Charter Schools Indicators

a report from the Center on Educational Governance
University of Southern California

California charter schools typ
in their districts, yet charter s
"more bang for their buck."

2007

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a report from the University of Southern California

Like other public schools, California charter schools are judged primarily by one measure: student test scores.

Though necessary, the Academic Performance Index and Average Yearly Progress scores can't assess charter schools' broad dimensions of student learning, program effectiveness and school operations. The state's accountability system requires that all public schools submit mountains of data, but it's not reported in a way that's useful for the schools to evaluate themselves. And charter schools rely on this data to sustain their very existence.

The first report of its kind, Charter Schools Indicators-USC transforms data submitted to the state for compliance purposes into a tool for school improvement and accountability. USC's Center on Educational Governance built CSI-USC in partnership with the charter school community: state policymakers, charter school authorizers, charter school operators and professional organizations of charter schools.

Performance measures are organized into four areas: financial resources and investment, school quality, student performance and academic productivity. The report also updates the profile of the California charter school population.

CSI-USC's quality measures use both academic and financial data, existing figures and new measures created expressly for this report. They are presented as indices; each index is composed of a set of individual data elements.

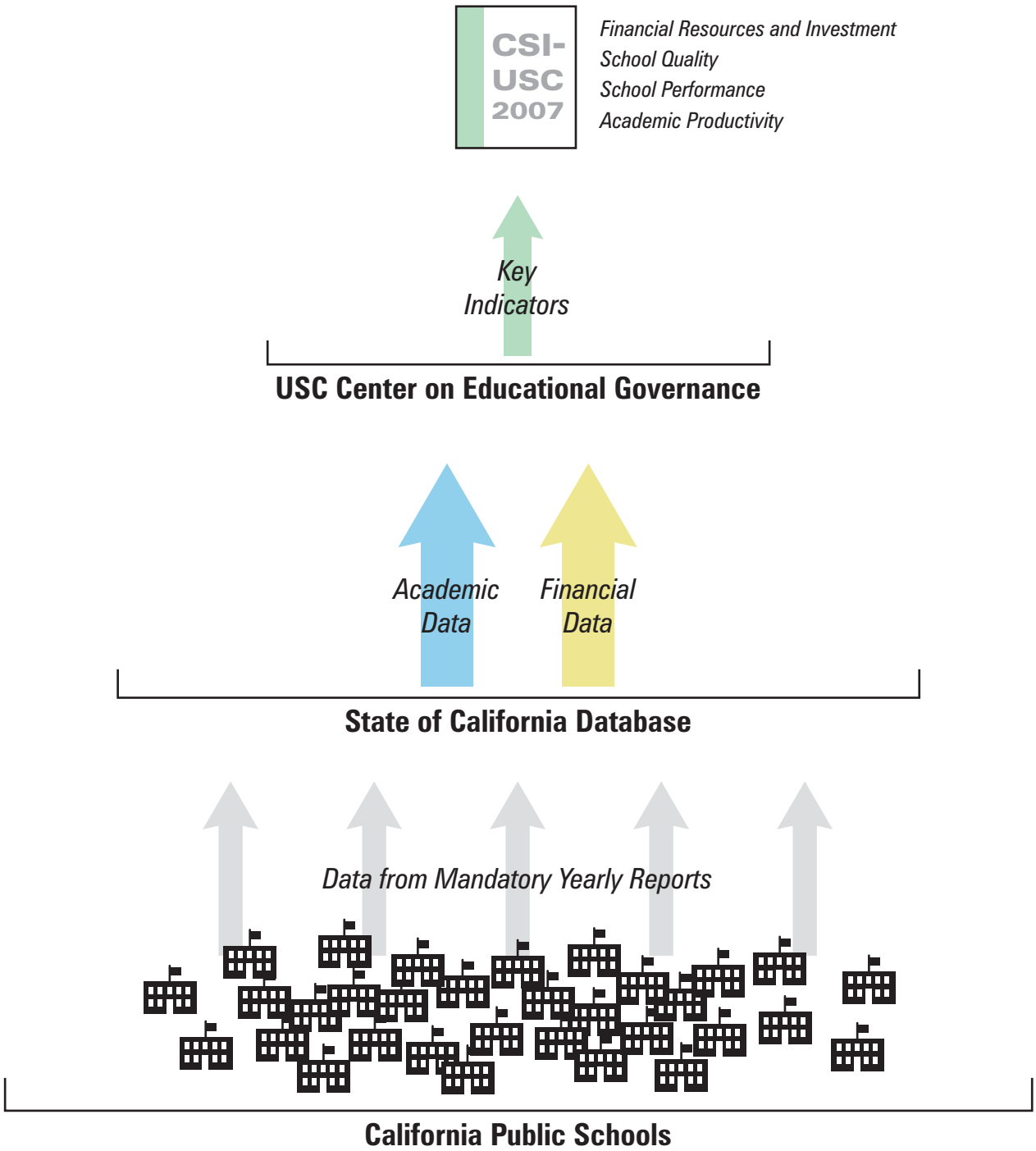
Most indices compare charter schools to non-charter public schools. When the data for individual non-charter public schools is not publicly available, comparisons focus on changes in charter school performance over time.

