American Enterprise Institute for Public Policy Research

AEI

No. 12 • December 2010

Education Outlook

Choice without Options: Why School Choice Is Less Than It Seems in Washington, D.C.

By Mark Schneider and Naomi Rubin DeVeaux

Every summer, an increasingly common event occurs across the country—parents open a letter explaining that their child's school is failing to meet benchmarks set under the federal No Child Left Behind Act (NCLB)[1] and that, as a result, they have a right to send the child to another public school, if space is available. In the summer of 2009, letters went out to parents of children in more than one hundred District of Columbia public schools (DCPS) and D.C. public charter schools that did not make adequate yearly progress (AYP). This Outlook *examines the choices available to those families and shows that while around twelve thousand students transferred schools that year, almost three-fourths made a school choice that can be described as choosing the bad over the worse or the unknown over the known.*

Washington, D.C., has an environment that, on the surface, is ripe with school choice. Last year, 70 percent of all public school students attended a school other than their zoned neighborhood school; nearly 40 percent attended public charter schools and another 30 percent attended selective magnet schools or traditional public schools using the out-of-boundary application process. Residents of D.C. can apply to more than ninety public charter schools and more than one hundred DCPS. All public charter schools must accept applications from any D.C. resident, and DCPS must accept applications from out-of-boundary students for excess seats not filled by neighborhood children. If the number of students applying in either case exceeds the number of available seats, a lottery is held to determine which students may enroll.

Despite this environment of school choice, parents in D.C. face fierce competition to enroll their children in one of the city's few "higher proficiency" public schools:[2] only 29 percent of students in D.C. who chose a new school for the 2009–2010 school year enrolled in a higher-proficiency school. The vast majority ended up in schools that were low performers or were of unproven quality.[3]

Mark Schneider (mark.schneider@aei.org) is a vice president at American Institutes for Research and a visiting scholar at AEI. Naomi Rubin DeVeaux (ndeveaux@focusdc.org) is the director of school quality for Friends of Choice in Urban Schools (FOCUS).

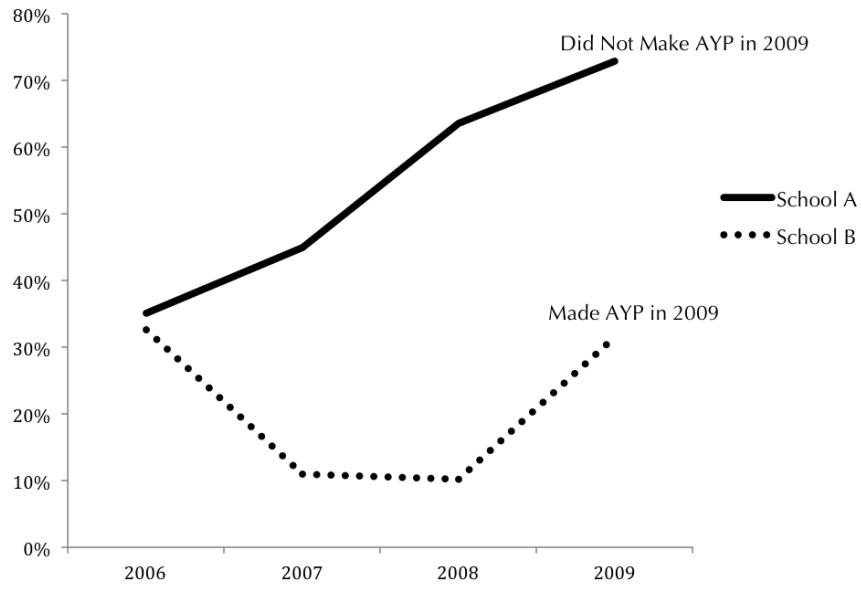
Key points in this *Outlook*:

- In choosing schools for their children, D.C. parents confront fierce competition and poor information on their options.
- Fewer than one-third of all students who chose a new school in 2009–2010 enrolled in a "higher proficiency" school.
- Changes to the Elementary and Secondary Education Act can help remedy this situation by encouraging innovative charter schools and requiring schools to publish relevant performance data.

