



CRC MEMORANDUM



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NONTRADITIONAL K-12 SCHOOLS

Summarizes CRC Report #364 available at www.crcmich.org/PUBLICAT/2010s/2010/rpt364.html

Traditional public schools are responsible for the wide dissemination of education and the growth of prosperity in the United States. However, the perceived failure of some traditional schools to adequately educate and graduate students, the desire for publicly funded school choice, and the perceived need for a broader array of educational approaches than had been found in most traditional school districts, led to development of publicly funded, but independently managed charter schools. This memorandum, which summarizes Report 364, Nontraditional K-12 Schools, is part of a series of reports on public education in Michigan published by Citizens Research Council of Michigan.

Charter Schools

Charter schools are publicly funded, independently managed schools that compete for students based on programs. Charter schools were to be freed from the bureaucracy of traditional schools, to have greater autonomy, and to focus on educational outcomes. In Michigan, charter schools are called public school academies (PSAs). In September, 2009, there were 241 PSAs in Michigan, serving 103,000 students (six percent of the state's K-12 population). There were 21 traditional school districts in which three or more PSAs were clustered (50 are located in Detroit).

In Michigan, as in the 39 other states that allow charter schools, state statutes seek to balance accountability (teacher certification, limits on the number of university authorized charters, reporting requirements) and independence (relatively large number of potential authorizers, specialized types of charters).

Supporters of charters value the publicly funded school choice that charters offer. Supporters recognize that charter schools offer students an alterna-

tive to failing traditional public schools, and contend that competition from charters will result in improvements in traditional schools. Some supporters believe that traditional urban districts, with industrial scale schools and restrictive union contracts, are incapable of effectively addressing the needs of large numbers of disadvantaged students, and that extended school days and years, individual mentoring and intensive supportive services, community partnerships, and small classes are necessary and can best be delivered by charter schools. Others prefer the specialized focus that can be incorporated in a charter school that draws students from a wider geographic area.

Opposition to charter schools has come from supporters of traditional public schools, who fear the loss of students and funding to charters, and who fear that the emphasis on charter schools shifts needed focus away from solving the problems of traditional schools. Opponents fear that charters will skim the best students, or the cheapest students to educate, leaving a larger concentration of the most challenging students in the traditional system. Opposition to non-unionized charters has also come from teachers unions. Some opponents object to the use of for-profit management companies, or the absence of publicly elected boards. Some opponents fear that oversight and accountability are lax.

Governance Structure

Unlike traditional school districts, PSAs do not have elected school boards. In Michigan, PSAs may be authorized by a number of organizations:

- The governing body of a state public university may charter a PSA anywhere in the state. In Michigan, universities collectively have been limited to chartering no more than 150 public school academies (that cap was reached in



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1998), but certain types of PSAs do not count toward the 150 maximum.

- The board of a community college may charter a PSA in that community college district. Three community colleges have chartered 43 public school academies.
- The board of a federal tribally controlled community college may charter a PSA anywhere in the state: Bay Mills Community College has chartered 41.
- An intermediate school district board may charter a PSA in that district. Thirteen ISDs have chartered 32 schools.
- The board of a local K-12 school district may charter a PSA in that district. Three school districts have chartered a total of 12 PSAs; nine of those were chartered by Detroit Public Schools.

PSAs negotiate contracts with authorizers that act as fiduciaries, enforce contract provisions and provide oversight, and that may offer other services; contracts are subject to non-renewal, revocation, and termination. Since 1995, 39 PSAs have been closed for not meeting performance requirements (four closed in 2009). Each PSA also has a board of directors that is responsible for in-

sureing that the school meets the terms of the contract and of state law. Authorizers and boards are intended to provide the accountability that elected school boards are supposed to provide for traditional school districts. State law specifies that PSAs not may be affiliated with a religion.

PSAs may be self-managed, or may contract with for-profit or nonprofit education service providers to provide some or all services, including employing teachers and determining teaching methods. There were 53 education service providers operating in Michigan PSAs in 2007-08; 25 of them provided services to more than one PSA. Some of these management companies seek to impose a comprehensive, highly structured routine that is intended to produce improved educational outcomes.

Funding

PSAs may not charge tuition. They receive per pupil funding allocated by the state (sent to the authorizer, which may charge an administrative fee of up to three percent), and are eligible for categorical aid and federal funds. When a student chooses to attend a PSA instead of a traditional public school, the funding follows the student, depriving the traditional school of that financial support. In 2009, PSAs received an

average of \$7,412 per pupil, about \$2,000 less than the average for traditional districts. Unlike some other states, Michigan provides no ongoing funding for facility costs for PSAs, although several grant and loan programs are available. PSAs are required to have annual financial audits.