An aggregate of school data, CSI-USC is designed for readers to draw their own conclusions. In the next two years, USC's Center on Educational Governance will complete an interactive, searchable Web site of performance data on individual California charter schools. Schools and their stakeholders – policymakers, foundations, corporate partners and researchers – will be able to gauge a school's performance on a given measure and compare that school to all other California public schools on that measure.

Overall, a broader array of indicators better captures the value of a school. And as charter schools and their enrollments continue to grow in California, data on their progress is more sought than ever. By examining these school data as a collection, CSI-USC has taken the first crucial step.

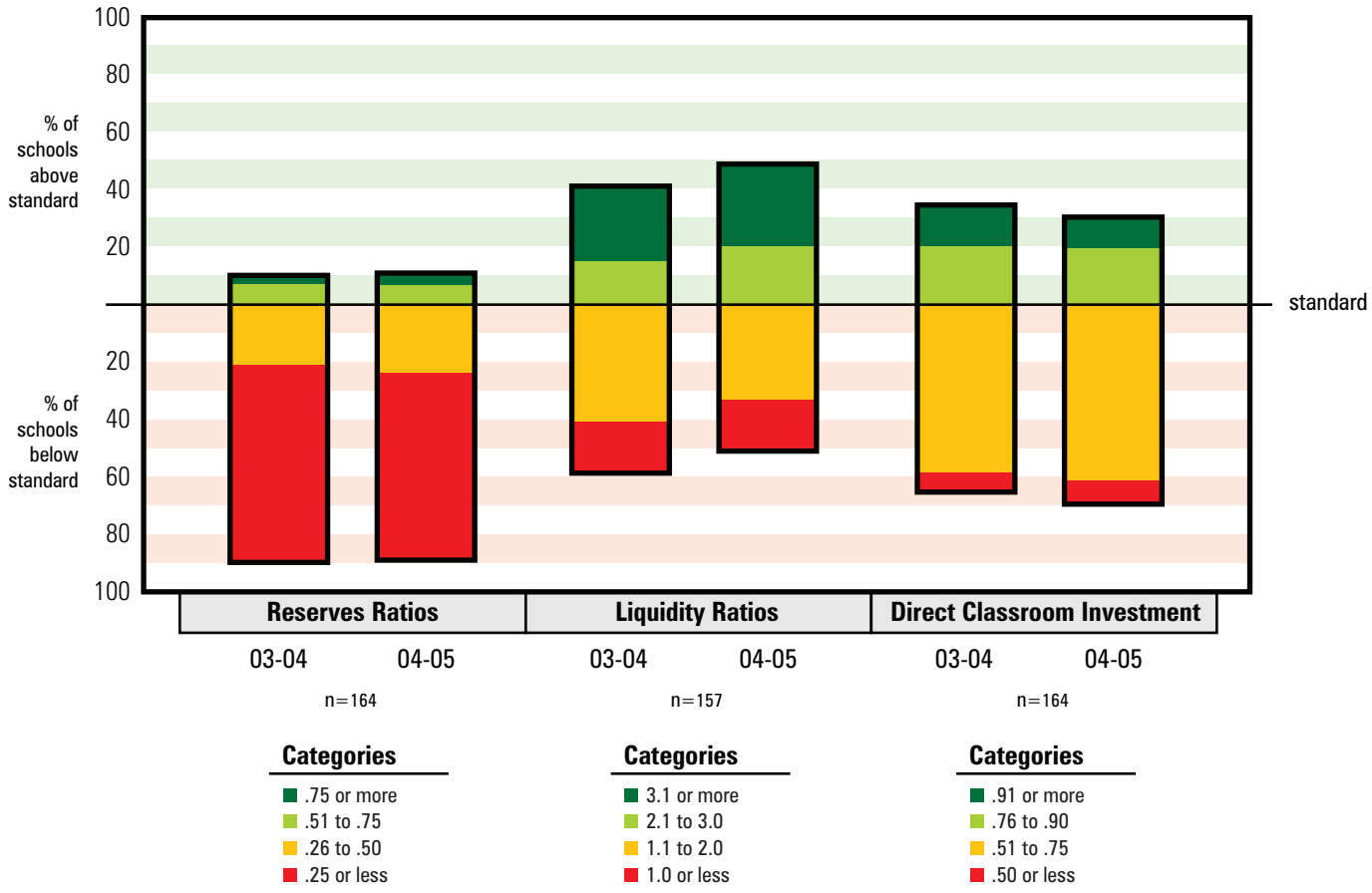
Charter School Indicators - USC

transforming data into knowledge



Financial Resources and Investment

Charter Schools with Complete Data
2003-2004 and 2004-2005



highlights

Reserves Ratios

For the last two years, most charter schools have seen a year-end fund balance of less than 25 percent of their annual revenues, with no marked change during the time period. Many charter schools are less able to set aside large reserves because they may be in growth mode, starting small with a few grades and expanding as they age.

Liquidity Ratios

A school with more assets than liabilities is better able to raise additional capital, either through selling off or borrowing against its assets: The higher the liquidity ratio, all else equal, the better.