What Is a Desirable School?

The Limitations of AYP. Like every city throughout the United States, D.C. has some excellent schools, some dismal schools, and many mediocre schools. D.C. administers the District of Columbia Comprehensive Assessment System (DC CAS) to students in grades three through eight and ten in both math and reading and uses the results to determine AYP. The AYP system was designed to hold schools accountable to high standards for all students, and it helps expose achievement gaps within a school. But AYP is an imperfect measure of school quality. Because of quirks in the law, some lower-proficiency schools can make AYP, while high-performing schools are denied AYP based on sluggish growth in a single student-population subgroup.

FIGURE 1
PERCENTAGE OF STUDENTS SCORING PROFICIENT OR ADVANCED ON DC CAS, 2006–2009



SOURCE: FOCUS, "School Quality Dashboard," available at www.focusdc.org/index.php?option=com_content&view=article&id=436&Itemid=2000 (accessed November 30, 2010).

To make AYP, a school must demonstrate proficiency across all student subgroups: African American, Asian, white, Hispanic, English language learners, disabled, and low socioeconomic status. However, a school can also make AYP through a provision in NCLB called "Safe Harbor" if it reduces the number of students who do not score proficient or advanced by 10 percent or more. These two ways of making AYP can lead to "apples to oranges" comparisons of school achievement, as demonstrated in figure 1.

Public charter schools are providing higher-proficiency options, but access is limited.

Figure 1, based on data from two different D.C. schools, shows that in 2009 73 percent of the students at school A scored proficient or advanced versus 31 percent at school B. But while the lower-proficiency school made AYP through Safe Harbor, the higher-proficiency school "failed" because one student subgroup missed the 2009 AYP target. This is a common occurrence; in any given year, schools with fewer than half of their students scoring proficient or advanced make AYP through Safe Harbor, while schools that are much closer to getting every child to proficiency do not.

AYP is clearly not the best indicator of school quality. Therefore, to analyze parents' choices, we looked at schools using two diagnostic questions: "Is the school performing better than the average school?" and "Is the school improving its performance over time?" We developed a metric that takes into account both recent performance and improvement across four years.[4]

Using these two criteria, we labeled schools as "higher proficiency" or "lower proficiency" based on DC CAS student-proficiency data. Schools are measured both by status (the percent proficient in 2009) and growth (the change in percent proficient from 2006, the first year the DC CAS was administered, to 2009). To be considered higher proficiency, a school needed to exceed both the combined charter/district average status (45 percent) and the charter/district average sum of status and growth (60 percent).[5] See table 1 for examples.

Figure 2 is a graphic representation of how we identified higher-proficiency schools. The schools in the upper right quadrant outperformed the charter/district average both in 2009 DC CAS percent proficient and in growth in percent proficient since 2006; all of these schools are labeled "higher proficiency." The schools in the upper left quadrant had higher-than-average performance on the 2009 DC CAS, but lower-than-average growth; only

