governance boards through mandatory training. MPS also provides resources to maintain ongoing professional development. Due to recent restructuring, charter school oversight by MPS is now conducted under the Division of Diversified Community Schools. The office staffs one FT charter school employee and six additional staff members with responsibilities devoted to charters and similar contract-school options available in Milwaukee. In addition, each department within the district’s central office provides support services. Each department has an appointed charter school liaison who coordinates with the Division of Diversified Community Schools to ensure compliance and provide guidance on an as-needed basis. All training sessions offered by the district to regular public schools are offered to charter schools as well. Funds are also available to schools through the Office of Board of Governance for additional governance and finance training. While the district does provide services and resources for schools to access training outside of the district, as an authorizer Milwaukee stays out of daily management issues, such as staffing and parental concerns. MPS uses charter contracts that are clear about academic and organizational performance. These clearly defined expectations help to minimize surprises throughout the year and during renewal decisionmaking. The contracts help schools focus on mission and identify areas where improvement is needed to meet performance targets.

Los Angeles Unified School District

LAUSD’s Charter School Development Office (CSDO) seeks to build capacity in charter schools by providing some forms of technical assistance, encouraging schools to help each other, and referring schools to external resources in many cases. CSDO’s staff endeavors to offer guidance and support that schools need to streamline systems and navigate the larger LAUSD bureaucracy, while refraining from hands-on “assistance” that would deprive schools of independent operation and internal leadership opportunities. The office seeks to reduce schools’ administrative burdens as a way to free school teams to focus attention on substantive issues. In addition, CSDO is facilitating the development of a “Community of Practice Network” among charter schools—connecting veteran and novice charter operators—as an avenue to build school capacities and promote peer-based accountability systems and replication of sound practices. This network will encourage schools to serve as resources for each other, thus strengthening them without direct intervention by the District.

2. Agency Capacity and Infrastructure

Agency capacity and infrastructure help define what roles and responsibilities authorizers take on and, once adopted, how they fulfill these roles and responsibilities. Capacity and infrastructure include both the staff and financial resources needed to fulfill legal responsibilities and to meet charter school needs. Some authorizing agencies have staff who carry out all authorizing functions, ranging from the application process to renewal decisions. Others either choose or are required to delegate some authorizing responsibilities to consultants, other departments of the authorizing institution, or other organizations. A clear and early assessment of capacity and infrastructure will help authorizers make sound decisions about how to delegate responsibilities internally and externally. This publication recognizes that decisions on staffing and financial resources are rarely within the full control of the authorizer staff who shoulder day-to-day responsibility for chartering. However, the following considerations and illustrations aim to help authorizers think through their internal capacity needs to the extent that they can control or influence capacity and infrastructure decisions.

Staffing resources:

- What level and types of staffing do you need to address the core responsibilities of charter school authorizing, such as conducting an application process, monitoring school performance and compliance, and making renewal decisions?
- What functions will you carry out with your own staff? For what functions, if any, will you seek help from other parts of your organization? For what functions, if any, will you hire consultants?
- What is your strategic plan for meeting your primary goals within existing budget or staffing constraints?
- What is your strategic plan for increasing capacity and infrastructure as the number of charter schools grows?
- How will you collaborate with other public agencies and private institutions to execute your responsibilities effectively and efficiently?

Financial resources:

- How will you determine your office's financial resource needs?
- What level of financial resources does your office need to carry out its responsibilities?
- How will you work within the political process to ensure that your office has the financial resources it needs?
- How can you access additional resources if needed to carry out your work effectively? (e.g., many authorizers make use of federal, state and private grants to support their office or specific projects)
- How will you allocate limited financial resources if funding does not meet the desired level?

Illustration 3: Agency Capacity and Infrastructure

What level and types of staffing do you need to address the critical responsibilities of charter school authorizing, such as conducting an application process, monitoring school performance and compliance, and making renewal decisions?

Authorizers operate in very different policy environments and at diverse funding levels. Some authorizing organizations are challenged to fulfill their responsibilities and meet the needs of their charter schools adequately while operating with minimal human and financial resources. Lightly staffed agencies risk being overstretched with the competing demands of charter schools, other agency priorities, other governmental organizations, and the larger community. These organizations may end up being able to perform only minimal regulatory tasks, leaving the chartered schools to struggle mostly on their own without feedback or guidance. On the other hand, large authorizing organizations that are well-funded and fully staffed with personnel assigned to narrow roles risk micromanaging or, conversely, being too distant from individual schools. Without safeguards, these organizations can create the kind of stifling bureaucracies that the charter school idea was supposed to remedy. Authorizers can and do avoid such pitfalls through careful planning.

Among the twelve authorizers included in this study, the ratio of schools to staff ranged from nearly 57 schools per staff member to fewer than two schools per staff member (see Table 1). Most of the authorizers outsource varying levels of responsibilities to contractors and work with other divisions of their organizations or other agencies on charter school matters.

Central Michigan University

The Charter Schools Office at CMU has created an organized authorizing structure staffed by 37 full-time staff members and 24 temporary employees and contractors (as of fall 2003). This level of staffing is funded by a legislatively authorized administrative fee (3% of schools' per capita revenues) collected from the 57 schools that CMU oversees. CMU's charter office has developed cohorts of staff who concentrate on charter school advocacy, research and design of accountability initiatives, and systems development. The last of these efforts has focused on building technological capacity in the schools CMU oversees. The director of CMU's charter office believes that a well-planned authorizing system is necessary to meet the organization's responsibilities. With the goal of developing a working relationship and offering consistent contact with authorizing staff, the Charter Schools Office assigns staff to provide ongoing monitoring and assistance to each school. Staff members attend board meetings and are available on an on-call basis for feedback and advice. CMU provides ongoing training to its schools in many areas of school management, and it contracts with an outside organization to provide governance training for charter school board members. CMU has devised ways to streamline reporting requirements and to help schools comply with regulations. Charter school leaders have described the office as a "sleek operating machine," with a level of professionalism that can serve as an organizational model for the schools themselves.

Arizona State Board for Charter Schools

On the other end of the staffing spectrum is the Arizona State Board for Charter Schools (ASBCS), with only six full-time staff and one fiscal consultant overseeing 456 school sites (as of fall 2003), with two more full-time staff expected to be added to accommodate new demands.² The responsibilities of the Arizona Board are significantly narrower than those of Central Michigan University and other authorizers. Created with the sole mission of issuing and overseeing charters, ASBCS treats schools as small independent businesses and advocates for minimal administrative burdens. It maintains relationships with a wide range of municipal, county and state entities to augment its own oversight capacity, while also helping those agencies understand and interact with charter schools. ASBCS further supplements its capacity with consultants, primarily in the areas of fiscal responsibility and special education. Each charter school must submit an annual independent financial audit, and ASBCS contracts with a financial consulting firm to conduct a bulk review of these audits. Additionally, the Arizona Department of Education assigns each Arizona school a special education consultant. Each consultant works with approximately thirty schools, and ASBCS staff coordinate with these consultants and follow up with charter schools exhibiting compliance problems.

Massachusetts Department of Education

Somewhere in the middle of the continuum is the Massachusetts Department of Education's Charter School Office (CSO). As of 2003, the office consists of 9 staff overseeing 46 schools, a school to staff ratio of about 5:1. The Massachusetts office leverages the resources available to it as a part of a state agency while carrying out its oversight duties through its core staff and consultants. The CSO's staff functions cover four focus areas: a) *charter school development*—overseeing the application process and the first year of each school's charter; b) *research and finance*—coordinating charter school payments and research; c) *accountability*—including managing site visits and renewal decisionmaking; and d) *federal programs*—helping schools manage compliance issues related to special education, Title I and other federal programs.

North Carolina State Board of Education

The North Carolina State Board of Education (SBE) uses the infrastructure of the state Department of Public Instruction (DPI) to provide support to applicants and operating schools. This support comes through DPI's Office of Charter Schools and other divisions such as those focusing on financial services, accountability, and special education. Most policy recommendations regarding charter schools originate in these units or divisions of DPI.

Staffed by an executive director, three consultants, and one administrative assistant, the Office of Charter Schools provides limited technical assistance to the state's 100 charter schools. The State Board relies on a volunteer Charter Schools Advisory Committee to make recommendations on all of the Board's key charter school decisions. Advisory Committee recommendations may address everything from application approval (or denial) to renewal decisionmaking and charter revocation or school closure. In addition, the Advisory Committee advises the State Board of Education on charter school policymaking and legislative advocacy.

