

# **The Benefits of Multiple Sponsors in the Authorizing, Monitoring and Oversight of California's Charter Schools**

Presented by the California Network of Educational Charters (CANEC)

## **1. Introduction**

Quality charter school sponsorship requires a commitment on the part of the sponsor to provide guidance and support to the school. It also requires that the school be held responsible for meeting the educational goals set forth in the charter. The majority of the problems identified in the Bureau of State Audits' recent audit of the charter school process, "California's Charter Schools: Oversight at All Levels Could Be Stronger to Ensure Charter Schools' Accountability" (2002), occurred when school districts were unable or unwilling to fulfill their responsibilities as sponsors.

Research and the experience in other states has shown that one important factor in the development of high-quality charter school oversight is the presence of multiple types of qualified entities that may sponsor charter schools. Twelve states have charter school law provisions that allow organizations that are committed to public education, have the expertise to oversee charter schools, and can highly prioritize their responsibilities as charter school authorizers to serve as sponsoring agencies.<sup>1</sup> Capable entities include institutions of higher education, mayors of large cities and certain large non-profit organizations that are properly screened.

## **2. The Current Landscape of Charter School Oversight**

Ten years after California passed its charter school law (1992), broad-based reform through choice and local control is slowly getting underway. Today, California has over 430 public charter schools that serve more than 166,000 children. Over two percent of all California's children are enrolled by choice in public charter schools. Many of these community-based schools are helping to serve students who were once in danger of failure.

Despite these advances, there is a concern that reform is slowing due to problems that have recently surfaced. A handful of charter schools have been closed facing allegations of having violated charter school law. In accordance with the law, these violators have been shut down or have had their charters revoked. While it can be argued in these cases that the system has worked, an inadequacy in the oversight process has clearly been exposed. This inadequacy has led to the passage of restrictive legislation that has hampered the operations of quality charter schools.

## **3. The Real Problem**

While recent legislation has sought to rein in the difficulties associated with a single-sponsor model, it does not address the real problem: inadequate oversight by the charter schools' primary legal sponsor, the school district. Even back in 1998, the non-partisan Legislative Analyst's Office (LAO) reported that most of

these troubled schools were not “held accountable ... by their sponsoring district or county.” The report lambasted districts that “appeared to be receiving a financial benefit from their charter schools.”<sup>2</sup>

Oversight has not improved. The Bureau of State Audits’ recently released report concluded: “The chartering entities are not effectively monitoring their charter schools and ensuring that these schools meet the agreed-upon student outcomes listed in their charters.”

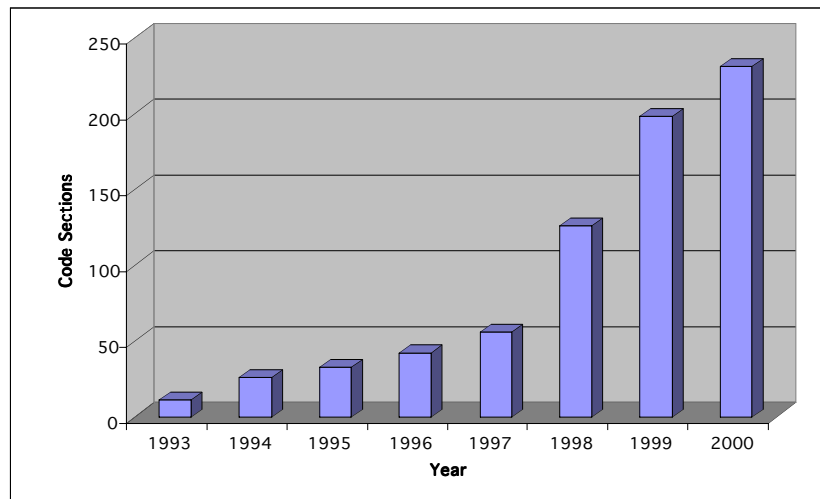
Since the LAO’s report was published, several legislative remedies have been proposed and enacted. Most have added more restrictions on schools, defeating the intent of charter school law: “to provide opportunities for teachers, parents, pupils, and community members to establish and maintain schools that operate independently from the existing school district structure”.<sup>3</sup>

Many remedies have weakened local charter school autonomy. There is no evidence that any have served to rectify or even reduce the inadequacy of district-only oversight. What these “remedies” have done is add to the education code governing charter schools to the point where they are rapidly losing their autonomy. In time, charter schools may have very little independence left to differentiate them from regular public schools. (See Table 1 below)

