May 4th Presentation to the School Choice Subcommittee of the Education Reform Commission
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PRESENTATION TOPICS

A NATIONAL VIEW
- Georgia’s charter schools law compared with other states across the nation

A FOCUS ON GEORGIA
- Georgia’s charter schools law, what is causing our ranking to fall further and further behind in the region and the nation

SIGNIFICANT SHORTCOMINGS AT SCHOOL LEVEL
- Facilities, a lack of financial equity and access to buildings
- Authorizers of charter schools, who’s overseeing the overseer

QUALITY GROWTH FOR THE FUTURE
- New Schools Georgia, a charter schools incubator program
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AN OVERVIEW OF THE NATION’S CHARTER SCHOOL SECTOR

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Senior Director, State Advocacy & Support
The National Alliance for Public Charter Schools
EACH YEAR, THE ALLIANCE ANALYZES EACH STATE’S CHARTER SCHOOL LAWS AGAINST 20 ESSENTIAL COMPONENTS OF A STRONG CHARTER LAW AND THEN RELEASES AN ANNUAL STATE LAW RANKINGS REPORT.
20 COMPONENTS OF A STRONG CHARTER LAW

1. No Caps
2. Variety of Schools Allowed
3. Multiple Authorizers
4. Authorizer Accountability
5. Adequate Authorizer Funding
6. Transparent Application & Decision-making Processes
7. Comprehensive School Monitoring & Data-Collection Processes
8. Clear Renewal, Nonrenewal & Revocation Processes
9. Performance-Based Contracts
10. Autonomous Schools w/ Independent Boards
20 COMPONENTS OF A STRONG CHARTER LAW

11. Clear Recruitment & Enrollment Procedures (lottery)
12. Automatic Law Exemptions (except, health, safety, Civil Rights, etc.)
13. Clear Identification of SPED Responsibilities
14. Equitable Operational & Categorical Funding
15. Equitable Capital Funding
16. Employee Retirement System Access
17. Collective Bargaining Exemption
18. Education Service Provider Provisions
19. Multi-School Charters & Multi-Contract Boards Allowed
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GEORGIA’S 2015 STATE RANKING IS #23 (OUT OF 42 STATES AND THE DISTRICT OF COLUMBIA)

Strengths of Georgia’s charter law

• No caps
• Allows for a variety of schools
• Transparent application and review processes
• Transparent renewal criteria and right to an appeals
• More than one authorizer
• Right to due process
• Exemption from existing collective bargaining agreements
• Clear lottery and enrollment provisions
• Adequate authorizer funding
THE LAW ALSO HAS SEVERAL WEAKNESSES

- Inequitable operational funding
- Lack of access to facilities and facility funding
- Inadequate autonomy
- Lack of an authorizer accountability requirements
- Lack of statutory provisions to govern expansion of high quality public charter schools
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GEORGIA’S COMPARATIVE REGIONAL RANKING IN 2015

<table>
<thead>
<tr>
<th>STATE</th>
<th>RANKING</th>
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<tbody>
<tr>
<td>Florida</td>
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<td>South Carolina</td>
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<tr>
<td>Alabama</td>
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<tr>
<td>(tentative score in 2016)</td>
<td></td>
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<tr>
<td>Georgia</td>
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GEORGIA’S CHARTER SCHOOL LAW RANKING HAS DROPPED SINCE THE FIRST STATE RANKING REPORT

<table>
<thead>
<tr>
<th>Year</th>
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<tr>
<td>2015</td>
<td>Ranking</td>
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<tr>
<td>2014</td>
<td>Ranking</td>
<td>#22 (out of 43)</td>
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<tr>
<td>2013</td>
<td>Ranking</td>
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<tr>
<td>2010</td>
<td>Ranking</td>
<td>#4 (out of 40)</td>
</tr>
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</table>
RECOMMENDATIONS TO IMPROVE GEORGIA’S LAW

1. Close the facility and operational funding gap.

2. Beef up authorizer accountability requirements.

3. Assure full autonomy.

4. Enact guidelines or laws to govern the expansion of high quality charter schools through multi-school charter contracts.
FACILITY CHALLENGES FOR CHARTER SCHOOLS

- Industry average across the United States: 15% of a charter school’s operating funds are devoted to facilities costs (*rent, bank notes, utilities, upkeep, etc...*)
  - Charter schools in Georgia that go beyond the 15% threshold for facilities costs are flagged by the GaDOE and maybe at risk for non-renewal

- Charter schools have little to no access to E-SPLOST funding
  - Charters are rarely included in district’s technology upgrades through E-SPLOST

- Locally approved charter schools no not receive any of the state’s Capital Outlay funds

- Statutory language for “unused district facility” failing to meet intent of the law