Table 1: Authorizer Staffing and Funding Levels³

Authorizer	Number of Schools Overseen	Number of Salaried Staff	Approx. School: Staff Ratio	Additional Human Resources	Funding Sources	Funding Level
Arizona State Board for Charter Schools (Fall 2003)	341 charters (456 sites)	6	57:1 (by charter) 76:1 (by site)	Consultants for financial issues and state Department of Education for finance, special education reporting	State appropriation	\$683,100
Central Michigan University (Fall 2003)	57	61	1:1	Consultants as needed	3% administrative fee levied to schools; university, state, and federal funds	Approx. \$5,000,000
Chicago Public Schools (Fall 2003)	17 charters (23 sites) ⁴	4	4: 1 (by charter) 6:1 (by site)	Other departments in the district office; consultants for application reviews	District	\$304,000
District of Columbia Public Charter School Board (Fall 2003)	22 charters (28 sites)	7	3:1 (by charter) 4:1 (by site)	Consultants for application reviews and school-site reviews	District appropriation; 0.5% administrative fee levied to schools	\$1,069,000
Los Angeles Unified School District (Fall 2003)	49	4.5 (excluding untracked time by other LAUSD staff)	11:1	Other district departments	1.5% to 3% administrative fee levied to schools; district, state, and federal funds	\$849,917
Massachusetts Department of Education (Fall 2003)	46	9	5:1	Other departments in the state agency; consultants for fiscal reviews and some site visits	State and federal funds	Approx. \$850,000 to \$900,000
Miami-Dade County School District (2002-03)	31	20	3:2	Other district departments	5% administrative fee levied to schools; state and federal funds	\$1,761,693
Milwaukee Public Schools (2002-03)	22	7 (1 full-time and 6 with some charter duties)	3:1	Other district departments	Up to a 3% administrative fee levied to schools; district, state, and federal funds	N/A
North Carolina State Board of Education (Fall 2003)	100	5 (including 3 FTE consultants)	20:1	Other departments in the state agency; state Charter Schools Advisory Committee	State and federal funds	\$575,321
Oakland (CA) Unified School District (2002-03)	15	1.5	10:1	Other district departments	1% of charter school State General Purpose Revenue; State Charter School Categorical Block Grant (for staff)	\$130,667 (\$5,000 for operating expenses; remainder for staff salary and benefits)
State University of New York (2002-03)	30	16	2:1	Consultants for application reviews and some site visits and fiscal reviews; state department of education for some compliance oversight	State appropriation	\$2,400,000
Texas Education Agency (2002-03)	190	12 (excluding other divisions with staff assigned to charters)	16:1	Other departments in the state agency	State and federal funds	\$1,312,069

Illustration 4: Agency Capacity and Infrastructure

What functions will you carry out with your own staff? For what functions will you seek help from other parts of your organization? For what functions will you hire consultants?

Authorizers must work with limited human and financial resources when creating capacity in their offices. Some authorizing agencies have staffing structures that are large enough to carry out all authorizing responsibilities, ranging from the application process to renewal decisions. Others work with other departments within their organization, consultants, or other institutions to fulfill their authorizing obligations. Outsourcing to third parties can be critical when an authorizer has a small staff or limited expertise.

Central Michigan University

The Charter Schools Office at Central Michigan University has a school-to-staff ratio of approximately one to one. As of fall 2003, the organization employs 37 full-time staff and 24 temporary staff and outsources additional work to consultants as needed. Largely as a result of a state law that allows authorizers to be funded by 3% of charter schools' operating revenues, the agency has generated substantial fiscal resources that have allowed it to increase staff and develop new authorizing practices. Not all tasks are carried out by office staff. CMU contracts with Standard & Poor's School Evaluation Services to carry out in-depth analyses of the organizational and academic performance of the 57 charter schools CMU oversees. CMU posts the Standard & Poor's annual school reports on its website (www.cmucso.org). The reports provide schools and CMU staff with information for ongoing assistance efforts as well as data for renewal decisionmaking.

Chicago Public Schools Charter Schools Office

The Chicago Public Schools Charter Schools Office (CSO), which oversees 17 schools on 23 sites in fall 2003, has a ratio of nearly six sites per staff member. The office is staffed with a Director, Business Manager, Director of Accountability, and a Secretary. The CSO is a separate "division" within the district's central office and serves as the agent of the Chicago School Board, which makes the ultimate decisions on charter approval and renewal. The office contracts with consultants to help review charter proposals, but for most of its functions, the CSO relies on its staff as well as expertise and resources from other departments of the Chicago Public Schools. In addition, it regularly seeks collaboration, resources and ideas from Chicago's charter school resource center and key members of the business and civic community. It is a small office that is effective at leveraging resources from within the school system and the support of community advocates to create an infrastructure for charter schools in Chicago.

North Carolina State Board of Education

The North Carolina State Board of Education (SBE) relies on the five staff of the state Department of Public Instruction's (DPI) Office of Charter Schools to organize an annual statewide conference for charter schools, manage the charter application process, provide information to applicants and the general public, and serve as staff to the Board and the state Charter Schools Advisory Committee. Staff from other divisions of the Department of Public Instruction run specialized workshops for charter applicants and operators and provide additional ad hoc support. SBE relies heavily on the Charter Schools Advisory Committee to provide recommendations about charter approval, renewal and other charter school decisions. On occasion, SBE contracts with outside government agencies or organizations to provide technical assistance to charter schools. Recently, it partnered with the Principals Executive Program, a state-wide school leadership program affiliated with the University of North Carolina, to provide coaching and leadership development to charter school directors.

3. Application Process

Across the country, numerous authorizers have developed proactive charter application processes that publicize and clarify guidelines, expectations and priorities for charter applicants and help authorizers manage the review of multiple proposals. Still, many authorizers—particularly those lacking experience in or resources for chartering—are reactive rather than proactive, responding to proposals only when they happen to land on the authorizer’s desk. Regardless of an agency’s philosophy or priorities in chartering, all authorizers play an important “gatekeeping” role, determining which schools will be allowed to open and educate children. Thus, the process of managing and reviewing charter petitions, whether they are invited or not, is a critical step that can greatly influence the quality of public education in any jurisdiction.

An authorizer’s approach to the charter application process should be driven by the agency’s goals for its chartering work and the schools it oversees. A carefully developed application process can help generate the number, kind, range, and quality of applications that the authorizer is seeking. This section provides planning assistance targeted to authorizers who wish to take a proactive approach to chartering, beginning with inviting or soliciting applications. At the same time, the planning questions offered here will be helpful to any authorizer interested in ways to structure an application process that can strengthen the quality of proposals received.

A well-planned charter application process should clearly spell out requirements, criteria, timelines and procedures—providing all guidance that applicants will need to develop quality proposals—and allow for charters to be awarded on the merits of proposals and founding groups. In addition, authorizers must address numerous matters such as:

- setting and meeting deadlines
- publicizing application information
- establishing and prioritizing submission requirements (both mandatory and recommended)

- determining the agency’s degree of assertiveness in soliciting applications
- developing a review process and approval standards that advance the agency’s chartering goals
- organizing any required or recommended public hearings
- determining procedures for announcing charter awards, explaining the agency’s decisions and responding to appeals of denied charters.

Timeline:

- What is the application timeline, from the release of applications through submission and decisionmaking?
- Does the timeline provide adequate time to recruit a strong applicant pool, review applications and make sound decisions? Does the timeline comply with relevant legal requirements?

Making information available:

- How will you make application information available?
- Will you broadly publicize the opportunity to apply for a charter or focus on specific audiences (organizations or individuals)?
- How will you reach targeted audiences?
- What are your statutory or regulatory obligations regarding publicizing information or making it available?

Submission requirements:

- What are the statutory or regulatory requirements for submissions?
- What other submission requirements might you impose with regard to deadlines, content, and formats in order to run a more efficient or effective application process?
- Under what circumstances, if any, will you consider exceptions or waivers?

Application review process:

- Will you use a multi-stage application process, whereby, for example, applicants submit a prospectus or letter of intent before submitting a full application? If so, what will be the purpose of each stage of the process?
- Which of the following elements will you weigh and which will you *require*?
 - Capacity of the *founding group* to create and sustain a successful public school
 - Clarity of the *mission statement*
 - School's capacity to meet specific *needs of the community* or of the proposed student population
 - *Research base* supporting the proposed educational program
 - *Innovativeness* of the proposed educational program
 - Clarity and quality of the proposed *academic standards and curriculum*
 - Quality of proposed *assessment strategies and methods* in light of federal and state law and the school's mission
 - Proposed policies, practices and programs that encourage a *safe and orderly environment* for learning
 - Commitment to serving *all students* including special populations such as *special education* students and *English language learners*; solid understanding of legal obligations and procedural requirements for meeting the needs of special populations; and well-conceived plan for meeting those needs
 - A *realistic budget* that indicates effective and responsible use of public funds
 - Demonstrated *demand within the community* for the proposed school
 - Demonstrated *community support* for the proposed school
 - A clearly defined and well-conceived plan for *governing the school*
 - An adequate *fiscal management plan*
 - Clear understanding of *facility needs and options*, and realistic plan for meeting those needs
 - A comprehensive *start-up plan*
 - Demonstrated commitment to *accountability* for results
 - In cases where schools are *contracting with education service providers* (ESPs) for a substantial role in school management and operation: a convincing explanation of why the founders selected the ESP; positive results by the ESP in comparable settings; demonstrated fit between the ESP's approach and the school's mission; clear and workable definition of roles for the school governing board, the ESP, and school staff; thoughtful plans for oversight of the ESP by the school governing board (in states where such oversight is required).

Other application review questions to consider:

- Will you identify specific needs for which you will encourage or favor proposals (e.g., schools targeting certain grade levels or student populations or schools using particular academic or organizational approaches)?
- What types of guidance and assistance will you provide to potential applicants during the process? How will you structure that process?
- Will you interview applicants? If so, when will the interviews take place? Who will participate in the interviews on behalf of your agency and the applicant? What will the content and structure of the interviews be?
- How difficult will it be to obtain a charter? Will you set the bar very high, granting charters only for comprehensively outstanding applications, or will you give promising but imperfect proposals a chance?
- Will you allow the possibility of conditional approval or grant schools a planning year before their projected opening date? If so, how will you determine whether applicants have met the conditions for full approval?
- What rubrics, scoring scales or other measures will you use?