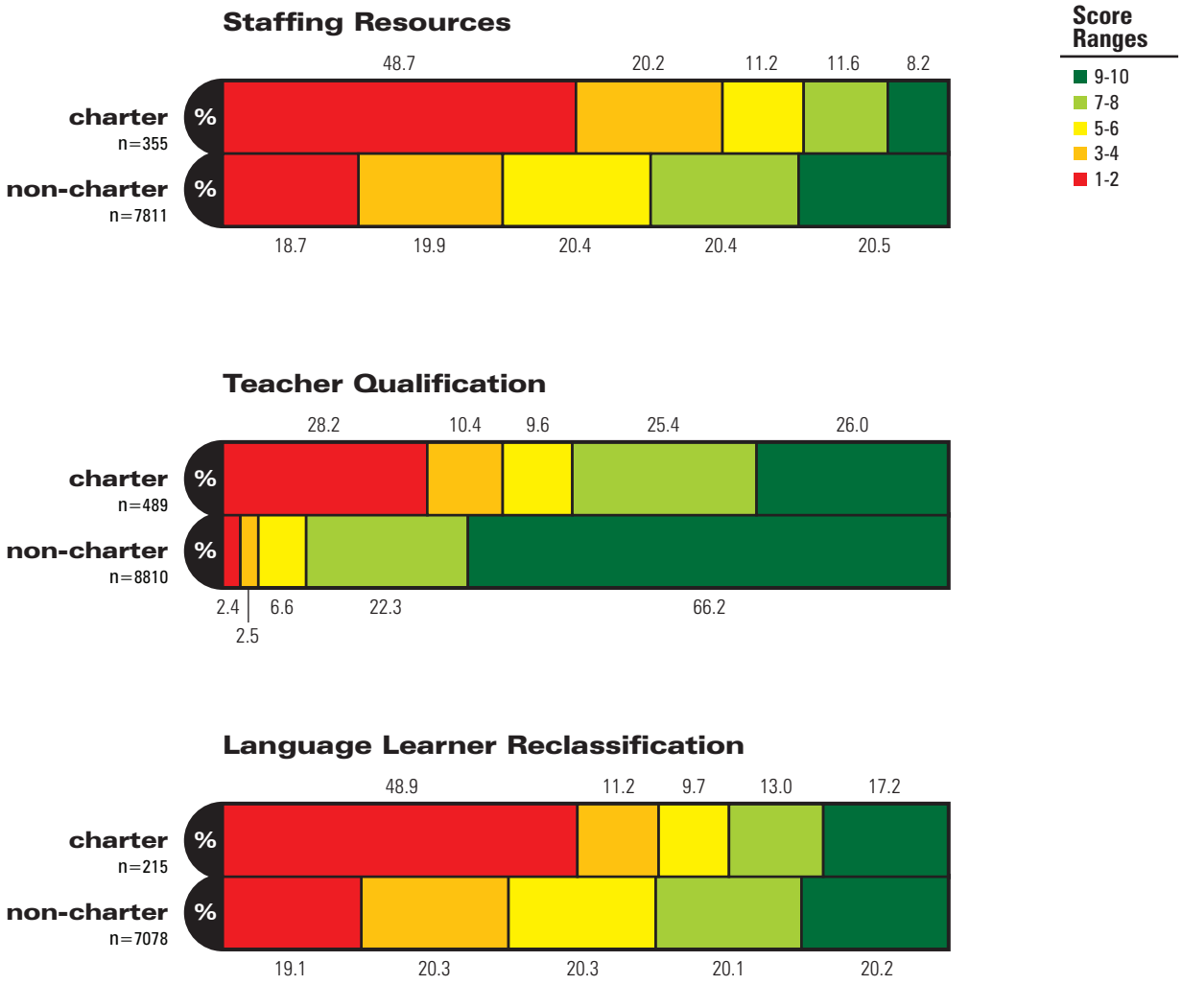
Charter schools with relatively low liquidity ratios, i.e., those whose ratio of assets to liabilities is 2.0 or less, declined over the two-year period from more than half to about half of all charter schools.

Direct Classroom Investment

Direct classroom investment is the ratio of classroom investment relative to total revenues. In both years, but more in the second year, the majority of charter schools showed relatively low classroom investment: That is, classroom expenditures were 75 percent or less of total revenues. It may be worth noting that charter schools must include rent for facilities in their operating budgets.

School Quality

Charter Schools and Non-Charter Public Schools
2004-2005



highlights

Staffing Resources

Staffing Resources measures student/teacher and student/staff ratios. Charter schools tend to have fewer levels of administration than non-charter public schools, which may help explain the Staffing Resources rating of 1 to 2 for nearly half the charter schools.

