



## Just the FAQs - Charter Schools

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[Link to document](#)

The following are answers to frequently asked questions (FAQ) regarding charter schools and what they mean for students, educators, schools and communities. The answers to these FAQs are intended to provide only an introductory overview of key issues. Links are provided to take you to areas with additional information.

Charter Schools are one part of a five-part cure for fixing public education detailed in [Mandate for Change](#), a bold agenda for the incoming government. [More...](#)

### What Is A Charter School?

Charter schools are new, innovative public schools that are accountable for student results. They are designed to deliver programs tailored to educational excellence and the needs of the communities they serve.

Charter schools are one of the fastest and most successful growing reforms in the country. The first charter school opened its doors in St. Paul, Minnesota in 1992 and now, almost two decades later, more than [5,000 charter schools](#) are serving over 1.5 million children across 39 states and the District of Columbia.

Based on the belief that America's public schools should meet standards of excellence and be held accountable, parents are lining up to choose these innovative public schools that are able to meet the individual needs of their children.

### Where Can I Find Charter Schools?

Go to [www.yourcharterschool.com](http://www.yourcharterschool.com) for school-by-school and state-by-state profiles of operating and approved charters schools around the nation, as well as links to resources, research and statistics.



### How Do Charter Schools Differ From Traditional District Public Schools?

Charter schools operate on three basic principles:

- **Choice:** Charter schools give families an opportunity to pick the school most suitable for their child's educational well-being. Teachers choose to create and work at schools where they directly shape the best working and learning environment for their students and themselves. Likewise, charter sponsors choose to authorize schools that are likely to best serve the needs of the students in a particular community.
- **Accountability:** Charter schools are judged on how well they meet the student achievement goals established by their charter contract. Charter schools must also show that they can perform according to rigorous fiscal and managerial standards. If a charter school cannot perform up to the established standards, it will be closed. Check out CER's [Accountability Report: Charter Schools](#) for more.
- **Freedom:** While charter schools must adhere to the same major laws and regulations as all other public schools, they are freed from the red tape that often diverts a school's energy and resources away from educational excellence. Instead of constantly jumping through procedural hoops, charter school leaders can focus on setting and reaching high academic standards for their students.

Some charter school programs focus on the basics — reading, writing and the traditional school subjects that some children struggle with. Other schools have special arts or music programs. Some charters look just like other public



schools. There also are dropout prevention programs, adult education programs, charters that serve Head Start and day care needs, and charters that work with children who want to go to college.

### Why Are Charter Schools So Popular?

**Educational quality:** The primary reason for charter schools is to make sure every child has access to a quality education. With the freedom and choice to do so, charters set higher standards and must meet them to stay in business. Most other public schools stay in business no matter how poorly they perform. Not so with charter schools. They are your ticket to higher-quality schools.

**Focus on the kids:** Perhaps most important, a charter school is set up around the needs of children, not around the needs of adults. The focus should always be on the kids, and programs should be designed to help children succeed, no matter what it takes.

**Safer, stronger communities:** Charter schools typically engage local businesses and other organizations to help provide resources and services to the school and its families. Many charter schools create a community hub, whether it is turning an inner-city ghetto into bustling and safer neighborhood or whether it is bringing families in rural America together, charter schools have a proven effect on the strength and safety of a community.

Link here for more about [Americans' Attitudes Toward Charter Schools](#). Link here to find out more about [bipartisan support for charter schools](#).

### How Do Charter Schools Work?

**The Law:** Before you can have charter schools, you must have a state law. Forty states and the District of Columbia have enacted charter school laws. (The ten states that do not have charter school laws are Alabama, Kentucky, Maine, Montana, Nebraska, North Dakota, South Dakota, Vermont, Washington and West Virginia. [Click here to find out more.](#))

As is the case with most education laws, charter schools are born at the state level. Typically a group of concerned lawmakers drafts a bill that allows the creation of any number of charter schools throughout a state. The content of the charter law plays a large role in the relative success or failure of the charter schools that open within that state. CER has identified a number of factors that can work together to create an environment that promotes the growth and expansion of charter schools. Some of them are identified below.