- How will you gather any needed information not provided in the applications—or *verify* information provided—in order to evaluate proposals according to the approval criteria?
- Who will participate in the review process? Will you use reviewers from outside your agency? If so, will you select them for expertise in related fields (such as finance, accountability, governance, and curriculum)? Will you compensate them for their time?
- How will you handle potential conflicts of interest on the part of internal or external reviewers?
- How will you manage political pressures to approve or deny applications?
- If you plan to consider the opinions of third-party individuals and organizations in the

review process, how do you want them to be submitted and what weight will they carry?

Announcing the results:

- How will you announce your decisions? Will you announce or otherwise make publicly available the basis for your decisions?
- How will you publicize information about the approved applications?

Appeals:

- Are appeals required to be available under your charter law? If so, through what process?
- If not, will you make them available? Through what process?

Illustration 5: Application Process

How do authorizers use the application process to encourage schools to develop clear, high-quality goals?

To hold schools accountable for results, authorizers need schools to establish clear goals against which to measure performance, and stating the proposed school's goals is required for almost any charter application. However, authorizers' approaches to this requirement and the resulting goals stated by charter applicants vary greatly.

Authorizers that are concerned that schools align all action to their specified goals—and have the resources to provide training and guidance to school developers—require that applicants craft written goals that are clear and measurable, demonstrate a strong commitment to high performance, and provide a strong basis for measuring the school's progress. Other authorizers may not have the resources to use the application process to guide schools in designing specific goals, or may view goal-setting and refinement as an activity to take place over time. Many authorizers recognize that it is difficult, if not impossible, for school founders to set meaningful, realistic goals in the charter application stage—long before they have enrolled students and gathered baseline data on those students' incoming achievement levels. As such, it is increasingly common for authorizers to allow, encourage or even require schools to refine performance measures after they have collected and analyzed baseline data on their first-year students.

State University of New York

The Charter Schools Institute (CSI) of the State University of New York (SUNY), created by the SUNY Board of Trustees to assist it in carrying out its responsibilities as a chartering entity, sets high standards for application approval and emphasizes goal development. Each application goes through a thorough screening process—an internal review plus an external review by 4-5 member teams and an accountant. CSI staff are readily available to

consult with applicants to help them in crafting manageable and measurable goals that will meet or exceed the performance of other local educational programs and place high value on proficiency in core subjects and sufficient learning progress for all students. The Institute also encourages applicants to familiarize themselves with CSI's *Guidelines for Writing Accountability Plans* to gain an understanding upfront of the types of specific goals they will be asked to develop after approval or refine after gathering baseline data. Staff discourage applicants from including narrow numerical goals in the application because these automatically become part of the legal contract between SUNY and the school, and it is often premature to formalize such initial aspirational statements.

District of Columbia Public Charter School Board

The DC Public Charter School Board urges applicants to review previously approved applications so that they can see how clear, high-quality goals are written. The Board uses the application process to encourage school founders to develop realistic, well-conceived plans. The Board's staff are available through informational meetings, workshops, and in-office consultations to help applicants craft measurable goals that are tied to their specific missions. The application process requires applicants to list all goals against which the school's performance will be measured and to link them to the school's proposed accountability plan. School founders are required to include measurable academic and nonacademic performance goals as well as management effectiveness goals.

Miami-Dade County School District and North Carolina State Board of Education

Staff for other authorizing bodies such as North Carolina's State Board of Education and the Miami-Dade County School Board hold general training sessions for applicants and provide written materials encouraging exploration and explanation of goals. However, these offices do not provide specific direction on how to write quality goals, nor do they provide examples of strong, convincing statements. For example, Miami requires that applicants "list five to seven long-range goals for the duration of the contract," but does not require that the goals address specific content areas.

Illustration 6: Application Process

What is the timeline from the release of applications to decisionmaking?

Applications for charter schools often require detailed descriptions of a school's educational program, management and governance structures, goals, financial resources, policies, and explanations of the school's purpose and intended student population. Collecting and providing this information in a coherent fashion, as well as marketing a school to the community, can take applicants a good deal of time. Authorizers must balance the need to meet application deadlines with charter legislation demands and the need to collect information. Some authorizers must follow a statutory timeline. Others can develop their own timelines and adapt them over time.

North Carolina State Board of Education

For the first six years, the policy of the North Carolina State Board of Education (SBE) required that charter school applications be submitted in late summer, one year before the school would be expected to open. SBE announced final approvals in late February of the following year, giving charter founders just a few months to secure a facility, recruit and select staff, establish a curriculum, organize the school's operations, and market the school to the community and parents. SBE responded to schools' concerns about the difficulty of completing these school-opening tasks in such a short period of time and altered the timeline to give schools a planning year. Applications are now due in late February for schools that plan to open in the fall of the following year. Interviews of applicants occur by mid-May, with the Board making final approvals by mid-August. Approved schools now have a full year to secure a facility and develop their programs.

Oakland Unified School District

California's charter law specifies a review timeline of 60 days (extendable to 90 days by mutual consent) once a charter has been submitted to a local board. Unlike North Carolina, which follows an annual application cycle, the Charter Schools Office of the Oakland Unified School District (OUSD) accepts charter applications on a rolling schedule. The 60-day clock begins when an applicant appears at a regular meeting of the OUSD Board to present the charter petition. Prior to formal submission, OUSD allows applicants to submit a draft petition that is reviewed by the Charter Schools Office (CSO) Director and circulated in parts for comment to 15 OUSD staff in other departments. The draft application is returned with comments to the applicants for revision prior to submitting a final proposal. The CSO Director reviews the final petition and circulates it to the same 15 colleagues in other departments, then produces a report incorporating staff comments for the superintendent and Oakland School Board. State charter law requires that the Board hold a public hearing to assess public support for the petition within 30 days of its submission. Within 60 days of receipt of the petition, the Board must decide whether to approve or deny the petition.

Illustration 7: Application Process

How will you make application information available?

Authorizers have to choose how to make application information readily available to the broadest audience, often with minimal funds for communication purposes. Some choose to focus outreach on specific populations or communities; others publicize the charter opportunity widely to all groups. Public access television, newspapers, community bulletins, newsletters, websites, email solicitations, radio announcements, and training workshops, and conferences are all media that authorizers can use to make potential applicants aware that an authorizer is inviting or accepting charter proposals.

North Carolina State Board of Education

The Office of Charter Schools at the Department of Public Instruction, which serves as staff to the North Carolina State Board of Education (SBE), holds three to four application training sessions each fall in different areas of the state. The office sends press releases to media outlets to make the general population aware of upcoming training sessions and the application cycle, and posts application materials and guidelines online. The SBE has typically looked for diversity in charter proposals and has not openly favored particular populations or specific school designs. It does not have formal marketing strategies to reach out to specific audiences; however, SBE members have commented that they are eager to receive applications from the more than half of the state's counties that do not have any charters as of 2003.

Los Angeles Unified School District

By contrast, the Charter Schools Development Office (CSDO) of the Los Angeles Unified School District (LAUSD) accepts applications on a rolling basis and provides ongoing support to school developers. For those interested, the office offers monthly orientation meeting to discuss general information and legal guidelines. The schedule of orientation meetings is posted on the office's website. In addition, CSDO staff invite and encourage follow-up meetings for individual charter developers to discuss the details of developing their proposals. As developers draft their applications, LAUSD staff provide feedback on multiple drafts prior to formal submission. When developers have a near-final charter draft, the charter office circulates it to a Charter Schools Advisory Committee of 15 LAUSD staff from diverse departments—the same group responsible for formal review of charter applications—for comment. This committee provides the developers with additional pre-submission feedback.

Illustration 8: Application Process

What are the elements and specific content of the application?

Charter applications serve at least two general purposes: (1) to demonstrate to a chartering agency that an applicant is qualified to operate a public school under the charter law; and (2) to enable applicants to set forth a comprehensive plan or blueprint for the school they wish to establish. With these dual purposes in mind, there are numerous elements for authorizers to consider including in the application materials that they develop to guide charter applicants.

Typically, the questions authorizers want applicants to address fall into two broad areas: **education** and **management**—the latter includes school leadership, governance, finances, facilities, and operations. The level of detail that an authorizer seeks depends largely on the authorizer’s goals in chartering. Whatever their philosophies, all authorizers need to determine the relative importance of each proposal element in order to achieve their objectives for the application process. In addition, authorizers need to consider the types and quantity of information that staff and/or external reviewers will be able to assess effectively in the time given, and how to structure an application format that will elicit meaningful information most efficiently.