Teacher Qualification

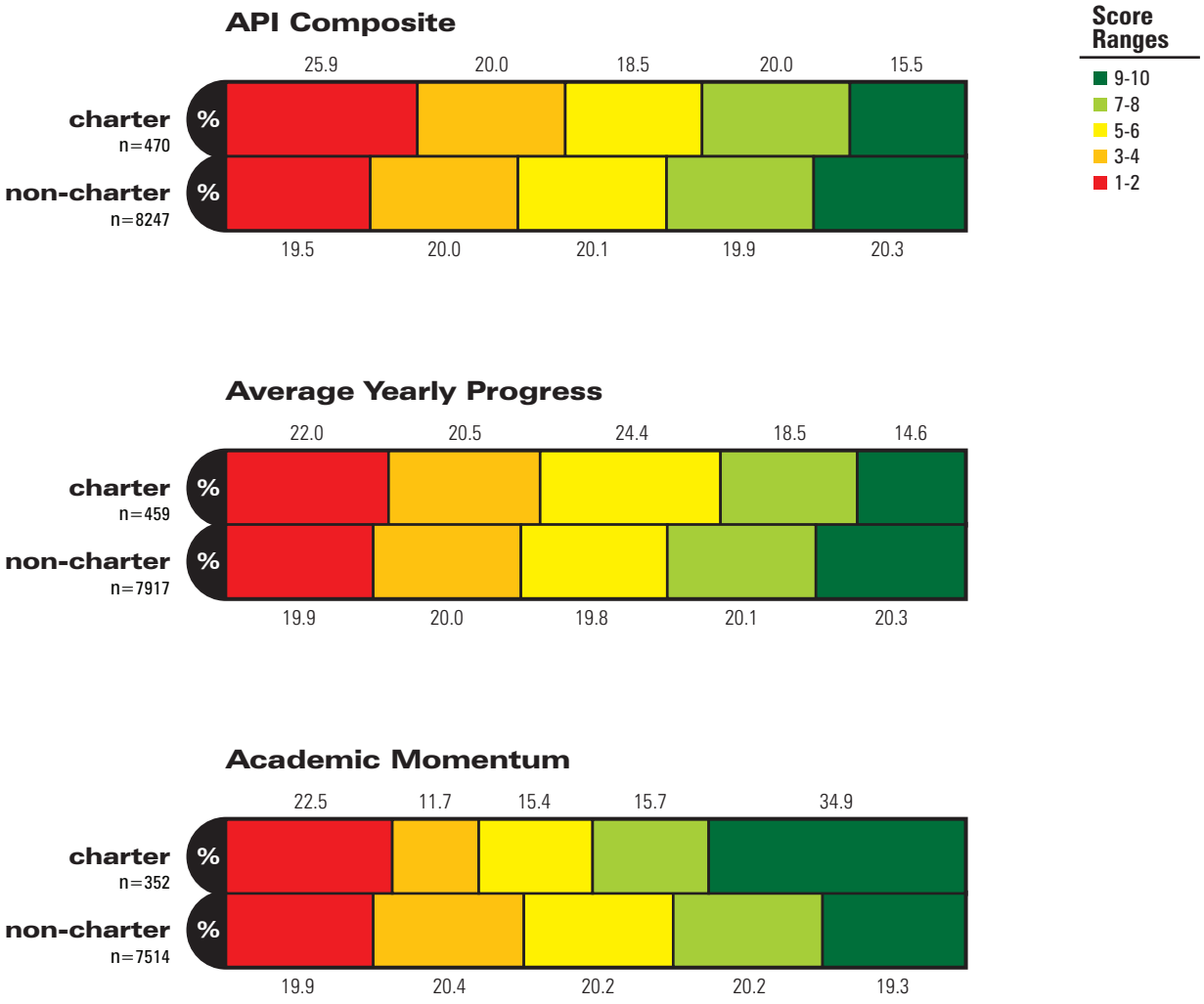
Compared to non-charter public schools, California charter schools employ fewer credentialed teachers, many of whom may have less teaching experience.

Language Learner Reclassification

Nearly half of all California charter schools had low rates for reclassifying ELL students to English-only classes.

