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NATIONAL ASSOCIATION OF
CHARTER SCHOOL AUTHORIZERS

VIEWPOINT

**Differentiated Charter Authorizing Strategies
for Innovation, Scale, and Quality** **TOM VANDER ARK**

Summary

A maturing charter sector still operates on first-generation laws designed to launch a few experimental schools. However, the charter sector has moved beyond this initial launch stage of its development. The new focus on scaling quality and the growth of managed networks has placed particular demands on old policies, practices, and authorizing capabilities. Growth in online and blended learning, interest in high-level STEM, and conversions and turnaround are additional new pressures on the one-size-fits-some process. States should update authorizing laws to incorporate multiple pathways and new capacities that reflect the realities of the charter landscape, and take advantage of emerging opportunities to add quality educational options.

Viewpoint is a series of articles written by leaders in charter school authorizing and the education reform movement. The series is meant to foster thoughtful discussion and idea exchange on current topics and emerging trends in the sector. The views, opinions, and recommendations expressed in these articles are those of the author and do not necessarily reflect the official policy or position of the National Association of Charter School Authorizers.

INTRODUCTION

It is time to rethink charter school authorization. There are approximately 5,000 charter schools in the United States (about 5 percent of schools) and a push from parents and the Department of Education for more. Given that many charters authorized during the initial wave of charter applications have not proven themselves to be any better than traditional public schools, there have been efforts to tighten up authorizing. In an effort to screen out weak proposals and applicants, the application process has become much longer (i.e., 18–24 months), more demanding, less flexible, and more bureaucratic. As a consequence, students' access to innovative and high-quality options for education is being limited.

In most cities and states, the focus has shifted from innovation to scaling proven models. This focus on scaling proven models is logical but does not serve high-performing models or innovative proposals very well. The world has changed since the early 1990s, when many states passed charter laws; charter networks are scaling, millions of students are learning online, hundreds of Catholic schools are closing, and there is an organized federal effort for thousands of school turnarounds. Existing charter laws and application processes do not serve a new world of opportunities. Federal and foundation grant programs, as well as new opportunities and challenges, create the need for states to introduce the next generation of charter authorizing.

Charter authorizing is a critical function and will increasingly shape public education in the United States. At the beginning of 2010, there were 872 authorizers including state education authorities, school districts, universities, nonprofit organizations, and two municipalities. The recommendations of this paper are most relevant to the 70 authorizers with more than 10 charter schools and a statewide scope. The 20 state charter offices in that category employ an average of 2.7 staff members. This paper recommends expanded as well as differentiated authorizing capacity for the maturing charter school sector.

State education policymakers (legislatures and state boards) should consider six distinct authorizing pathways with associated capacity.

- 1. Standard.** An updated authorizing process should focus on qualified first-time applicants proposing a single school based on a proven school model with demonstrated community support.
- 2. High Performing.** A short-form application with quick turnaround should be available for operators of two or more high-performing schools.

3. **Innovation.** Qualified applicants with a strong hypothesis should be able to seek conditional approval for innovative school models that incorporate novel assessment systems, performance-based progress, unique staffing and compensation models, distributed learning, blended institutions, and/or year-round learning. State commissioners could modify criteria to target specific reforms, populations, or geographies.
4. **Online.** Reflecting the Internet’s ability to cross municipal and state borders, virtual and blended operators should have the ability to enroll students state-wide and/or across a multi-state region under a reciprocal charter agreement.
5. **Turnaround.** School improvement providers should be invited to propose in a two-step process that would result in a list of preapproved vendors that are subsequently matched with turnaround or restart opportunities.
6. **Conversion.** The conversion of a high-performing public or private school to charter status warrants special consideration. Conversions warrant a statewide (non-district) authorizer to ensure real charter status and treatment.

While states are updating their charter school and online-learning laws, multiple pathways and expanded authorizing capacity would help to accelerate growth of high-quality options for students in the United States. This paper outlines the need for each of these categories and suggests authorizing strategies.

This monograph is intended to promote discussion about emerging issues. It does not reflect adopted positions of NACSA. It includes the author’s personal opinions and anecdotes about charter school authorizing.

1. Standard Charter School Authorizing.

The standard authorizing process that NACSA recommends works reasonably well for first-time applicants proposing traditional schools based on successful models and practices.