District of Columbia Public Charter School Board

The DC Public Charter School Board (DCPCSB) provides extensive charter application guidelines in four primary areas: the education plan, business plan, plan of operation and accountability plan. Applicants are required to provide detail for the items listed below. Applications are limited to 150 pages, including appendices such as curriculum samples, building floor plans, and certifications. Following are the elements of DCPCSB’s charter application format:

Educational Plan

- Mission and Purposes of the Proposed Public Charter School (including educational needs of the target student population, mission and philosophy, educational focus, and goals)
- Academic Design (including student content and performance standards, curriculum, methods of instruction, students with disabilities, and strategies for providing intensive academic support)
- Student Performance (including student assessment, basis for promotion and graduation, and student intervention)
- Support for Learning (including parent involvement, community participation, school organization and culture, extracurricular activities, safety, order, and student discipline, professional development for teachers, administrators, and other school staff, and structure of the school day and year)

Business Plan

- Planning and Establishment (including the profile of the founding group, planning process, and corporate structure and nonprofit status of the school)
- Governance and Management (including board of trustees, rules and policies, administrative structure, and school management contracts)

- Finance (including anticipated sources of funds, planned fundraising efforts, financial management and accounting, and civil liability and insurance)
- Facilities (including identification of a site, site renovation, financing plans for facilities, and building maintenance)
- Recruiting and Marketing (including outreach to the community, recruitment of students, and future expansion and improvements)

Plan of Operation

- Student Policies and Procedures (including timetable for registering and admitting, and policies and procedures for selection, admission, enrollment, withdrawal, suspension and expulsion)
- Human Resource Information (including key leadership roles, qualifications of school staff, staffing plan, employment policies, and use of volunteers)
- Arrangements for Meeting District and Federal Requirements (including compliance with health and safety, safety and fire codes for buildings, transportation, enrollment data, maintenance and dissemination of student records, compulsory attendance laws, IDEA and Sec 504, Title I, and civil rights statutes and regulations)
- Implementation of the Charter (including timetable and tasks for implementation of the charter, major contracts planned, orientation of parents, teachers and other community members, and services sought from DC public schools)

Public Charter School Accountability Plan

- Goals Against Which the School's Success Will Be Judged
- Indicators of Performance
- Baseline Performance
- Targets
- Reporting Performance and Progress
- Assessment Tools

Budget

- Pre-opening Expenses
- Two-Year Operating Budget
- Estimated Five-Year Budget Projections
- Capital Budget
- Cash Flow Projection for Year 1

North Carolina State Board of Education

In North Carolina, all public schools are required to participate in the state's accountability plan; therefore, the North Carolina State Board of Education application process places little emphasis on customized accountability plans for individual schools. The SBE requires that all applications include the following elements:

Governance Plan

- Private Nonprofit Organization Information
- Proposed Educational Management Organization/Other Service Contracts
- Mission
- Purposes of Proposed Charter School
- Educational Focus
- LEA Impact Statement (submitted by the LEA)

Preliminary Plan

- Size of School Rationale
- Number of Students
- Educational Focus
- Timeline for Use of Start-up Funds
- Timeline Activities

Education Plan

- Instructional Program
- Methods of Documenting Success
- Student Achievement Goals
- Admissions Policy and Handbook

Business Plan

- Project Types of Staff
- Qualifications Required for Individuals
- Special Requests (if applicable)
- Enrollment Plan and Projections
- Exceptional Children Enrollment Plan and Projections
- Five-Year Budget with Revenue and Expenditure Projections
- Working Capital/Assets on Date of Application
- Program Audits
- Financial Audits
- Health and Safety Requirements
- Civil Liability and Insurance
- Transportation Plan
- Facility Plan
- Marketing Plan

Illustration 9: Application Process

Will you allow the possibility of conditional or contingent approvals, including granting schools a planning year before their projected opening date?

Authorizers often must decide how to treat an application that is promising, but contains gaps or shortcomings that may take time to address. Some authorizers use the flexibility inherent in most charter laws to grant conditional approvals or extended planning time. Others find conditional approvals too cumbersome to manage, choosing instead to adopt a policy that requires full approval or no approval. Offering schools feedback on initial applications and additional planning time after approval can create stronger schools. However, some charter schools receiving conditional or contingent approvals may not open for two years or more. This delay may be undesirable in states or localities where there is a cap or limit on the number of charters allowed.

District of Columbia Public Charter School Board

The DC Public Charter School Board (DCPCSB) uses a two-stage approval process. Applications that are exemplary can be approved after first-stage review, which includes evaluation by an external panel and a formal hearing before the Board. Those that show promise but need work receive a “first-stage clearance.” DCPCSB allows these applicants to address weaknesses and gaps, and to submit a refined proposal for a second panel review early the following calendar year. Applications that are strong but contain technical problems that are relatively easy to address may be “approved with conditions” after either the first or second stage of review.

Texas Education Agency

In Texas, contingent approvals are common and tend to hinge on legal compliance matters. The Texas Education Agency (TEA) may approve a charter while noting specific issues that require resolution before the school may open. Four TEA divisions—the charter school, legal, financial, and special education divisions—follow up until the applicant has resolved all issues. The charter division serves as the primary contact for the contingent-approval process, but the applicant may work with the other divisions to reach closure.

State University of New York

The Charter Schools Institute at SUNY does not have a formal contingent or conditional approval process within its application cycle. However, if staff see a promising application that needs work, they refer the applicant to technical assistance providers such as the state’s charter school association, resource center, or consultants.

4. The Charter Contract or Performance Agreement

The charter contract is a legal document granting permission to a group or individual to operate a public school. The purpose, content, and format of charter documents vary widely among authorizers. Authorizers need to consider the purpose of the contract, how it will be developed and used, its contents, how and when it might be amended, and which deviations from the contract will require authorizer action. Authorizers also need to decide how high to set the bar for charter renewal, and where to set the “floor” for revocation. State accountability requirements under the No Child Left Behind Act will influence these decisions, and the charter contract should address these requirements.⁵

Throughout this section, we use the term “contract” to refer generally to agreements between the authorizer and the school. Authorizers use various terms for such agreements, including charters, contracts, accountability agreements, performance agreements, performance contracts, and licenses. Some authorizers adopt the charter application itself as the school’s performance agreement. However, there are substantial disadvantages to this approach because applications frequently contain aspirational language that is not easily translated to measurable outcomes and because the application necessarily develops without definite knowledge of the needs and experience of students who will decide to attend the school. Instead, many authorizers incorporate the approved application by reference in a separate document or attach it simply as an expression of intent, with measures to be refined into an accountability plan after the school enrolls students and collects baseline data.

Contract process:

- What is the purpose of the contract? How will you use it?
- What document(s) will spell out the entire legal agreement between the school and the authorizer, including performance expectations, regulatory requirements, and procedural matters (such as funding)?
- When will you negotiate and develop these documents with the school?
- What parts of the agreement will be the same for all schools? What parts may differ from school to school?
- How will the agreement address federal requirements, particularly accountability measures under the No Child Left Behind Act?
- For parts that differ from school to school, through what process will you develop specific expectations for each school? On what timeframe will you require completion of this agreement?

Contract contents:

- What will the elements of the contract be? Which of the following elements will it address?
 - A description of the *overall purpose* of the charter that describes the school’s mission and strategic approach to achieving it?
 - A description of the *target population* that describes the school’s planned student body? If so, will you require a list of admission or recruitment policies that cannot be changed without your approval?
 - A list of the *federal, state, and local laws and regulations* with which the school must comply, as well as any applicable waivers?
 - A description of the *school’s overall instructional philosophy* and plans to address any deficiencies in student learning?
 - A description of the school’s *resource flow and financial management*? If so, will the contract specify standards for sound fiscal management and a process for determining whether those standards are being met?
 - A description of the *financial reporting format and schedule*?
 - A description of how the school will obtain *federal and other public education funds*?

- A description of how *local resources such as bonds and mill levies* will be accessed (if available)?
- A description of the *special education services* to be provided?
- A description of the *funding mechanism for special education*?
- A description of *how special education will be provided* (i.e., will the school contract with the school district to provide all special education services, or will the school provide the services by hiring its own service providers, contracting with independent third parties, pooling resources with other schools, or a combination of these approaches)?
- An explanation of *how the school and authorizer plan to address unanticipated events* that may affect their ability to meet the terms of the contract?
- A description of *achievement standards and the measures* of student performance to be used? If so, will you require the gathering of baseline data against which school performance is to be judged? Will you consider evaluating school achievement through “value-added” assessment? If so, by what means of calculation? How will measures be judged and weighted?
- A description of any *other student performance* measures to be used such as portfolio-based or juried assessments, attendance, etc., including how they will be measured and weighted?
- A description of *reporting requirements*?
- An explanation of the conditions under which *subcontracts or management agreements* must be approved by your agency?
- An outline of the *appeal procedures* for complaints or circumstances that cannot be resolved at the school?
- A description of the conditions for *revocation, non-renewal, corrective action, probation or other status*? If so, will you include in the charter the procedures and protocols for each action?
- A description of the *conditions for renewal*? If so, will the contract include an explanation of the procedures by which school performance will be measured and evaluated?
- Requirements regarding the school’s relationship with an *education service provider* (ESP), such as an education management organization? (For example, requirements related to the school board’s arm’s-length relationship with the ESP or evaluation of the ESP’s performance?)

Performance expectations:

- How often and in what ways will you review performance under the contract?
- Under what conditions will you take corrective action toward a school or revoke the contract? How definitive will these conditions be, and how much room for discretion will they leave?
- How well will schools have to perform in order to have their charters renewed? How rigid will these expectations be, and how much room for discretion will they leave?