TABLE 1
DC CAS STUDENT PROFICIENCY DATA, 2006–2009

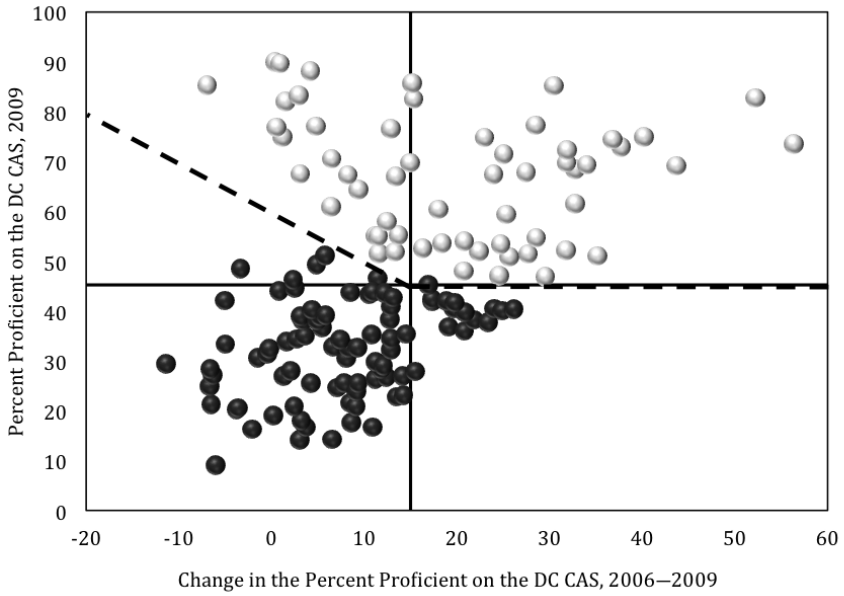
School	2006 DC CAS Percent Proficient	2009 DC CAS Percent Proficient	Status	Growth (Percent)	Sum of Status and Growth (Percent)	Is Status Above 45 Percent?	Is Sum Greater Than 60 Percent?	Designation
A	46	72	72	(72 – 46) = **26**	(72 + 26) = **98**	Y	Y	Higher Proficiency
B	35	44	44	(44 – 35) = **9**	(44 + 9)= **53**	N	N	Lower Proficiency
C	15	44	44	(44 – 15) = **29**	(44 + 29)= **73**	N	Y	Lower Proficiency
D	56	51	51	(51 – 56) = **-5**	(51 + -5)= **46**	Y	N	Lower Proficiency

SOURCE: Office of the State Superintendent, "Assessment and Accountability in the District of Columbia," available at www.nclb.osse.dc.gov (accessed November 30, 2010).

schools above the dotted line (representing 60 percent combined 2009 proficiency and 2006–2009 growth) were designated as "higher proficiency." Other schools below the dotted line were labeled "lower proficiency."

In addition to these two categories, schools with less than four years of testing data were labeled "undetermined proficiency." We excluded schools that only have non-diploma-track GED programs, serve only special populations of students, or are selective high schools requiring an admissions exam. Table 2 summarizes the distribution of schools across these categories.

FIGURE 2
PROFICIENCY DESIGNATIONS



Source: FOCUS, "School Quality Dashboard," available at www.focusdc.org/index.php?option=com_content&view=article&id=436&Itemid=2000 (accessed November 30, 2010).

Defining Choice. To track what choices students made, we used three D.C. data sets:

- Audited enrollment for DCPS and public charter schools, October 5, 2009;
- Audited DCPS out-of-boundary lottery initial results, 2009–2010; and
- Unaudited re-enrollment numbers from the Public Charter School Board, 2009–2010

For DCPS, any out-of-boundary student granted admission to a school in the February 2009 lottery was counted as a newly admitted student. For public charter schools, lotteries are not audited, and there is no central database of lottery results. To determine the number of newly enrolled public charter school students, we subtracted the number of re-enrolled students from the number of enrolled students. Any student who was

TABLE 2

NUMBER OF D.C. PUBLIC CHARTER AND TRADITIONAL SCHOOLS, BY PROFICIENCY DESIGNATION, 2006–2009

Proficiency Designation	Proficiency Characteristics	Number of D.C. Public Charter Schools	Number of Traditional DCPS	Number of Students
Higher Proficiency	More than 45 percent proficient (state average) on 2009 DC CAS AND Change in percent proficient from 2006 to 2009 plus percent proficient in 2009 is greater than 60 percent.	19 (20 percent)	39 (29 percent)	23,416 (32 percent)
Lower Proficiency	Less than 45 percent proficient (state average) on 2009 DC CAS OR Change in percent proficient from 2006 to 2009 plus percent proficient in 2009 is less than 60 percent.	21 (22 percent)	64 (47 percent)	29,226 (40 percent)
Undetermined Proficiency	School does not have testing grades OR School did not report all four years of DC CAS data (recently opened or temporarily closed).	50 (52 percent)	4 (3 percent)	10,056 (14 percent)
Excluded Schools	Non-diploma-track GED programs OR Schools exclusively serving special populations of students OR Selective schools requiring an admissions exam OR High school completion/GED programs	6 (6 percent)	29 (21 percent)	10,013* (14 percent)