There are two fundamental reasons for inadequate oversight. First, school boards and their districts are designed to attend to the operation and management of district schools first. Charter schools authorized by the school districts are often given a lower priority. Second, school boards and districts suffer an inherent conflict of interest as the sole sponsor, since districts suffer student and financial losses to their new ‘competitors.’ The Rand Corporation confirmed this in its landmark report on charters, entitled: “Rhetoric Versus Reality”: “Local districts are frequently reluctant to authorize their own competition.”<sup>4</sup>

However, this difficulty is only the beginning. As the sole sponsor of charter schools, districts:

- Are organized to operate schools in prescribed, highly regulated environments. Charter schools are antithetical to this approach.
- Suffer from frequent turnover in their central offices, such that it is nearly impossible to ensure any reasonable level of monitoring expertise.
- Occasionally view charter schools solely as a moneymaking opportunity, fundamentally corrupting the entire charter-granting and oversight process.
- Often lack experienced and expert staff. Hundreds of California’s school districts are very small (500 or fewer students). It is difficult for these tiny districts to muster the expertise needed to provide adequate oversight.



**Table I—Growth in California Education Code Sections Applicable to Charter Schools<sup>5</sup>**

#### **4. The Solution – Create Multiple Authorizers**

The real solution to the problems inherent in school districts as the sole authorized sponsors of charter schools is to introduce full competitive forces by increasing the number of options for charter authorization and, therefore, charter oversight. The most logical entities include county offices of education, mayors of large cities, community college governing boards, the California State University school system, the University of California system, private, accredited universities and even properly screened large non-profit organizations. The result would be to place districts in a competitive position with entities that are able to effectively sponsor and prioritize charter schools. This would result in a higher standard of oversight.

The premise behind charter school law is clear: “Provide vigorous competition within the public school system to stimulate continual improvements in all public schools”.<sup>6</sup> While this competition currently applies to the charter schools, it does not apply to the sponsorship system. Therefore, it is essential that school districts be held accountable through competitive forces. The end result will be reduced administrative overhead and more dollars into the classroom.<sup>7</sup>

The Rand Study argued that creating multiple authorizing entities is critical for effective charter school oversight: “The charter-school sector has grown fastest in states such as Arizona and Michigan, where the charter law permits bodies other than school districts (such as state universities or a state charter board) to authorize charter schools. Local districts are frequently reluctant to authorize their own competition. Indeed, they may be more willing to create options of their own if other options are present (as has happened in Milwaukee, for example, where the Milwaukee public schools have created a number of options within the district). If policymakers want to see a sector of publicly funded autonomous schools grow

substantially, they should not make the size of that sector entirely contingent on the authority of local school boards.”<sup>8</sup>

## **5. Why Allow Other Entities the Ability to Monitor and Oversee Charter Schools**

Independent chartering agencies, within institutions of higher education or other agencies, can do it better. According to the Center on Reinventing Public Education: "New organizations created to oversee charter schools—special offices in universities, school districts, and state governments—learn their jobs relatively quickly. Conventional school district offices have trouble breaking long-established habits of detailed compliance-oriented oversight. Most of the charter-granting agencies that are both willing to grant charters and use a balanced oversight and accountability approach ‘were created specifically for the purpose of chartering schools,’ according to Paul Hill, Senior Fellow at the Brookings Institution and public school accountability expert.”<sup>9</sup>

### **Other logical reasons to allow additional sponsor entities include:**

a. Several states already successfully incorporate multiple authorizers into public school reform as well as charter school oversight.

- Indiana, Michigan, Minnesota, Missouri, North Carolina, New York, Ohio and Wisconsin all incorporate higher education into their chartering process. Most do this well, without the oversight difficulties that districts invite in California.
- Indiana and Wisconsin allow some urban mayors the authority to oversee charter schools. The result has been better oversight by the respective mayors in each city, and also more attentive oversight by each city’s school districts.
- Eighty-two percent of Michigan’s charter schools are monitored by institutions of higher education.
- Seventy-eight percent of New York’s charter schools are monitored by institutions of higher education.

b. California’s most respected universities and mayors are already heavily involved in the operation of charter schools.

- CSU Northridge operates closely with the Vaughn Learning Center. CSU Northridge is also opening an 800-student high school academy to train future teachers.
- UC San Diego has the Preuss Charter School located on its campus.
- CSU Los Angeles has partnered with and plays an active role in the operation of three charter schools.
- CSU Fresno plays a very strong support role with Fresno’s University High School.
- USC works with various magnet schools and provides teacher and technical assistance to several nearby inner-city charter schools.
- Oakland Mayor Jerry Brown led the charge to open the successful Oakland Military Institute, whose petition was previously denied by the local school board. Mayor Brown has been instrumental in creating the Oakland School of the Arts in downtown Oakland.
- San Jose Mayor Ron Gonzales was instrumental in acquiring the facilities for the successful Downtown College Prep, a charter school serving disadvantaged youth.