Amendment:

- How often will you review a contract?
- Will you allow adjustments to a contract? If so, under what circumstances?
- What is the process for amending a contract?

Illustration 10: Charter Contract

“How good is good enough? How definitively is that bar set?”

State charter school legislation typically provides authorizers minimal guidance on how to craft a high-quality charter contract. Yet, setting the terms of the contract between the authorizer and the charter school is the cornerstone of the authorizer-school relationship and the charter accountability concept. Defining reasonable expectations can be challenging. If expectations are set too low, school performance can suffer. If expectations are unreasonably high, the contract can guarantee failure.

Authorizers may choose to be very clear in their expectations, specifying rigid minimums that must be met. This structured approach makes sure that all parties are clear on the expectations. But it can focus schools on meeting only the minimal goals rather than having higher expectations, running the danger of minimizing school and academic performance and failing to consider special circumstances during renewal and revocation decisions. Other authorizers leave more room for judgment. This approach has the advantage of allowing the authorizer to apply professional judgment based on a wealth of data. Without setting clear expectations from the outset, however, schools may not know where they stand during the oversight and renewal processes, and authorizers run the risk of not being able to enforce a revocation or nonrenewal decision.

Many authorizers recognize the difficulty of setting appropriately ambitious, yet attainable, goals before a school has enrolled any students and gathered baseline performance data. **Thus, authorizers commonly allow, encourage, or require schools to refine their performance contracts after assessing students’ incoming performance levels.**

Chicago Public Schools

The Chicago Public Schools Charter Schools Office uses a structured approach to setting the terms of the charter school performance contract. Chicago charter schools establish their own performance measures, including unique measures tailored to their missions. Their original charter applications and later-negotiated accountability agreements are incorporated as appendices to the contract. The contract, known as the Charter School Agreement, details the respective rights and responsibilities of the school and CPS, and is based primarily on the requirements of the Illinois Charter Schools Law and on standard contractual provisions. The contract also addresses student discipline, special education, and other issues not fully addressed by state law or the application.

The Accountability Agreement details the manner in which CPS will hold the charter school accountable. In an effort to make the process as transparent as possible, the CSO publishes matrices of expected performance of all schools based on an array of measures. The authorizer believes that these very specific agreements serve to protect the charter school from arbitrary decisions by the Chicago Public Schools, while allowing the authorizer to take appropriate actions based on objective information. Because both parties have agreed upon the criteria in advance and schools have a clear understanding of what is expected of them in order to remain open, CSO intends renewal decisions to focus on measuring school performance rather than debating school evaluation procedures. For more information about Chicago’s charter agreements, see the Appendix to the Chicago Public Schools Case Study.

District of Columbia Public Charter School Board

The DC Public Charter School Board (PCSB) uses a school-specific contract structure that allows for periodic reevaluation of goals and amendments. The charter contract consists of both the charter application and the Accountability Plan. Once they have approved a school, PCSB staff and consultants work with school leaders to develop the Accountability Plan, including quantitative measures covering everything from student achievement to operational soundness. These plans are the heart of the Board's accountability operation. Each plan contains both common indicators and measures unique to the school and constitutes the terms against which the Board will judge annual and long-term progress. Because the application is also part of the contract, if a school feels that it needs to operate differently, it can request an amendment to the charter. If necessary, PCSB provides schools with assistance from outside consultants to help them revise their plans to establish more realistic and clearly articulated goals. At least one school leader interviewed for this study noted that this process helped it better define its goals and understand clearly the measures by which it would be evaluated during the renewal process.

Illustration 11: Charter Contract

What is the purpose of the contract? How will you use it?

Charter contracts or performance agreements are typically used to make clear to whom, for what, and how schools will be held accountable. Some authorizers use this document as the backbone of the oversight process; others choose to refer to it only during certain stages. If authorizers use the contract to ensure that expectations are known by all parties and use it throughout the oversight process, there likely will be few surprises at decision-making times.

State University of New York

The Charter Schools Institute at SUNY (CSI) uses school performance agreements regularly and refers to the documents in site visit reports and other reports. School accountability plans are part of the performance agreement and staff must submit an "Accountability Progress Report" each year to document progress towards goals. CSI offers schools a workshop and individual guidance as they negotiate the terms of the agreement. Four to five rounds of dialogue often precede final agreement. This negotiation process helps to ensure that schools have a clear understanding of expectations for renewal.

Chicago Public Schools

Once CPS grants a charter, CPS and the school's founders enter into an Accountability Agreement that will form the basis for the authorizer's evaluation of the school. This contract identifies specific student performance, operational, and compliance indicators that apply to all charter schools in Chicago. In addition, schools may negotiate mission-based, school-specific indicators as part of the Agreement. The authorizer sets common standards and reports against them annually in Performance Reports. The schools' performance on each indicator is rated as "High" (performance is clearly satisfactory); "Middle" (performance may be satisfactory, unsatisfactory or inconclusive and may require further evaluation); or "Low" (performance is clearly unsatisfactory). This system rates schools on absolute scales, and also compares performance to that of the regular public schools to which the district would otherwise have assigned these students.

District of Columbia Public Charter School Board

Charter schools authorized by the DC Public Charter School Board enter into contracts containing both the application and the accountability plan (developed during the first year of a school's operation). The contract provides measures against which the Board will judge annual and long-term progress. Some schools use the contract to guide everything they do, revisiting it each year and reflecting on the goals.

Illustration 12: Charter Contract

What are the contents/elements of the contract?

The charter school contract outlines the school's obligations to the authorizer, the authorizer's obligations to the school, and the methods by which the authorizer will hold the school accountable. It typically specifies the school's mission, program, academic and non-academic goals, students served, methods of assessment, process for evaluating the school's progress, and reporting and compliance obligations. The contract helps the authorizer determine whether the school has a successful academic program, is financially stable, and is operating in a manner faithful to the terms of its charter. The contract allows the authorizer to rescind a charter if a school fails to meet its standards and goals. Some authorizers also incorporate funding formulas, service purchase arrangements, and other administrative matters in the charter.

Central Michigan University

Central Michigan University's (CMU) charter contracts consist of a set of "Standard Legal Documents" that detail the terms and conditions of the contract, the articles of incorporation, the governing board's bylaws, the fiscal agent agreement, and the oversight agreement. CMU created this set of documents in an effort to standardize the contracts that CMU's Board of Trustees enters into with its chartered schools. These "Standard Legal Documents" are tailored to meet the needs and missions of individual charter schools and ultimately become the official charter contract. A CMU charter school contract includes the following documents:

- Resolutions Establishing the Method and Selection, Length of Term, and Number of Members of Board of Directors
- Terms and Conditions of Contract
- Contract Schedules
 - Schedule 1: Articles of Incorporation
 - Schedule 2: Bylaws
 - Schedule 3: Fiscal Agent Agreement
 - Schedule 4: Oversight Agreement
 - Schedule 5: Description of Staff Responsibilities
 - Schedule 6: Physical Plant Description
 - Schedule 7: Required Information for PSA
 - Section a: Governance Structure
 - Section b: Educational goals

Section c: Educational Programs
Section d: Curriculum
Section e: Methods of Pupil Assessment
Section f: Application and Enrollment of Students
Section g: School Calendar and School Day schedule
Section h: Age and Grade Range of Pupils

North Carolina State Board of Education

The North Carolina State Board of Education enters into a strict and standard contract detailing the following issues with each school:

- Operation of School
- Compliance with Laws
- Tax-exempt Status
- Enrollment
- Facilities and Governance Warnings
- Children with Special Needs
- Term
- Reporting Requirements
- Technical Assistance
- Records
- Insurance and Bonding
- Health, Safety and Welfare
- Facilities
- Licensed Employees
- Fees
- Transportation
- Indemnity
- Student Discipline
- Instruction
- Criminal Background Checks
- Open Meetings, Public Records
- Assignment
- Grounds and Procedures for Termination of Charter
- Status of Parties to Charter
- Agreements with Local Board of Education
- Notice Address
- Severability
- Non-endorsement
- Legislative Action

Illustration 13: Charter Contract

For any parts of a contract that are customized, through what process will you negotiate and develop school-specific expectations?

Some authorizers choose to apply only common, standard goals to all charter school contracts. Others may choose to negotiate with each school a unique contract with fewer common elements. Typically authorizers require contracts to contain many common elements but also allow the documents to be tailored to school-specific needs and goals. Relying solely on common elements may make the contract too generic and thus less effective for schools to use as a tool because it is not tied to the school's mission and goals. However, authorizers that use no common measures will have difficulty comparing performance of schools to each other and to other schools in the district and state.

North Carolina State Board of Education

North Carolina follows a uniform approach (no customized measures for schools) because the state has placed top priority on judging schools according to statewide achievement goals. The performance contract for each school is confirmed before the school opens.

Central Michigan University

Central Michigan University uses standard documents that are then tailored to meet the needs and requirements of individual charter schools.

Chicago Public Schools

The Chicago Public Schools (CPS) judges schools in part on the basis of state-mandated tests and the Iowa Test of Basic Skills (used district-wide), but also allows schools the option of using customized, mission-based standards and assessments. CPS makes a consultant available to assist schools in developing valid and reliable non-standardized measures. Schools enter into an Accountability Agreement with CPS before they open, but are permitted to refine and further develop measures after enrolling students and collecting baseline information.