* Includes adult students and special-education students who are not assigned to a grade from all four categories.
SOURCE: Authors' calculations based on audited enrollment for DCPS and public charter schools, October 5, 2009; audited DCPS out-of-boundary lottery initial results, 2009–2010; and unaudited re-enrollment numbers from the Public Charter School Board, 2009–2010.

enrolled in the same public charter school local education agency was counted as re-enrolled.

The Results. Fewer than one-third of all students who chose a new school for the 2009–2010 school year enrolled in a higher-proficiency school. When students do not get into a higher-proficiency school, they are forced to choose schools with no track record of success or with lower proficiency results. As is evident in figure 3, the most common choice was to attend a public charter school of unknown proficiency. The second most common choice was a lower-proficiency public charter school. Together, these represent half of all choices made last year and show that parents are betting that public charter schools will provide a better education than their neighborhood school.

"Hunting Season"

Grade by grade, public charter schools offer roughly twice as many higher-proficiency choices for students across the city than the out-of-boundary slots available to the same kids at traditional schools. Without charter schools, hundreds of economically disadvantaged and minority students would not have any chance at a slot in a higher-proficiency school.

However, slots at higher-proficiency schools fill up quickly—and early. D.C. has a "hunting season" when savvy parents apply to schools for their children by completing DCPS out-of-boundary applications and public charter school applications. In 2009, the hunting season occurred long before tens of thousands of D.C. parents received AYP failure letters in August; DCPS held its out-of-boundary lottery six months earlier, in February 2009, and thirteen out of nineteen higher-proficiency public charter schools had an explicit application deadline before August. Almost every parent spurred by the AYP failure letter to look for a new school in August had to settle for a lower-proficiency school or one without a track record of success.

Not surprisingly, there are more seats available in preschool, sixth grade, and ninth grade—the entry grades to elementary, middle, and high school—than in other years. Since not many students choose to leave a higher-proficiency school before graduation, other grades have significantly fewer seats filled by new students transferring to the school.

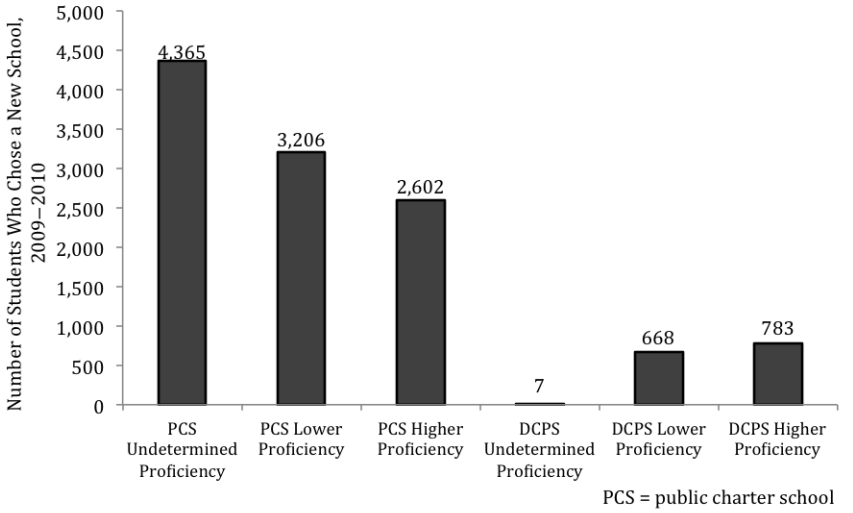
As shown in figure 4, the peak entry point for higher-proficiency public charter schools and DCPS is the preschool level—nine of the nineteen higher-proficiency public charter schools and thirty-five out of thirty-nine DCPS have preschool grades. By kindergarten, the number of students admitted dropped by 60 percent. Only 15 percent of higher-proficiency kindergarten seats (287 out of 1,926) were awarded to new students. When students reach age five, the doors to higher-proficiency schools are already slamming shut.