NACSA recommends that:

- All authorizers should ensure the schools they oversee operate under performance contracts that spell out what the school will do, for what it will be held accountable, and autonomies it will enjoy.
- All authorizers should use data from their state accountability systems as the primary measure to evaluate school performance.
- All schools should be required to conduct an annual financial audit and file it with their authorizer.

Because most initial charter applications are made to a local school district, the standard process would benefit from rolling applications, the assurance of quick review, and an expedited appeal to a statewide authorizer in the case of denial.

NACSA has consulted with and continues to support the standard authorizing efforts of a number of authorizers. I have had the opportunity to participate in reviews with NACSA trained reviewers, and found them to be well-prepared and knowledgeable about state law.

2. High-Performing Charter School Authorizing.

States should create a ‘fast track’ approval for operators of two or more high-performing charters. An expedited process would solve a problem that delays and frustrates the development of quality schools nationally.

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Mixed results, growing demand, and scaling operators have shifted the attention of most authorizers from innovation to quality. Quashing innovation is antithetical to the roots of the charter school movement and discourages the development of new methods of increasing student performance through innovation.

A very high-performing East Coast charter network serving a low-income community reports:

- “The state required 15,000 printed pages for the application. Double-side printing is explicitly forbidden. We cleaned out Staples’ white 8 ½” x 11” paper!”
- “Feedback on proposals is routinely delayed. Two months after a visit, they sent feedback pointing out such things as board member addresses were incomplete in their records and student work didn’t have dates.”
- “It took the state Department of Education eight months to approve our change in math curriculum.”

A high-performing West Coast network reports:

- “Not one of the more than 25 petitions we have submitted was reviewed and/or acted upon within the required 60-day timeframe.”
- “Often our authorizer changes or adds required boilerplate language for charter petitions after the petition has been submitted, effectively requiring us to resubmit the charter petition and restart the 60-day time clock.”
- “Our charter petitions are virtually identical with the exception of the description of the neighborhood served. Yet if we are submitting multiple charter petitions in one year, we have to duplicate and resubmit the same 300-page document over and over again. Even though the petitions are identical, we receive inconsistent feedback depending on who is responsible for reviewing the charter petition.”

States should encourage the growth of high-performing networks by creating a streamlined submission and approval process. Performance metrics to determine which operators may apply should include the number of students who meet state standards, rates of achievement growth, and graduation and/or matriculation rates. To encourage networks to serve low-income students, a minimum threshold should be set.

High-performing networks should have the potential for multi-campus approvals and, after opening three or more high-performing schools, the opportunity for statewide charter approval. High-performing charters should have priority access to public facilities and facilities financing.

California offers a statewide benefit charter. Applicants with a track record of good performance may be granted two charters to be opened in two different counties. After two years of meeting performance objectives, operators may open two additional sites each year.

Texas still has a charter cap and does not have a legislative ‘fast track,’ but the commissioner is modifying charters of high-performing networks to allow multiple campuses. High-performing charters are also eligible for attractive facilities financing.

3. Innovative Charter School Authorizing.

Mixed results, growing demand, and scaling operators have shifted the attention of most authorizers from innovation to quality. In many states, the ‘quality pendulum’ has nearly outlawed innovation; applicants are typically required to demonstrate that their proposal is based on proven models and elements. Quashing innovation is antithetical to the roots of the charter school movement and discourages the development of new methods of increasing student performance through innovation.

The United States will not meet the president’s goal of being first in the world in college completion by scaling old-fashioned prep schools; it will take new tools and new schools to push attainment of diverse populations to new levels. This requires a charter innovation pathway that invites new proposals with strong hypotheses.

TIME magazine singled out School of One as one of the most important innovations of 2009. New York City's iSchool is a pioneering high school that blends a problem-based curriculum with personalized online learning. Both were launched as district programs and would not have been authorized as charter schools under current law and practice. Their innovative approaches would have disqualified their charter applications since they were not based on proven models. Proposals such as these, with strong leadership, financial backing, and a sound plan, deserve consideration as charter schools.