Massachusetts State Board of Education

In Massachusetts, all schools must take standardized state tests. However, schools may negotiate unique standards and assessments, non-academic performance indicators, and organizational goals.

District of Columbia Public Charter School Board

The DC Public Charter School Board (DCPCSB) encourages all schools to track "common indicators," but schools are also free to develop school-specific measures tied to their missions. Schools may develop and refine such measures after enrolling students and gathering baseline data. In addition, DCPCSB provides consultants to assist schools in developing quality customized measures.

5. Ongoing Oversight and Evaluation

In overseeing charter schools, authorizers must exercise their public stewardship responsibilities while minimizing administrative burdens on schools. Therefore, when designing information-gathering systems, authorizers have to consider the balance between compliance requirements and school autonomy. This balance should inform decisions about what information authorizers will use to evaluate schools and what approaches they will use to gather that information.

Compliance:

- What compliance requirements are legally mandated? Will you impose any additional requirements? If so, why? How will you justify them?
- What kind of guidance or training will you offer to enable schools to fulfill compliance requirements?
- How burdensome will these requirements be on schools? Are there ways you can reduce this burden?
- To what extent will compliance requirements restrict schools' autonomy? Are there ways you can minimize such restrictions?
- What are the consequences for schools of failing to meet the requirements?
- Will you inform schools of the obligations to comply with requirements of organizations other than yours?
- How will you respond to schools not meeting compliance requirements?

Information-gathering:

- What information will you use to make judgments about a school?
- Will you create a rubric or oversight framework that details what a high-performing school looks like in its first year, second year and so on?
- What information will you require schools to keep on-site and available for inspection?

- What types of information will you require schools to track?
- Will you require schools to manage their data in a particular way, or will you provide guidance regarding data management, usage and reporting?
- Who will gather information and participate in reviews carried out by your office? How will you train information-gatherers?
- Will you develop protocols for qualitative information? (This may include information about *school effectiveness*—such as school climate or parent satisfaction—as well as *student learning*, such as character development.) If so, what types of qualitative information will you allow or encourage schools to report for external accountability purposes? What weight will such factors carry? How will you use this information in judging schools?
- How will you share with the public information gathered on each school? What media will you use?
- Will you use an on-site review or school self-study process? On what timetable? Who will participate in on-site reviews and how will they be designed?

Corrective Action

- How will you respond to low-performing schools?
- What intermediate steps will you take, if any, before revoking or not renewing a charter?
- What procedures or protocols will you employ when placing a school on probation or taking other corrective action?
- What procedures or protocols will you employ when making a revocation decision?
- Are there specific circumstances under which you can take corrective actions unilaterally? Are there specific circumstances that require a hearing process?

Illustration 14: Ongoing Oversight and Evaluation

What information will you use to evaluate and make judgments about a school?

Authorizers use varying amounts and types of data in assessing charter school performance. Some authorizers find that regular and close oversight allows them to help schools improve and to make solid, well-informed decisions about whether to renew or revoke a charter. Others argue that close oversight stifles charter schools and creates bureaucracy that the charter concept is intended to avoid.

In overseeing charter schools, all authorizers require some type of reporting from schools, and some rely exclusively on such “paper reviews.” Reporting typically consists of annual reports, compliance documents, student assessment results, parent satisfaction survey data, or self-reports from schools. These documents may serve to inform the public about their education options as well as to inform the authorizer about each school’s performance. Some authorizers prefer relying on these documents because of the low cost and the minimal staff and oversight required—a real boon to authorizers with few human and financial resources. However, relying solely on paper documentation can provide a very limited perspective on the school. Some authorizers (as well as schools) believe that on-site reviews produce a great deal of important information, especially if the school’s goals go beyond strictly defined objectives such as standardized test results. However, such reviews are labor-intensive and time-consuming.

Central Michigan University

The Charter Schools Office at Central Michigan University (CMU) has developed a streamlined online reporting system and uses annual site and facilities reviews to collect charter school information. The office requires standardized reporting on administrative, board of directors, educational, financial, and insurance issues throughout the year. Each charter school undergoes an annual site and facilities review based on an established protocol. The on-line reporting system, site reviews, and school-staff relationships enable CMU to monitor school and student performance on an ongoing basis. CMU quickly identifies schools experiencing academic or management performance difficulties and can implement corrective action plans promptly.

CMU has contracted with Standard and Poor’s School Evaluation Services to provide an objective analysis of the charter schools CMU oversees. Standard and Poor’s produces a written report on each school based on a defined framework that is structured to “provide an evaluation of effectiveness in increasing student results, progress in meeting contracted goals, financial health and viability and comparative return on resources.” All information reported by Standard and Poor’s for this three-year project is available online, www.cmucso.org or www.ses.standardandpoors.com/, as are school ratings and state testing information.

Arizona State Board for Charter Schools

Some authorizers, such as the Arizona State Board for Charter Schools (ASBCS), require relatively minimal reporting. ASBCS places a high priority on maintaining school autonomy and ensuring that schools do not suffer an administrative burden. Nevertheless, the Board does review a required annual financial and compliance audit by an independent CPA,

reporting of standardized test results, and the results of special education monitoring and audits carried out by the Arizona Department of Education.

ASBCS, which has only six staff members overseeing 456 school sites (in fall 2003), relies for school accountability primarily on paper documentation and site visits. Staff visit all schools, sometimes selected at random and sometimes prompted by “red flags” from reports or a parent’s complaint. Random “drop-in” visits are unannounced. Schools must be prepared for one at any time. Such visits include reviewing board minutes and resumes of teachers, fingerprint checks, facilities inspection, and attendance information. ASBCS does not prepare post-visit reports unless there is a compliance concern that requires immediate follow-up. In the area of special education compliance, the role of ASBCS staff is limited to coordinating the work of special education consultants provided to each school by the Arizona Department of Education. If the reports of these consultants raise compliance issues, ASBCS follows up to assist the school in meeting requirements or takes corrective action, as appropriate.

Reported shortcomings or parent complaints may trigger Board scrutiny and lead to the development of a corrective action plan by the school or, in certain circumstances, probationary withholding of up to 10% of the school’s monthly state appropriation. The Board does not maintain school report cards but does maintain and make public individual school files. These may contain documentation of parent complaints and compliance concerns.

Illustration 15: Ongoing Oversight and Evaluation

How burdensome will compliance requirements be on schools?

Are there ways to reduce this burden?

Most state charter school legislation is designed to reduce the number of state and local regulations imposed on public schools. However, numerous compliance requirements remain. Many of these are non-negotiable, such as state health and safety standards that apply to all public schools. Others leave room for exemption. Some authorizers have little ability to reduce the compliance burden but may help schools navigate the complexity of the requirements and streamline reporting for schools. Others have some discretion to limit the requirements.

Central Michigan University

With Michigan charter schools facing nearly identical compliance and reporting requirements as their traditional public school counterparts, the charter school administrative burden is heavy. Unlike charter schools in many other states, Michigan's charter schools are subject to virtually every state law and regulation applicable to traditional public schools. The Charter School Office at Central Michigan University (CMU) is highly aware of the burden and has worked to streamline requirements and provide technology solutions that help schools meet compliance requirements more efficiently. One such technology initiative was the "State Forms Project," in which the CMU Charter Schools Office worked with six state departments and 24 agencies to collect all Michigan state forms required for charter schools, transferred them to electronic format, and posted them to the Charter Schools Office website. In another effort, CMU collaborated with Corporate Computer Inc., a Michigan-based firm, to develop a sophisticated software program called the Authorizers Oversight Information System (AOIS). This program allows both CMU and charter school staffs access to online compliance record-keeping. The program provides a daily account of a school's compliance status and helps track school performance and academic achievement. In the short term, the new technology requires training school staffs in how to use the program. In the long term, the program significantly reduces the administrative workload for CMU's charter schools.

Milwaukee Public Schools

In the Milwaukee Public Schools system, where compliance and reporting requirements are increasing yearly for all public schools, the charter school staff are making efforts to streamline reporting. Before the start of the school year, the Office of Board Governance compiles a new compliance checklist that notes any items where the "requirement" status has changed. Individual departments are developing processes to monitor and collect data and generate output forms that charter schools can use in yearly reporting.

Illustration 16: Ongoing Oversight and Evaluation

*Will you use an on-site review or school self-review process?
If so, on what timetable?*

Authorizers gather data to assess schools' progress in different ways. Some authorizers believe that close oversight stifles charter school innovation, and they choose to leave schools largely alone, requiring only submission of mandated reports of information such as performance data. Others believe that closer oversight enables them to gain a richer understanding of school performance and helps schools to improve. Some authorizers ask schools to conduct an in-depth self review. Others conduct formal or informal on-site reviews using teams composed of office staff and/or third-party technical experts. Some authorizers do both. Such reviews can provide a broad view of the impact of the school on various stakeholders and provide important insight into a school's academic and non-academic performance. Self-reviews may be used by authorizers that are restricted by limited financial and human resources. These provide a more limited and subjective picture of the school than on-site reviews conducted or commissioned by the authorizer. Nevertheless, self reviews can be useful for identifying potential problems and for motivating schools to improve.