School Performance

Charter Schools and Non-Charter Public Schools
2004-2005



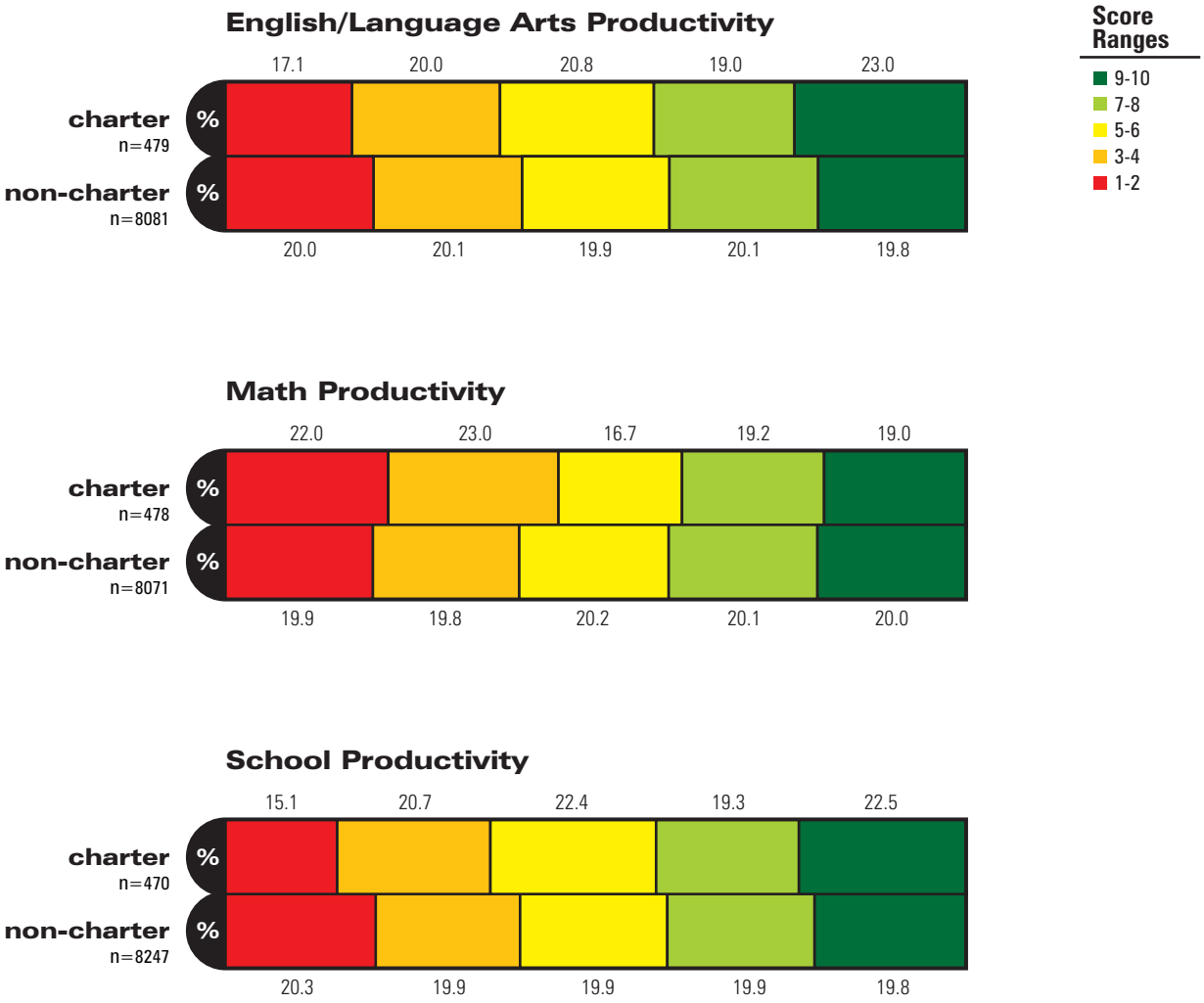
highlights

School Performance

Although California charter schools may rank lower on the API and AYP, their rates of improvement – Academic Momentum Index – are more rapid than non-charter public schools in California.

Academic Productivity

Charter Schools and Non-Charter Public Schools
2004-2005



highlights

Academic Productivity

California charter schools typically have smaller per-student allocations than non-charter schools in their districts, yet charter schools have roughly equivalent levels of productivity: They get "more bang for their buck."

Summary Profile

of California Charter Schools

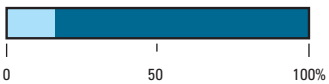
2004-2005

charter schools in operation = 545

School

averages	
Class Size	20.6
Students / Computer	8.9 / 1
Students / Internet	41.4 / 1

Charter Type

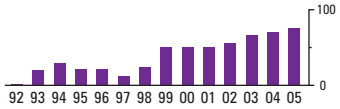


New Start	83.7
Conversion	16.3

School Type

High	39.4
Middle	11.2
Elementary	49.4

Year Chartered

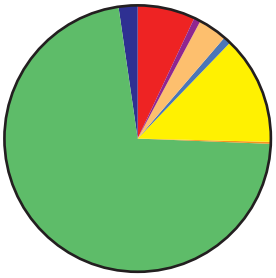


Number of Schools

Staff

averages	
Teachers	18.1
Administrators	1.9
Other	0.7

Ethnicity

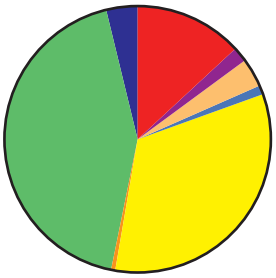


Group	%
African American	7.0
American Indian	0.8
Asian	3.5
Filipino	0.9
Hispanic	13.2
Pacific Islander	0.2
White	72.1
Multi-Racial	2.3

Students

averages	
Male	180.2
Female	181.9
Free/Reduced Lunch	39.6 %
English-Language Learner	23.5 %

Ethnicity



Group	%
African American	13.1
American Indian	1.8
Asian	3.5
Filipino	1.1
Hispanic	33.2
Pacific Islander	0.5
White	43.0
Multi-Racial	3.6

Parent Education

Level	%
Graduate School	12.6
College Grad	23.2
Some College	24.4
High School Grad	22.4
Lower than High School Grad	15.5

Summary Profile

of California Charter Schools

2004-2005

highlights

Charter Type

Throughout the 1990s, conversion charters outpaced new starts, but by 2000 that trend had reversed. New starts are now an overwhelming majority: 84 percent.

School Type

In the 1990s, most California charter schools were elementary schools. The 2004-2005 data show that charter middle and high schools have caught up in number.

Year Chartered

Since the late 1990s, the number of schools chartered in California has grown steadily each year, with a slightly steeper increase in the last few years. The biggest jump occurred between 1998 and 1999, when the California state legislature lifted the 100-school cap on the number of charter schools.

Student Ethnicity

From 2002-2003 to 2004-2005, white enrollment at California charter schools has remained at about 43 percent. African American enrollment has increased slightly, up three percentage points to 13 percent, while Hispanic enrollment has decreased slightly, down three percentage points to 33 percent.