In the middle school years—grades five through eight—public charter schools provided more options for students to transfer into a higher-proficiency school than DCPS did: 79 percent of students in these grades who chose a new higher-proficiency school chose a public charter school.

Importantly, the only openings in higher-proficiency high schools are at public charter schools. There is only one higher-proficiency nonselective DCPS high school (Wilson), and there were no open seats in any grade in

FIGURE 3

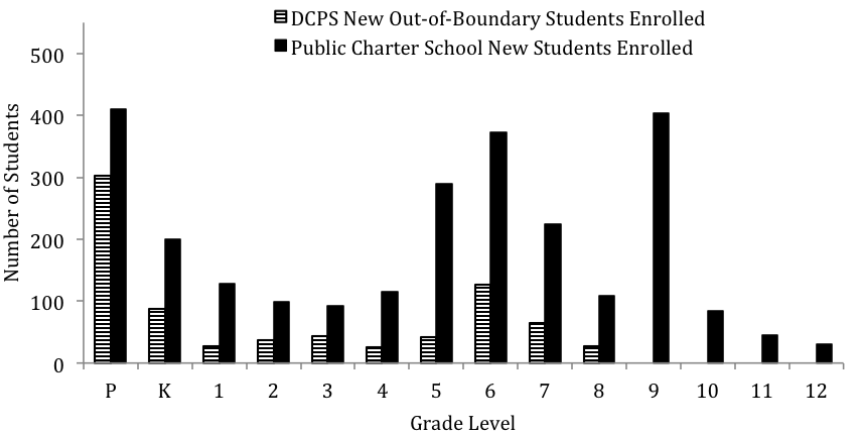
NUMBER OF STUDENTS CHOOSING A NEW SCHOOL, BY PROFICIENCY



SOURCE: Authors' calculations based on audited enrollment for DCPS and public charter schools, October 5, 2009; audited DCPS out-of-boundary lottery initial results, 2009–2010; and unaudited re-enrollment numbers from the Public Charter School Board, 2009–2010.

FIGURE 4

NUMBER OF NEW STUDENTS ATTENDING A HIGHER-PROFICIENCY SCHOOL OF THEIR CHOICE, 2009–2010



SOURCE: Authors' calculations based on audited enrollment for DCPS and public charter schools, October 5, 2009; audited DCPS out-of-boundary lottery initial results, 2009–2010; and unaudited re-enrollment numbers from the Public Charter School Board, 2009–2010.

the February 2009 lottery. By contrast, the four higher-proficiency public charter high schools provided 564 available seats for students, mostly in the ninth grade (404). A total of only forty-five eleventh graders and thirty twelfth graders were admitted to a higher-proficiency public charter high school, and 84 percent of them were admitted to one school—Friendship Collegiate Academy—which accepts students regardless of grade level.

Clearly, public charter schools are providing higher-proficiency options, but access is limited in nonentry grades. This problem has wide-ranging consequences and is likely to get worse; there is a trend of higher-proficiency charter schools creating their own pipeline, drawing students from their own elementary school to middle school to high school. To the extent this happens, there will be a further reduction in access to higher-proficiency seats for nonpreschool students.

As D.C. tries to attract more families back to the city with improving schools, parents with children older than four years of age will have to think twice, given the limited options to enroll their children in a quality school.

Conclusion

D.C. offers considerable school choice, but without many options. As a result, parents are forced to bet on their child's education in lotteries and untested schools. As witnessed in the popular movie *Waiting for Superman* and studies in other cities such as Denver, St. Louis, and Milwaukee, this is a problem found across the country. For school choice to work as it should, the United States needs to radically expand its supply of high-quality schools. The federal government has the opportunity to help states do this when it reauthorizes the Elementary and Secondary Education Act (ESEA).