District of Columbia Public Charter School Board

In Washington, DC, schools chartered by the DC Public Charter School Board (DCPCSB) undertake a self-review during the first year of operation, examining their programs, standards, goals, assessment methods, management and governance structures, and parent and community involvement. The detailed format of this self-study was developed by DCPCSB. Schools complete a form for each main area of review, stating their program's goals, current status, and any planned corrective action. These reports are provided to external teams of education experts who follow up with formal on-site reviews.

State University of New York

The Charter Schools Institute (CSI) at SUNY conducts frequent site visits—one formal visit and two to three informal ones per year. The frequency of visits allows the authorizer to get a better understanding of what a "normal" day at the school is like. While the informal visits are conducted with minimal notice, the authorizer does not intend for them to be stressful. Informal site visits examine issues such as concerns raised in previous visits, effectiveness of instruction and the educational program, professionalism of staff, school environment, and faithfulness to the school's mission. Visitors also look for consistency with the school's charter concerning such matters as class size, school operations, and school services. Schools receive a written report each year summarizing findings from site visits and all available data. CSI intends for the frequent visits to help build the authorizer-school relationship and to provide a richer understanding of each school for progress reports and renewal decisions.

Central Michigan University

The Charter Schools Office at Central Michigan University (CMU) uses a combination of reviews for ongoing oversight. The office does not conduct specific on-site reviews for the purpose of renewal, but rather conducts formal yearly site visits to check on facilities and staff qualifications. CMU contracts with Standard & Poor's School Evaluation Services to conduct a formal external evaluation of each school, including an on-site review. CMU policies also provide for a self-review process, requiring schools to submit documents and narrative reports detailing the school's progress on its charter goals.

Illustration 17: Ongoing Oversight and Evaluation

What intermediate steps will you take, if any, before revoking a charter?

Through the oversight process, authorizers gather information on each school. Authorizers face the question of whether or how to use the data to correct problems before the renewal stage. Some authorizers refrain from providing school improvement guidance during a charter's term, fearing that this might impinge on a school's independence and thus decrease the school's responsibility for its own performance. Other authorizers refrain for practical reasons; they have little capacity or resources to provide such guidance or assistance to numerous school sites. Still others provide close monitoring, visit schools regularly, and provide assistance on problems as they arise.

Central Michigan University

To address instances of school non-compliance, Central Michigan University (CMU) follows a structured oversight process with specific dates for completion of corrective steps. Schools first receive "notices of non-compliance" if reports are late, deficiencies are noted, or if performance goals are not being met. If cited problems are not remedied, CMU staff initiate a "plan of correction" with the school's governing board. If the "plan of correction" is not completed by the target date, the school board is required to appear before the CMU Board of Trustees with the possibility of probation, a replacement of the governing board, or other measures.

District of Columbia Public Charter School Board

The DC Public Charter School Board (DCPCSB) follows a "table of remedies" to address substandard performance. Before a final decision of revocation may take place, schools receive up to four status notices in the following order: (1) a notice of concern, (2) a notice of deficiency, (3) a notice of probationary status, and (4) a full charter review. If the Charter Board sees signs of poor performance through its ongoing oversight, it first issues a notice of concern, sending a letter detailing its concerns to the school's governing board. DCPCSB reviews the school's goals and performance targets in its Accountability Plan and encourages the school to develop a Performance Improvement Plan (PIP). If the school fails to meet multiple performance targets, suffers repeated failure on a single performance target, or fails to comply with a law or a condition of its charter, the authorizer then sends a notice of deficiency to the school's board, detailing the areas of deficiency. DCPCSB then negotiates a Performance Improvement Plan with the school, including specific improvement objectives, technical assistance requirements, and the schedule for corrective action. At the third stage, if the school continues to fail to meet performance targets, fails to meet the objectives of the PIP, or continues to fail to comply with an applicable law or its charter, the school receives a notice of probationary status. DCPCSB then imposes the Performance Improvement Plan and dispatches a technical assistance team to the school. In certain cases, DCPCSB may appoint a staff member or external party to monitor the implementation of the PIP and the technical assistance activities. If the school still does not meet performance targets, DCPCSB will notify the school of an impending full charter review that culminates in a determination of whether to commence revocation proceedings or impose lesser sanctions.

6. Renewal Decisionmaking

Authorizers should focus attention early on the process by which they will decide whether to renew a charter as the end of its term approaches. The renewal decision must build upon and be informed by data and insights collected through the entire oversight and evaluation process, and thus should be thoughtfully planned from the outset. Authorizers need to decide which data to collect and consider, who will be involved, the range of possible decisions and their consequences, and which steps to take to make defensible renewal decisions.

Authorizers may be able to choose from a range of possible decisions at renewal time, including

- Full renewal
- Reapplication for a new charter before the end of the term
- Conditional or probationary renewal (typically for a shorter period than a full charter term, such as one or two years)
- Nonrenewal⁶

Demonstrably successful schools are usually easy cases—schools that are fulfilling the terms of their charters and are effective organizations merit renewal according to the charter compact. Schools at the opposite end of the spectrum may virtually demand closure without much agonizing on the authorizer’s part. The most challenging decisions for authorizers are the schools whose performance falls somewhere in between—schools that are unimpressive, mediocre or even troubled, but show some signs of potential and are buttressed by community support. With schools like these, authorizers face numerous options.

An authorizer may choose to **renew** the charter of a troubled school if the school demonstrates potential. In the case of a school that is not performing well but shows signs of improvement, renewal may prevent the premature closing of a potentially successful school and shows deference to the community’s support for that school. Renewal of a poor performer, however, may also set a low bar for performance and erode accountability in the future.

Another option is to require a poorly performing school to **reapply for a new charter** before its current charter expires. Reapplication requires a school to submit a new application for a charter, competing with a pool of other charter applicants. This option gives a school a second chance to retain a charter while requiring it to meet a high standard. However, reapplication can be disruptive and cause parents and supporters to abandon the school prematurely while merely forestalling an inevitable revocation or nonrenewal decision.

A more commonly exercised intermediate option for troubled but potentially promising schools is **probationary or conditional renewal**—allowing the school a specific amount of time (typically one or two years) to demonstrate improved results in targeted areas. This may be a good choice for authorizers who want to gather additional data or allow a school to have more time to demonstrate adequate performance. “Renewal with conditions” may make particular sense for schools experiencing changes in leadership that seem to be moving the school in a new, positive direction. Like full renewal for a poor performer, however, probationary or conditional renewal risks setting a low bar for performance and sending the message to other charter schools that the authorizer does not hold schools to the standards in their contracts.

Finally, the option of **nonrenewal** remains. Refusing to renew an underperforming charter sends or reinforces the message that performance is paramount. Closing a poorly performing school reduces harm to students and demonstrates the enforceability of school accountability agreements. Furthermore, if an authorizer is operating under a cap limiting the number of charters permitted in that jurisdiction, this decision can give a chance to new charter applicants. However, it will also displace students and be disruptive for families and communities. It may be quite contentious, resulting in heavy media attention, community protests, political pressures, and costly legal action against the authorizer. Because of the potential for such damaging repercussions, it is particularly important that authorizers have clear, comprehensive and objective data to

defend a school closure decision. Still, despite its risks, nonrenewal remains an essential tool in the charter accountability toolbox and demonstrates the power of core charter school principles when applied judiciously in warranted circumstances.

Data:

- What data will you need to make your renewal or revocation decision and defend it publicly?
- Will you require schools to submit a renewal application? If so, what will its contents be? (See Application Process section above for some possibilities.)
- Will you visit schools, conduct interviews with members of the school community, hold public hearings, or engage in other “live” assessments of schools seeking charter renewal? How will you structure these interactions, and when will they take place?
- Will you seek or commission any external evaluations?
- How will you collect the information you need to make a defensible renewal decision?

Decisionmaking steps:

- What are the steps in the decisionmaking process?
- What particular requirements will there be for schools to prepare for and participate in this process?
- What is the timeline for charter renewal? How far before the end of a charter’s term do you plan to make decisions about renewal?
- When will prerequisite activities take place—e.g., site visits and renewal applications?
- Who will be involved in renewal decision-making? What will be the roles, if any, of agency staff, board members, consultants, and volunteers from the community?
- Will you (or some third party) prepare written findings regarding the decision to renew, not renew, or revoke a charter?
- How will you notify charter holders and the public of your decisions?
- Will schools be allowed to appeal your rulings? If so, what is the appeal process?

Authorizer options for nonrenewal or other actions:⁷

- *Will you allow decisions other than a standard renewal or nonrenewal—such as a probationary or shorter-term renewal with conditions?*
- *What procedures or protocols will you employ when placing a school on probation or taking other corrective action? Are there specific circumstances under which you can take such corrective action unilaterally? Are there specific circumstances that require a hearing process? If you decide to close a school, what rights will students have? What are the procedures for placing students in other schools?*
- What procedures or protocols will you employ when closing a school?
- When closing a school, what steps will you take to ensure proper handling of:
 - student placements and transfers to other schools;
 - school facilities;
 - other assets including computers, furniture, textbooks, etc.;
 - school employees (Does the state have any employment obligations governed, for example, by collective bargaining? If so, how will these obligations be handled?); *school and student records including Individual Education Plans or other special education-related documents; school debts or other obligations*
- If you decide to close a school, what communication strategies will you employ to explain your decision to the school community and the broader public, including handling media attention?
- How will you respond to possible community protests and political pressures to renew a charter despite your findings?
- Is your agency prepared—in terms of staff and financial resources, adequacy of data collected, and overall capability—to defend a closure decision in the event of a legal challenge?