Teachers, Curriculum, and Achievement

In Michigan, teachers in public school academies must be certified (full-time faculty at a university or community college may teach at a PSA chartered by that institution). PSAs generally pay teachers less than public schools, and have higher teacher turnover. The average student-teacher ratio in PSAs is 14:1, compared to 18:1 in all Michigan elementary and secondary schools. In addition to a lower student to teacher ratio, PSAs may offer a more supportive, nurturing environment, and higher expectations. Many PSAs offer extended school hours and years, strong mentoring relationships, tutoring services, character education, college tours and application assistance, and early foreign language instruction. Michigan PSAs typically have fewer administrators than traditional schools, and rely on teachers, parents, and volunteers to accomplish many administrative tasks.

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Like traditional school students, PSA high school students in the class of 2011 and thereafter will be required to complete credits specified in the Michigan Merit Curriculum.

In 2009, 62 charter schools exceeded the statewide average proficiency on all Michigan Educational Assessment Program (MEAP) tests. On average, Michigan charters perform better than the cluster districts, but not as well as the statewide average, on MEAP proficiency. Proficiency rates for the high school Michigan Merit Exam (MME) lag statewide rates significantly, and charter high schools have only a 56 percent graduation rate, but some of these high schools target students who have dropped out, or been suspended, adjudicated, or expelled, and others who have difficulty in traditional schools. In 2009, 72 percent of PSAs made adequate yearly progress (AYP), compared to 86 percent of all public schools.

Students

PSAs are prohibited from discriminating in student admissions on the basis of academic achievement, athletic ability, disability, or any other basis that would be il-

legal if used by a school district. Prior year students are to be admitted if the grade level is available, and siblings of current students may be given priority, but if more students apply than there are available slots, a lottery or other "blind draw" process must be used to determine who is admitted. Two-thirds of PSAs have waiting lists.

Students in PSAs tend to reflect the racial characteristics of the 21 districts where PSAs are clustered. About ten percent of PSA students receive special education services; 64 percent of PSA students qualify for free or reduced price lunch.

Research on Charter Schools Academic Achievement

Studies of charter schools in Michigan and other states have generally found that student achievement is lower on average than would be predicted for the same students in traditional schools. In one nationwide study, 17 percent of charter schools outperformed traditional schools, nearly half of charter schools produced results that were no different than traditional schools, and 37 percent delivered results

that were significantly worse than traditional schools.

In Michigan, MEAP test results in charter schools are generally better than those in the cluster districts, but below the statewide averages. Charter high school achievement test results lag the state average by a wide margin, but a number of high school PSAs target drop outs; students who have been expelled, suspended, or adjudicated; or other students at risk of failure in traditional schools.

Charter schools provide opportunities for some students, but recent research has suggested that they tend to leave the most disadvantaged students concentrated in the most disadvantaged traditional public schools.

Other School Options

While school attendance is compulsory, not all students attend public schools. In addition to publicly funded charter schools, privately funded secular and parochial schools provide alternatives to traditional public schools. The Michigan Department of Education requests nonpublic schools to provide information on enrollment, qualification of teachers,

and course of study. Nonpublic schools are required to provide curricula comparable to those provided in traditional schools, and teachers are required to be certified. In 2008-09, there were 820 institutional nonpublic schools in Michigan, of which 659, with 129,903 students, reported data to the state.

Homeschooling also is available for those students and parents who prefer that model. Michigan legislation provides almost complete independence for homeschool parents who assert a sincerely held religious objection to certification of teachers. In 2008-09, there were 757 homeschools reporting data to the state, with 1,266 students. An unknown number of homeschools do not report and are not included in state data.

Public policy questions associated with these options include funding, curriculum and teacher cer-

tification requirements, participation in select public school programs, reporting, and oversight.

And spanning all school structures, technology is becoming an ever more important component of education delivery systems, as virtual classes and cyber schools offer opportunities for specialized teaching and learning.

Conclusion

The federal government has established expansion of charter schools as a key component of its education policy. Conversion to a charter school governance structure is among the restructuring solutions advocated for failing traditional public schools. The federal Race to the Top grant program reflects the federal focus on changing governance as a key to improving student performance. Michigan and other states have responded to the competition for federal Race to the Top funding

by raising limits on the maximum number of charter schools allowed, authorizing new kinds of charter schools, and making other changes in state law.

The data indicate that there are some excellent charter schools (just as there are some excellent traditional public schools), but that not all charter schools are excellent. PSAs do provide publicly funded school choice, and are generally popular with parents. Special PSAs that serve expelled, suspended, or adjudicated youth, or drop-outs, or those at risk of dropping out, fill a vital niche. While efforts to close failing PSAs and to replicate successful models should be accelerated, the long-term value of charter schools may be that, as relatively autonomous schools, they are better positioned to explore innovative approaches to teaching and learning, within the constraints of their charters and state law.