Free/Reduced Lunch

The number of low-income students attending California charter schools has increased significantly, from 32 percent in 2003-2004 to nearly 40 percent in 2004-2005.

English-Language Learner

English-language learners at California charter schools have increased from 17 percent in 2003-2004 to about 24 percent in 2004-2005.

Parent Education

Parents who choose to send their children to California charter schools tend to be well-educated. More than 60 percent of the parents have attended college and more than half of those have graduated.

Appendix A

data sources and terms

Academic Performance Index (API)
The API measures the academic performance and growth of public schools in California based on a variety of tests and establishes a statewide ranking of schools according to those scores. Most schools have an API, an overall state ranking, a ranking in comparison to 100 similar schools, and growth targets for the following year.

Further information can be found at http://www.cde.ca.gov/ta/ac/ap/

Accountability Progress Report (APR)
The APR provides information on state API results, federal AYP results and federal program improvement information.

Further information can be found at http://www.cde.ca.gov/ta/ac/ar/index.asp

Average Yearly Progress (AYP)
A goal of the 2001 federal No Child Left Behind Act (NCLB) is to require schools and districts to measure and report students' annual progress toward proficiency in English/language arts and mathematics by 2013-2014. Progress is based on whether the school or district met its Annual Measurable Objectives, demonstrated 95 percent participation on standardized tests, achieved its target on the API and, for high schools, met target graduation rates.

Further information can be found at http://www.cde.ca.gov/ta/ac/ay/

Charter School Alternative Form Data
California's Education Code began requiring charter school financial reporting during fiscal year 2003-2004. Charter schools can choose to use the Charter School Alternative Form. Charter schools that do not report in the SACS format must use the Alternative Form.

Further information can be found at http://www.cde.ca.gov/fg/sf/fr/csalternative.asp

Comprehensive Basic Education Data System (CBEDS)
CBEDS contains information that the California Department of Education collects each October from school districts, schools and certified staff. The CBEDS data include staffing information and student characteristics collected on three forms: the School Information Form, the Professional Assignment Information Form and the County/District Information Form.

Further information can be found at http://www.cde.ca.gov/ds/sd/cb/

Language Census (R30-LC)
The census collects data on students with non-English language backgrounds and includes information regarding English learner and fluent-English-proficient students.

Further information can be found at http://www.cde.ca.gov/ds/sd/lc/

Professional Assignment Information Form (PAIF)
PAIF data are collected annually from California teachers and concern the qualifications, demographics and teaching assignments for teachers in California's public schools.

Further information can be found at http://www.cde.ca.gov/ds/ss/cb/filespaif.asp

School Accountability Report Card (SARC)
California state law requires all public schools receiving state funding to prepare a SARC. The SARC is intended to provide the public with important information about individual public schools, including school mission and progress towards goals, academic and demographic data, school safety and climate for learning, teacher and staff information and fiscal and expenditure data. Although charter schools are required to prepare a SARC as a condition of receiving state funds, they are not required to comply with various SARC content and distribution requirements contained in the California Education Code.

Further information can be found at http://www.cde.ca.gov/ta/ac/sa/

School Information Form (SIF)
The SIF is used to collect data specific to schools on the number of classified staff, school enrollment, high school graduates, enrollment in selected high school courses, career-technical education enrollment, dropouts, alternative education, technology, education calendars and No Child Left Behind reporting requirements.

Further information can be found at http://www.cde.ca.gov/ds/sd/cb/filessifae.asp

Standardized Account Code Structure (SACS)
The SACS is a uniform and comprehensive chart of accounts for classifying the financial activities of California local school districts and county offices of education. Phase-in began in 1997-1998; by 2003-2004 all local educational agencies (LEAs) reported in SACS.

Further information can be found at http://www.cde.ca.gov/ds/fd/fd/

Teacher Qualification Index (TQI)
The TQI is a standardized rating system that shows the credential status and experience level of teachers at public K-12 schools in California. Schools receive a rating from 1 to 10 based on the percentage of teachers at the school who are formally qualified. Schools with higher percentages of underqualified teachers have lower TQI ratings. Professor Ken Futernick at California State University, Sacramento helped formulate the method for computing TQI.

Further information can be found at http://www.edfordemocracy.org/

Appendix B

The following section describes the measures we used to assess the performance of charter schools in California. It explains what data we used and how we calculated values for each of the 12 indices.

Financial Resources and Investment

Reserves Ratios Index

A charter school with a high level of financial health has a stable level of cash on hand, as measured by its reserves ratio. Reserves ratio is the ratio of reserve fund balances to revenues. A school can improve its standing on this measure in subsequent years by increasing its reserve fund balance relative to its revenues.

Liquidity Ratios Index

A charter school with a high level of financial health has a stable level of cash on hand, as measured by its liquidity ratio. Liquidity is the ratio of assets to liabilities as reported in a given school's financial statement. A school can improve its standing on this measure in subsequent years by increasing its assets relative to its liabilities.

Direct Classroom Investment Index

A charter school with a high direct classroom investment rating invests a significant portion of its financial resources in classrooms as distinct from applications outside of classrooms. This index is derived as the ratio of classroom investment relative to total revenues. The classroom investment number includes expenditure categories such as teachers' salaries. A school can improve its standing on this measure by investing a greater proportion of its total funds in classroom activities as measured by greater expenditures in areas such as teachers' salaries and benefits, instructional aide salaries and certificated pupil support salaries.