Critical elements of an innovative school-authorizing pathway would include:

- A proposal based on a strong hypothesis (similar evidence to demonstration category of federal Investing in Innovation grants) centered on one or more innovation themes
- The support of an investment partner able to support model development and iteration
- Conditional approval on a short review cycle (i.e., two or three years rather than five)
- Parental consent for proposals deemed experimental

State innovation authorizers should encourage applicants to address one or more of these five innovation strands:

- Novel assessment systems
- Performance-based progress (i.e., mastery or competency) models and unique uses/extensions of time
- Unique staffing and compensation models
- Online and distributed-learning models that provide options and/or incorporate community resources
- Dual-enrollment programs (i.e., high school and college)
- Regional STEM high schools that include all of the above

Innovative proposals from capable teams with identified financial support deserve a tailored application and review process. A designated statewide innovative school authorizer could be paired with incubation services. A rolling review process would be least restrictive, but an occasional request for proposal could target specific needs, opportunities, or geographies.

4. Online and Blended Learning Charter Authorizing.

Online learning holds great potential. The Internet does not stop at district lines and neither should student options. Unfortunately, a number of state boards and legislatures are more interested in protecting school district budgets and employee groups than providing students with learning options. California limits virtual schools by county. The Massachusetts state board of education recently adopted what is probably the worst online learning policy in the country. It limits virtual school operation and boundaries to school districts and limits enrollment to 500 students (big bad traditional high schools are fine); no virtual charters or national operators are allowed.

Only 18 states have authorized statewide virtual charter schools. Lagging states have been protecting districts from competition by denying statewide virtual charters (e.g., the Louisiana state board turned down three very good proposals last fall) or by providing only a fraction of typical funding with a weak rationale (e.g., South Carolina and Georgia).

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Authorizing online schools is worth the effort. The International Association of K–12 Online Learning (where I am chair-elect) points to several benefits²:

- Public and democratically accessible (where it is allowed)
- Demographically blind
- Engaging and (surprisingly) social
- Rigorous and highly teacher-facilitated
- Personalized in ways that can be transformative for students, teachers, and systems

Students should have the ability to enroll in any school anywhere on a space available basis. Statewide choice is a foundational policy for traditional charters, online charters, and charters that blend online and onsite learning. If money follows the student to the best option, more good options will develop.

The authorization of virtual charters requires the waiver or elimination of several policies including:

- **Seat time requirements:** time online can be used as proxy but competency-based progress models are more appropriate, particularly for students seeking credit recovery.
- **State teacher certification:** a great physics teacher may not be able to deliver courses to states without reciprocal licensing.
- **Class loads:** most online class loads are similar to offerings at traditional schools, but blended models that make use of computer-based instruction (e.g., Rocketship’s Learning Lab³ or AdvancePath’s credit recovery academies⁴) may stretch the loads of some teachers beyond negotiated limits.
- **Supervision:** some blended school models use an innovative, tiered staffing model whereby classified staff members supervise a learning lab while earning less than a traditional teacher’s salary. Some states require weekly in-person check in with an advisor.
- **Curriculum:** as digital content evolves, it will resemble textbooks less and student experiences will be more personalized.

Blended learning holds the potential for statewide schools to connect to learning resources including emerging industry clusters, museums and symphonies, and parks and natural resources. In most states, it would not be possible to develop a blended charter network that would take advantage of regional opportunities.

Every state should have at least three statewide online learning providers that offer full- and part-time options to students and families. In non-charter states such as Washington, districts partner with a virtual provider and market solutions statewide. A similarly competitive landscape in other states would quickly improve the quality of the offerings because providers would expand investment in second-generation online curriculum.

5. Turnaround Charter School Authorizing.

School turnarounds pose several authorizing challenges. Charter operators want conditions as close to new as possible—a public facility, no attendance area, the ability to add a grade each year, and the ability to hire staff. Districts want as little disruption as possible—same kids, same attendance boundary, and limited staff disruption. An effective turnaround charter-conversion process attempts to maximize academic success while minimizing community disruption.

Conversions pose unique timeline, staffing, and service area challenges that warrant a distinct pathway and capacity.

New York City’s strategy of trading good seats for bad seats—closing bad schools and opening good schools—is far more attractive for school developers but causes a great deal of community disruption. It works moderately well in a city with full choice and adequate public transportation, but it is more traumatic in most cities.