- A charter school’s property is not exempt from property taxation
FACILITY CHALLENGES FOR CHARTER SCHOOLS
- POTENTIAL SOLUTIONS -

• Require inclusion of charter schools in E-SPLOST funding

• Provide locally approved charter schools with a per-pupil carve out of the state’s Capital Outlay funds as the state does for state approved charter schools

• Better define “unused district facility” to meet the intent of the law
  - mandate co-location for underutilized public school facilities

• Fund Representative Ed Setzler’s House Bill 831 (passed in 2007) allowing for a grant program for qualified charter school contributions

• Exempt charter schools from property tax

• Create a state authority with the power to issue debt for charter schools modeling the “Private Colleges and Universities Act”
CHALLENGES FOR CHARTER SCHOOLS WITH THEIR AUTHORIZER

• 3% withhold by authorizers
  - Authorizers are not held accountable to the services they are suppose to provide their charters
  - Many services provided are irrelevant
  - Charters don’t always utilize 3% worth of administrative services

• Federal funding problematic to access or utilize
  - Districts require charters to accept in-kind Title II funded professional development not aligned with charter programming
  - Districts require charters to spend operational dollars on services covered under IDEA funding

• Authorizers aren’t taught to be a quality authorizer nor do they seek assistance
  - Expectations from district to district are inconsistent
  - There is a lack of transparency when dealing with charter schools within the district

• Full flexibility as the law intends is often stymied
  - State penalizes LEAs for local schools, including charters, for using certification waivers for teachers
CHALLENGES FOR CHARTER SCHOOLS WITH THEIR AUTHORIZER

- Districts do not share revenue collected in excess of board-approved budget target
- Districts determine which revenue is “applicable” and included in allocation
- Far too many districts lack comprehensive board policies for charter schools and charter school oversight
- Transportation categorical grant funding is insufficient for operating a transportation program
  - Districts do not include charter schools in the district daily transportation program
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CHALLENGES FOR CHARTER SCHOOLS WITH THEIR AUTHORIZER

- POTENTIAL SOLUTIONS -

• SBOE Rule change for 3% withhold by requiring:
  - Line item documentation of expenditures by authorizers
  - Evidence that expenditures meet statutory requirements
  - Return all unused funds to schools annually

• State adoption of National Association of Charter School Authorizers (NACSA) Principal & Standards and if districts fail to meet principals and guidelines:
  - Increased GaDOE oversight, financial penalties, and/or loss of authorizer powers

• GaDOE enforcing state commitment to full flexibility for start-up and conversions at local level

• GaDOE enforcing the law to ensure equitable distribution of funding

• GaDOE must post allocation calculation template and enforce use by authorizers
CHALLENGES FOR CHARTER SCHOOLS WITH THEIR AUTHORIZER

- POTENTIAL SOLUTIONS -

- GaDOE requiring LBOE to memorialize their practice in board policy

- GaDOE requiring districts to “true-up” charter allocations annually to include revenue collected in excess of budget target.

- SBOE Rule change defining which state, local, and federal funds are “applicable” and must be included in allocation sheets

- Moving transportation categorical grant funding into base funding
  - Districts allow charter schools to participate meaningfully in district daily transportation program
  - Districts allow charter schools to purchase transportation services at-cost from the district
Several conditions exist or will soon exist requiring a large number of strong boards and school leaders...

- trained in exercising flexibility,
- implementing innovative programming,
- managing autonomous or semi-autonomous schools under rigorous performance contracts
WHAT IS GEORGIA NAVIGATING

1. Opportunity School District
2. State flexibility models
3. Takeover/restructuring provisions in state-mandated flexibility models
4. Alternate Authorizer (*State Charter School Commission*)
5. Move towards autonomous conversion charter schools
6. Anticipated funding equity
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THE SOLUTION

Plan for growth by:

1. Encouraging local colleges and universities to offer alternative certification programs, focused on innovation, flexibility, and site-based management
2. Fund leadership training programs (such as the Incubator) focusing on innovation, flexibility, and site-based management
3. Create and fund nonprofit board development and training programs
4. Consult with and build partnerships with high-performing CMOs to train and develop local talent
5. Attract local and national talent by addressing funding-equity issues and publicizing concrete, detailed programs to train leaders for coming opportunities
6. Invest in training by building in long-term supports such as coaching, mentoring, placement assistance, ongoing governance training and support
7. Build a network of support organizations to create sustainability and scalability of successful practices and programs.
CONCLUSION

We need to plan, not just for more leaders, but for a different kind of leader. As expectations increase and greater flexibility, responsibility, and accountability is given those who run schools, we need to begin finding, training and supporting individuals who meet these heightened expectations.

The definition of insanity is doing the same thing over and over, but expecting different results.