School Quality

Staffing Resources Index

A charter school with a high staffing resources rating has high staff/pupil and teacher/pupil ratios: relatively high proportions of adults working with students. These two ratios are calculated by dividing the number of staff and the number of teachers, drawn respectively from the Comprehensive Basic Education Data System (CBEDS) data files, by the number of students enrolled in the school (also obtained from the CBEDS data files). A linear combination of the variables maximizes the variance among schools. This combined metric is then ranked into deciles, and each school is given a value from 1 (relatively few adults per student) to 10 (more adults per student). A school can increase its standing on this measure by increasing the proportion of adults to pupils.

Teacher Qualification Index

A charter school with a high teacher qualification rating has a team of teachers with relatively more credentials and experience. This index was computed in accordance with Ken Futernick's original formulation (see www.edfordemocracy.org for derivation of measure), using the percentage of teachers on emergency, intern, or waiver credentials as well as the percentage of teachers who are in their first or second year of teaching. The data are drawn from the CBEDS data files. The data are not ranked into deciles; the formulation generates a value from 1 to 10 for each school. A school can increase its standing on this measure by increasing the percentage of teachers with full credentials and reducing the percentage of new or beginning teachers.

Language Learner Reclassification Index

A charter school with a high reclassification rating integrates its English learners into the general education system at a higher rate than does a charter school with a low reclassification rating. This index is computed as the ratio of two measures: the number of students reclassified as Fully English Proficient and the number of students in the prior year who were English-Language Learners. These data are drawn from the Language Census data files. The ratio is rank ordered into deciles using available data from all schools. Schools with no ELL students can not reclassify any students and thus obtained a value of zero on the pre-ranked index, and are thus not included in the calculations. Schools with relatively large proportions of ELL students who reclassified relatively few of them receive a low score on this index. A school can improve its standing on this measure by reclassifying a larger percentage of its English learning students.

School Performance

API Composite Index

The API measures the academic performance and growth of schools. A school's score on the API is an indicator of its performance level. A school's growth is measured by how well it is moving toward or past its goal. This index is constructed using the API school rank, API similar schools rank and API base score. A linear combination of the variables maximizes the variance among schools. This combined metric is then ranked into deciles and each school is given a value from 1 to 10. A school can improve its standing on this measure by increasing student performance on the statewide assessments.

Adequate Yearly Progress Index

This index is constructed using four measures: met AYP in math, met AYP in English/language arts, percent proficient or above in math and percent proficient or above in English/language arts. A linear combination of the variables maximizes the variance among schools. This combined metric is then ranked into deciles and each school is given a value from 1 to 10. A school can improve its standing on this measure by increasing the percentage of students who meet the proficient level on the state assessments, by enhancing participation rates of students beyond the 95 percent threshold or by improving its high school graduation rate.

Academic Momentum Index

A charter school with a high academic momentum rating is improving student achievement over time. This index is constructed using three measures of academic progress: annual change in proficient or above in math, annual change in proficient or above in English/language arts and annual API growth. A linear combination of the variables maximizes the variance among schools. This combined metric is then ranked into deciles and each school is given a value from 1 to 10. A school can improve its standing on this measure by increasing overall student performance on the statewide assessments and by increasing the percentage of students who reach the proficient level in math and English/language arts on the state standards tests.

Academic Productivity

English/Language Arts Productivity Index

A charter school with a high English/language arts productivity rating has a higher percentage of students proficient in English/language arts than schools with similar funding levels. This index is constructed by comparing schools with similar funding levels on the percent proficient or above in English/language arts on the California Standards Tests. Funding levels for most schools are defined as the district Average Daily Attendance, but for charter schools the level is calculated based on revenues and enrollments. The schools are first ranked into deciles based on funding levels; then, schools within each funding decile ranking are ranked into deciles based on English/language arts performance and given a value from 1 to 10. A school can improve its standing on this measure by enhancing student performance on the English/language arts assessments while holding the amount of funding constant, or by maintaining the student achievement level on the English/language arts assessments with less funding.

Math Productivity Index

A charter school with a high math productivity rating has a higher percentage of students proficient in math than schools with similar funding levels. This index is constructed by comparing schools with similar funding levels on the percent proficient or above in math on the California Standards Tests. Funding levels for most schools are defined as the district Average Daily Attendance, but for charter schools the level is calculated based on revenues and enrollments. The schools are first ranked into deciles based on funding levels; then, schools within each funding decile ranking are ranked into deciles based on math performance and given a value from 1 to 10. A school can improve its standing on this measure by enhancing student performance on the math assessments while holding the amount of funding constant, or by maintaining the student achievement level on the math assessments with less funding.

School Productivity Index

A charter school with a high overall school productivity rating has a higher API score than schools with similar funding levels. This index is constructed by comparing schools with similar funding levels on base API scores. Funding levels for most schools are defined as the district average ADA, but for charter schools the level is calculated based on revenues and enrollments. The schools are first ranked into deciles based on funding levels; then, schools within each funding decile ranking are ranked into deciles based on English/language arts and math performance and given a value from 1 to 10. A school can improve its standing on this measure by enhancing student performance on the English/language arts and math assessments while holding the amount of funding constant, or by maintaining the student achievement level on the English/language arts and math assessments with less funding.