Green Dot’s conversion of Locke High School represents the benefits and challenges of a turnaround conversion. Green Dot took over an attendance area school and executed an internal phase-out strategy (i.e., a grades 10–12 academy that eliminated a grade each year) while opening seven new semi-autonomous academies. Instilling a powerful academic culture on the giant campus of a failed school posed a far more difficult challenge than starting a small school from scratch. While results look promising, the reduction in disruption adds to the degree of difficulty and probably mitigates academic results.

Critical elements of turnaround conversion include:

- Authorization by a party other than the school district to ensure autonomy
- Closure of the failing school; replacement by one or more charter schools
- No staff vote in the case of chronic failure; staff may reapply for employment
- Local negotiation regarding school attendance area and/or lottery

The first provision for a non-district authorizer is suggested to prevent conversions in name only. Georgia has approximately 30 conversions that are charter in name only—a lack of new conditions led to the same old results. These schools are not truly charters and not truly conversions; they are the same low-quality schools that they were before they adopted a new label. The presence of an outside authorizer is more likely to lead to conditions that put the best interests of students first.

Conversions seeking to minimize community disruption would be well served by a rolling application process with expedited approval.

6. Conversion Charter School Authorizing.

Conversion of private schools to charter status poses particular challenges. Approximately 500 more Catholic schools will be closed nationwide in the next three to four years. Most buildings that formerly housed Catholic schools will be rented to charter operators. About one-fifth of charter schools are housed in former Catholic schools. But in such places as New Jersey, where closures come in batches, the conversion is very disruptive for urban families. Schools may sit vacant for a year during the transition and operators like KIPP add one grade each year to a new school.

A conversion process for private schools that would likely work well for students, families, and teachers would include the following provisions:

- Private/parochial school with evidence of academic success
- Nonprofit board not controlled by a religious institution making application
- Rolling application with rapid approval (e.g., spring application for fall opening)
- Conditional charter with two-year review
- Two-year window for teacher certification for faculty selected to remain on staff
- No religious instruction during the school day

Conversions pose unique timeline, staffing, and service area challenges that warrant a distinct pathway and capacity. A thoughtful solution in this vein is being contemplated in New Jersey with the potential of a specialty authorizer.

Performance contracting is a promising approach in the provision of high-quality public services. All schools should be charter schools and should operate under a performance contract with the state.

CONCLUSION

A maturing sector has outstripped initial charter legislation and has stretched state and district authorizing capacity. New tools and schools present exciting options not contemplated in state education codes. It is time for a multiple-pathways approach that includes an increased commitment to quality authorizing. Every state is different but will likely need to make improvements and investments in at least four or five of these categories:

TYPE	DESCRIPTION
1. Standard	Five-year charter, annual reviews, and audit requirements
2. High Performing	Fast track and multi-campus approval for operators of at least two high-performing schools
3. Innovation	Capable team with strong hypothesis; two- to three-year charter
4. Online	Statewide charters for online and blended learning, available K–12 for all students
5. Turnaround	Near-new conditions with minimal community disruption
6. Conversion	Private school conversion with minimal disruption

Most authorizers are chronically underfunded and understaffed. This proposal for differentiated authorizing would require investment in capacity development for core activities including:

- Outreach to prospective applicants
- Targeting underserved communities/segments (e.g., issuing an RFP)
- Timely application reviews by qualified reviewers

Some pathways in some states will warrant the development of an alternative statewide authorizer. New authorizers and new authorizing pathways will require some startup funding; grants from private foundations will help to cover these costs in some cases. After startup, it may be possible to operate these pathways with an allocated percentage of student enrollment funding (perhaps 1–2 percent) for schools authorized by each pathway.

These proposed pathways will produce diverse cohorts of effective schools—but only if states make the investments necessary to support quality authorizing.

Performance contracting is a promising approach in the provision of high-quality public services. All schools should be charter schools and should operate under a performance contract with the state. An expanded authorizing framework is the first step toward a more effective system of educational governance—and better outcomes for students in the United States.

¹ <http://edreformer.com/2010/07/georgia-charter-commission-back-to-the-funding-table>

² http://www.inacol.org/research/promisingpractices/NACOL_PP-FundPolicy-Ir.pdf

³ <http://rsed.org/innovate>

⁴ <http://advancepath.com>