Illustration 18: Renewal Decisionmaking

Will you visit schools, conduct interviews with members of the school community, hold public hearings, or engage in other “live” assessments of schools seeking charter renewal?

As with school performance contract requirements, most state charter school legislation sets only broad parameters for renewal decisionmaking. The timing of the process and the technical issues of measuring performance are two primary challenges in designing renewal decisionmaking systems. In addition, political pressures can often play a role. Though authorizers typically amass much paper information about a school by the time it applies for renewal, some authorizers design renewal decisionmaking processes that include intensive site visits, interviews with numerous representatives of the school community, external evaluations, or solicitation of community input through public hearings or written comment. Some authorizers believe that these assessments, although time-consuming and expensive supplements to paper documentation, ultimately yield a wealth of information that helps them make better decisions and mitigates the influence of political pressures. Other authorizers have chosen to—or because of lack of resources, must—place less value on “live” assessments and focus more on test score data. Authorizers doing “paper” reviews must decide whether they have enough data and are confident in relying on such data alone.

Texas Education Agency

As of 2003, the Texas Education Agency (TEA) has completed two rounds of renewal decisions, having acquired this role after recent legislation moved this responsibility from the State Board of Education to the Commissioner of Education. TEA relies on information from its lengthy 23-page renewal application—rather than conducting site visits or external evaluations—to make charter renewal decisions. TEA staff conduct reviews of all data—student performance, business operations and fiscal management, and compliance. The agency’s approach stems in part from the sheer scale of its task. In 2002-2003, TEA considered approximately 120 renewal applications from schools across the state. The TEA procedure also reflects the primacy of Texas’ test-based accountability system for all public schools.

Massachusetts Department of Education

The Massachusetts Department of Education uses a combination of paper and “live” information-gathering processes. The Massachusetts Charter School Office looks at an array of evidence to inform its renewal recommendations to the State Board of Education. This body of evidence includes financial audits, annual reports (including school performance on state assessments), two one-day site visit reports, a 25-page renewal application submitted by each school, and extensive findings from a multi-day renewal inspection conducted by an external evaluation firm.

The renewal application is a critical part of the process; it serves as both the school’s argument for renewal and an opportunity for self-reflection. The renewal inspections—modeled after the British public school inspectorate system—are also important because they provide objective insights from a third-party evaluation team. To date, the renewal inspections have relied on teams of three to five education experts trained by SchoolWorks, an evaluation firm. Each team conducts a multi-day, intensive site visit designed to help build an evidence base for renewal decisions. A team interviews members of the school’s community (students, board members, teachers, administrators and students), observes

classes, reviews student achievement data, and examines school records. The multi-day site visit follows a highly structured protocol shared with schools in advance.

The Department of Education's Director of Accountability reviews the inspection team's findings in conjunction with other quantitative and qualitative evidence collected over the school's years of operation. The Director of Accountability's review yields a six-page Summary of Evidence recommending renewal or nonrenewal to the State Board of Education. To earn renewal, a school's data must demonstrate affirmative answers to strategic questions about academic success, organizational viability, and faithfulness to the charter. As of fall 2002, the Massachusetts Board of Education has renewed 24 charters and revoked or not renewed two. (Two schools have also voluntarily relinquished their charters after opening.)

Illustration 19: Renewal Decisionmaking

What data will you need to make your renewal decision?

Authorizers receive minimal guidance from state charter legislation on what kinds of data to gather for renewal decisionmaking. Some authorizers require a specific renewal application that provides the framework for the school to make its own case for renewal. Others rely on a wealth of data collected throughout the term such as annual reports, compliance reports, performance data, school satisfaction data, self-review reports, and on-site review reports. Others may require a multi-day renewal inspection, extensive interviews, a third-party review of data, or public hearings. Authorizers may be challenged by having to make a renewal decision based on just a few types of data or by not having enough capacity to analyze properly the large amounts of information collected.

Chicago Public Schools

In Chicago, renewal involves submission of a renewal application in addition to the authorizer's comprehensive review of the school's performance record over its charter term. For the renewal application, schools answer 50 questions and submit four years of performance data. The data-gathering process also includes interviews, an optional site visit, and a public hearing.

Massachusetts State Board of Education

Massachusetts requires submission of a formal renewal application. The authorizer views this partly as a self-reflection tool for the school. The State Board also gathers data needed for the renewal decision through a four-day "renewal inspection" conducted by trained observers from an external evaluation firm, and through review of annual reports, audits, and performance information.

Los Angeles Unified School District

The renewal data-gathering process adopted by the Charter School Development Office of the Los Angeles Unified School District (LAUSD) includes an external review report. LAUSD's Program Evaluation and Research Branch, an independent analysis unit of the District, conducts an extensive review during the fourth year of the five-year charter term. The following year, schools eligible for renewal submit a formal renewal petition that includes the independent analysis report, a one-page summary of accomplishments, and supporting documents such as the school's charter.

Illustration 20: Renewal Decisionmaking

What are the steps in the decisionmaking process?

Some charter school laws provide authorizers with a prescribed set of decisionmaking steps. Others leave the process largely up to the authorizer. Some authorizers who may have limited resources rely on staff or a committee, as well as submitted materials from the school, to provide the information necessary to make the renewal decision. Others act on recommendations from independent review panels or evaluators.

Massachusetts State Board of Education

In Massachusetts, a charter school may apply for renewal to the Massachusetts Board of Education any time from March 1 of its third year of operation to August 1 before the fifth and final year of its charter. To earn renewal, a school must demonstrate affirmative answers to the three questions guiding Massachusetts' charter school accountability system: (1) *Is the academic program a success?*; (2) *Is the school a viable organization?*; and (3) *Is the school faithful to the terms of its charter?*

Once the school has submitted its renewal application, Department of Education staff review and evaluate it, applying specific review criteria. The Commissioner will either allow the school to move forward in the renewal process or ask it to submit an improved application at a later date. A team of education experts trained by an external evaluation firm then conducts a multi-day "renewal inspection" visit to corroborate and supplement the content of the renewal application. This site visit is governed by a formal inspection protocol modeled after the British public school inspectorate system.

Interested stakeholders are also invited to submit written comments to the Department of Education regarding the renewal of a school's charter. Based on a review of the school's application for renewal, the findings of the renewal inspection team, and other relevant information such as financial records, the Commissioner then provides a six-page summary of evidence to the Board of Education with a recommendation to renew or not renew the school's charter. Once the Board votes on a school's application for renewal, it makes public the final report from the renewal inspection.

Los Angeles Unified School District

The Los Angeles Unified School District (LAUSD) sponsors an extensive review of each charter school during the spring of its *fourth* year of operation. The timing of this review is designed to enable schools to receive the results early enough to address them in their renewal petitions due in the fifth year. The evaluations are conducted by LAUSD's Program Evaluation and Research Branch (PERB), an independent analysis unit of the District. For the review, PERB staff spend 10-15 days visiting each school, carrying out interviews, observations, surveys, and in-depth analysis of student achievement data, and ultimately producing a detailed report on each school. PERB produces findings from this review in the fall of each school's fifth year, providing schools with information to use or address in their renewal petitions due at the end of January.

The renewal proposals include the independent analysis of each school, a one-page summary of the school's accomplishments, and supporting documents such as the school's charter. LAUSD's Charter School Development Office (CSDO) reviews and provides initial

feedback on draft renewal applications. Schools may then revise and submit the application for further comment from the Superintendent's Charter Schools Advisory Committee. Thus, schools can receive guidance from both CSDO and the Advisory Committee before submitting their final renewal proposals. The Advisory Committee reviews final petitions and makes recommendations to the Board, which makes renewal decisions by the end of March in the school's fifth year.

Endnotes

1. Researchers gathered much of the information for the Illustrations and Case Studies beginning in 2002. NACSA has updated much of this information for 2003, including the Summary Information for the authorizer case studies. However, some descriptions characterize the authorizer agency as it operated in 2002.
2. The 456 school sites include 279 charter holders operating 366 sites directly chartered by the Arizona State Board for Charter Schools (ASBCS), in addition to 62 charter holders operating 90 sites that were originally chartered by the Arizona State Board of Education. ASBCS now oversees the latter schools under contract with the State Board of Education.
3. Data are for either the 2002-03 school year or the fall of 2003, as shown in the "Authorizer" column.
4. The number of sites listed does not include an additional 23 campuses operating under one charter, which are overseen differently from the other schools.
5. The U.S. Department of Education has issued Guidance regarding the application of No Child Left Behind accountability requirements Non-Regulatory Guidance entitled *The Impact of the New Title I Requirements on Charter Schools*, available from the Department's website, www.ed.gov.
6. This section distinguishes charter *nonrenewal* from *revocation*. Revocation is not listed as a renewal decision option because it may take place *at any time* during a charter term for cause—and usually takes place, if at all, before the renewal decisionmaking stage. At the end of a charter term, a decision to discontinue a charter is generally considered a nonrenewal.
7. Many of the planning questions in this subsection pertaining to school closures as a result of nonrenewals can also be applied to *revocations* occurring before the end of the charter term.