Appendix C

index and data sources

Financial Health

http://www.cde.ca.gov/ds/fd/fd/

data elements

- Liquidity Ratio (assets/liabilities)
- Reserves Ratio

data sources

- 2003-2004 Charter School Alternative Form Unaudited Actual Data Sets
- 2004-2005 Charter School Alternative Form Unaudited Actual Data Sets

Direct Classroom Investment

http://www.cde.ca.gov/ds/fd/fd/

data elements

Total expenditures on:

- teachers
- administration
- instructional aides
- benefits
- books and supplies
- staff development

data sources

- 2003-2004 Charter School Alternative Form Unaudited Actual Data Sets
- 2004-2005 Charter School Alternative Form Unaudited Actual Data Sets

Staffing Resources

http://www.cde.ca.gov/ds/ss/cb/filescertstaff.asp

data elements

- Staff/pupil ratio
- Teacher/pupil ratio

data sources

- CBEDS - PAIF - paif03.exe, assign03.exe
- CBEDS - PAIF - paif04.exe, assign04.exe

Teacher Qualification

http://www.cde.ca.gov/ds/ss/cb/filespaif.asp

data elements

Number of:

- teachers
- beginning teachers
- pre-interns
- emergency permits
- waivers

data sources

- CBEDS - PAIF - paif03.exe, assign03.exe
- CBEDS - PAIF - paif04.exe, assign04.exe

Language Learner Reclassification

http://www.cde.ca.gov/ds/sd/lc/fileslcp234.asp

data elements
- Number of ELL in previous years
- Number of ELL reclassified

data sources
- Language census

API Composite

http://www.cde.ca.gov/ta/ac/ap/apidatafiles.asp

data elements
- API school rank
- API similar schools rank
- API base score

data sources
- 2003 API Base
- 2004 API Base

Adequate Yearly Progress

http://www.cde.ca.gov/ta/ac/ap/apidatafiles.asp

data elements
- Met AYP for English/language arts (yes/no)
- AYP English/language arts achievement percentage
- Met AYP for math (yes/no)
- AYP math achievement percentage

data sources
- 2004 AYP
- 2005 APR

Academic Momentum

http://www.cde.ca.gov/ta/ac/sa/datafiles.asp

data elements
- English/language arts performance
- Math performance
- School performance

data sources
- SARC Data Files 2003-2004 - CST - A3, C3
- SARC Data Files 2004-2005 - CST - A3, C3

English/Language Arts Productivity

http://www.cde.ca.gov/ta/ac/ay/AYPdatafiles.asp

data elements
- Percent proficient in English/language arts
- Average Daily Attendance

data sources
- 2004 AYP
- 2005 APR

Math Productivity

http://www.cde.ca.gov/ta/ac/ay/AYPdatafiles.asp

data elements
- Percent proficient in math
- Average Daily Attendance

data sources
- 2004 AYP
- 2005 APR

School Productivity

http://www.cde.ca.gov/ta/ac/ap/apidatafiles.asp

data elements
- API score
- Average Daily Attendance

data sources
- 2003 API Base
- 2004 API Base

Summary Profile

multiple sites, see below

data elements
- Average class size
- Teacher ethnicity, gender, number
- Student ethnicity and gender
- Student computer access
- Student internet access
- Parent education level
- Students on free or reduced lunch
- English-language learners
- Charter school conversion versus start-up

data sources
- CBEDS
- CBEDS SIF
- 2005 API Base
- Language census

sites

http://www.cde.ca.gov/ta/ac/sa/datafiles.asp
http://dq.cde.ca.gov/DataQuest/downloads/sifgl.asp
http://www.cde.ca.gov/ta/ac/ap/apidatafiles.asp
http://www.cde.ca.gov/ds/sd/lc/fileselsch.asp
http://www.cde.ca.gov/ds/si/cs/ap/rpt.asp?s=2

Credits

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The support of our collaborators made it possible to conduct a national program of research and analysis to develop CSI - USC. The research lasted more than two years and engaged a staff of seven plus many collaborators outside the university. The work included an environmental scan of education information systems at the national and state levels, as well as a review of information systems developed by charter school management organizations. Center on Educational Governance researchers also conducted a series of studies to define and refine the definitions of indices, another series of studies to establish the reliability and validity of the indices, and focus groups and interviews with charter school operators and data system experts across the country.

This work is described in more detail and the reports we produced are available on the website of the Center on Educational Governance: http://www.usc.edu/educational/cegov

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The Center on Educational Governance (CEG), located at the University of Southern California, focuses on the linkages between policy, educational governance, and the improvement of urban schools and the systems within which they operate. Center researchers use an interdisciplinary approach to study current policy solutions to the educational issues posed by diverse urban communities – locally, nationally and globally. The main activities of the center are: (1) engaging in rigorous quantitative and qualitative research studies of policy problems; (2) building a knowledge base to provide researchers, educators, parents and policy makers with new tools and strategies for improvement; and (3) working in partnership with educators and policy makers to use research to improve policy and practice. Current projects include U.S. and multi-national studies of school networks and strategic alliances, charter schools, leadership, data-driven decision making and educational reform.

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