- Santa Ana Mayor Miguel Pulido facilitated the relocation of the Orange County High School of the Arts to Santa Ana.
- Fresno Mayor Alan Autry's Office of Education is developing a "Military Style" charter school to serve an at-risk student population.

c. California's most respected institutions of higher education and mayors operate in areas where reform is most desperately needed: in inner-cities, with typically under-performing public schools.

- College- and university-sponsored charters can allow inner-city high school students the opportunity to simultaneously enroll in higher education courses.
- College- and university-sponsored charters can assist K-12 public education by becoming the "true incubators" to be used explicitly as research and development centers for scalable instruction methods.
- Students in schools with a post-secondary relationship can more easily identify college admission as an attainable goal.
- Colleges, universities and mayors in urban areas are adept at serving the community's needs.
- Fresno, Oakland, San Jose and Santa Ana, all with mayors who are active in improving public education have large student populations that are considered "at risk" and low-income.

d. California's institutions of higher education can seamlessly attract, recruit and maintain a more qualified student-base to stay in these under-served communities and teach.

- Urban public schools, often plagued by an inability to recruit quality teachers, can draw on a well-educated student-base for quality student teachers and even career teachers with a knowledge of and strong sense of loyalty to the community.
- Students that agree to teach in university or college-sponsored charter schools may receive student-loan forgiveness.

e. Californians trust alternative agencies to oversee local public schools.

- A recent statewide charter school survey conducted by the California Network of Educational Charters (CANEC) found that almost 70 percent of Californians trust local community colleges and universities to oversee their public schools. This is approximately the same level of trust that Californians have for local school districts – and far greater than the level of trust that Californians have for urban school districts.

f. Other distinct advantages:

- Helping to alleviate California's facilities crisis. Charter schools sponsored by colleges and universities around the nation often efficiently educate students on their existing campuses, at no extra cost to the taxpayer.
- Providing smaller, safer classroom environments. In many urban settings, parents' primary concern is ensuring that their children attend small, safe schools. Institutions of higher education, mayors' offices and appropriate non-profits can provide that setting.

g. District competition is a necessary component.

- When there are multiple authorizers rather than just a single authorizer, this "competitive" authorizing landscape will force bad districts to do a better job of overseeing their charters, or risk losing out to a nearby college, university, city office of education or a properly screened non-profit that may do a better job at it - without the conflict.

## 6. Conclusion

The Center for Education Reform, a national non-profit educational advocacy organization, recently stated that, “Multiple authorities lead to more and healthier charter schools. School board-only laws limit the nature and scope of charter schools, and often limit their innovation and funding. School boards have also proven to be lax about accountability.”<sup>10</sup>

Institutions of higher education in California offer a wide range of expertise for specific program opportunities for students at all levels – from the California State University system and community colleges to the University of California system and private universities. In addition, several mayors of large cities have indicated their desire to have their offices play a more active role in local public education. A legislative change that gives urban mayors the ability to authorize charter schools would be a welcome solution to many current problems.

Many school districts, including those in favor of responsible district oversight, will welcome the opportunity to have a share of their burden shouldered by new chartering entities.

All Californians seek to have their tax dollars spent wisely, and competition for excellence in the delivery of services is ingrained in this country and state. By permitting multiple entities to oversee public charter schools, California’s most precious resource – its children – will continue to flourish. When districts as well as public schools compete for children, everyone wins.

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<sup>1</sup> Arizona, Delaware, Florida, Indiana, Michigan, Minnesota, Missouri, New York, North Carolina, Texas, Washington D.C., and Wisconsin.

<sup>2</sup> “California’s Charter Schools: Oversight Could Be Stronger at All Levels to Ensure Charter Schools’ Accountability”, California State Auditor, page 3, 2002

<sup>3</sup> California Charter Schools Act of 1992, Section 47601.

<sup>4</sup> “Rhetoric Vs. Reality: Conclusions and Policy Implications”, the Rand Corporation, 2001, page 225.

<sup>5</sup> “Crisis in Charter School Oversight” Charter Schools Development Center, April 15, 2002.

<sup>6</sup> California Charter Schools Act of 1992, Section 47601.

<sup>7</sup> California Charter Schools Act of 1992, Section 47601.

<sup>8</sup> “Rhetoric Vs. Reality: Conclusions and Policy Implications”, the Rand Corporation, page 225.

<sup>9</sup> “National Charter School Accountability Study,” Center on Reinventing Public Education, University of Washington, Paul Hill, et. Al., page ix, page 56

<sup>10</sup> “Charter School Laws Across the States: Ranking Scorecards and Legislative Profiles”, The Center for Education Reform, January, 2003.