First, the federal government should redesign the federal charter school program to better support changes in state policies that encourage the creation of high-quality charter schools. For example, incentives should be included in the federal charter school programs to reward states that provide equitable funding to all public schools—at present, charter schools receive considerably less than traditional public schools.[6]

Second, ESEA could help break the longstanding roadblocks that charter schools now face when seeking high-quality facilities. For example, the government could reward states that have laws ensuring charter school access to surplus public school buildings or underused space in operating school buildings. ESEA could also encourage states to experiment with more aggressive ways of helping charter schools find and finance facilities. The federal government might support states in creating charter school facility authorities modeled after state dormitory authorities. Just as these dormitory authorities use the bonding authority of the state to help their public universities build dormitories, a charter school facilities authority could help charters pay the costs of buildings. This could ease one of the most common and persistent problems that charter schools face at startup and as they seek to grow.

D.C. offers considerable school choice, but without many options. Parents are forced to bet on their child's education in lotteries and untested schools.

Third, the data clearly show that parents are willing to send their children to new and even low-performing public charter schools over their designated neighborhood schools—often because of the charter schools' innovative approach to education. To ensure that schools are encouraged to try new educational approaches, federal programs requiring state or local education agency standardization (including a potential reauthorized Race to the Top) need to respect charter school autonomy. The government should, therefore, refrain from demanding that existing charter schools adopt current "best practices," and a significant focus should remain on creating new charter models.

Finally, the federal government should encourage states not just to publish school performance data, as is the case with the current school report card required by NCLB, but to make the data "actionable": the reports should allow parents to make apples-to-apples comparisons among all types of schools, charter and traditional. These reports should be easy to read but still take into account the complexities that make schools different, such as student demographics, size, and educational focus. This actionable school-performance information should be released at a time when decisions can still be made—not after school choice application processes have ended—and updated when new information is released.

The authors would like to thank Steven Taylor, a Carnegie Mellon apprentice at FOCUS, for his help in preparing this Outlook.

Notes

1. A school fails to make adequate yearly progress (AYP) by not meeting state-defined benchmarks on attendance, graduation, or proficiency in reading and math for the whole school or one or more subgroups of test takers. Schools that have failed to make AYP for two consecutive years are assigned a "school improvement status" until they make AYP for two consecutive years.

2. We define "higher proficiency" below.

3. This percentage is in line with studies in Denver, St. Louis, and Milwaukee. See IFF, *Locating Quality and Access: The Keys to Denver's Plan for Educational Excellence* (Chicago, IL, 2010), available at www.iff.org/resources/content/3/4/documents/Denver%20Locating%20Quality%20and%20Access%202010.pdf (accessed November 30, 2010); IFF, *Public School in St. Louis: Place, Performance, and Promise* (Chicago, IL, July 2009), available at www.iff.org/resources/content/3/4/documents/STL-Place-Performance-Promise.pdf (accessed November 30, 2010); and IFF, *Choosing Performance: An Analysis of School Location and Performance in Milwaukee* (Chicago, IL, 2010), available at www.iff.org/resources/content/3/0/documents/MRR.pdf (accessed November 30, 2010).

4. The data for this analysis can be found on the School Quality Dashboard, an interactive database created by FOCUS to compare schools' performance on the DC CAS from 2006 through 2010. See FOCUS, "School Quality Dashboard," available at www.focusdc.org/index.php?option=com_content&view=article&id=436&Itemid=2000 (accessed November 30, 2010).

5. We did a sensitivity analysis changing the 60 percent threshold to 55 percent and 65 percent and found that only three out of 143 schools changed their category.

6. See Center for Education Reform, "Charter School Funding," available at http://edreform.com/charter_schools/funding (accessed December 13, 2010); and Chester E. Finn Jr., Bryan C. Hassel, and Sheree Speakman, "Charter School Funding: Inequity's Next Frontier," Thomas B. Fordham Institute, August 24, 2005, available at www.edexcellence.net/discards/charter-school-funding.html (accessed December 13, 2010).