- *Number of Schools & Applications:* The best charter laws do not limit the number of charter schools that can operate throughout the state. They do not place restrictions on the brand new schools either. A poorly written law would only allow conversion schools to operate but this hinders parents' ability to choose from among numerous public schools. These laws should also allow many different types of groups to apply to open schools.
- *Multiple Charter Authorizers:* States that permit a number of entities to authorize charter schools, or provide applicants with a binding appeals process, encourage more activity than those that vest authorizing power in a single entity, particularly if that entity is the local school board. The goal is to give parents the most options and having multiple sponsors helps reach this goal. [Click here to learn more.](#)
- *Waivers & Legal Autonomy:* A good charter law is one that automatically exempts charter schools from most of the school district's laws and regulations. Of course no charter school is exempt from the most fundamental laws concerning civil rights. These waivers
- *Full Funding & Fiscal Autonomy:* A charter school needs have control of its own finances to run efficiently. Only the charter school's operators know the best way to spend funds and the charter law should reflect this need. Similarly charter schools, as public schools, are entitled to receive the same amount of funds as all other conventional public schools. Many states and districts withhold money from individual charter schools due to fees and "administrative costs" but the best laws provide full funding for all public schools.

For additional information and research, visit [Charter School Laws](#).

**The Founders:** Virtually anyone can submit an application to open and operate a charter school. Parents, educators, museums, civic groups, business leaders, service organizations and teachers have started schools in United States. Charter schools are started when community members see an educational need and decide to actively address it.

**The Board:** Every charter school is required by law to have a board of directors that is ultimately responsible for what the school does. Legally, the board oversees the operations of the school and makes sure it is financially sound and



follows the law. The Board also helps to create the vision for how the school should operate and often is compiled of parents of children attending the charter school.

**The Teachers:** Teachers choose charter schools because these schools help them avoid the frustrations of constant bureaucracy. In addition to hiring the same certified teachers as traditional public schools, charter schools can hire qualified individuals that often have significant professional experience in their subject area. This makes for education infused with real-world experience.

**The Sponsors:** The role of the charter school sponsor is to first approve charter applications and then monitor the schools to ensure success. The more organized and active a sponsor is, the more likely problems within individual charter schools will be uncovered and fixed early. Sponsors are ultimately responsible for the operational and educational integrity of each charter school they sponsor and for closing any that fail to function responsibly. Depending on the state charter school law, sponsors are local school boards, state boards of education, state universities, state departments of education, or a separate entity created by law that has the sole duty to sponsor and oversee charter schools in the state.

### **How Are Charter Schools Funded?**

Charter schools are public schools. Like district public schools, they are funded according to enrollment (also called average daily attendance, or ADA), and receive funding from the district and the state according to the number of students attending. The ways and amounts at which charters are funded compared to their district counterparts differ dramatically in an individual state and even in individual communities within a state. Nationwide, on average, charter schools are funded at 61 percent of their district counterparts, averaging \$6,585 per pupil compared to \$10,771 per pupil at conventional district public schools. For more information and state-by-state funding comparisons, go to [Followi Following the Money](#).

Unlike traditional district schools, most charter schools do not receive funding to cover the cost of securing a facility. Conversion schools begin with established capital, namely the school and its facilities. A few states provide capital funding to start-up schools, and some start-up schools are able to take over available unused district space, but most must rely on other, independent means. Recent federal legislation provides funding to help charters with start-up costs, but the task remains imposing.

**How Do Charter Schools Manage if They are Underfunded?** Necessity, as the mother of invention, is inspiring innovation in this area.

*Facilities and Other Start-Up and Capital Costs:* Many charter schools improvise by converting spaces such as rented retail facilities, former churches, lofts and warehouses, into classroom, cafeteria, assembly and gym space, supplemented by the local YMCA, the public library and park, and the diner down the street. Once they are more established they are able to acquire loans and move to more suitable or permanent facilities. State legislation and loan agencies are beginning to tackle this problem by providing start-up funding and providing charter schools with the information needed to obtain favorable loans.

The same is true of capital needs beyond bricks and mortar. School founders have managed on an ad hoc basis with the help of private funds or alternative credit routes, and especially the sweat equity of enthusiastic volunteers, parents and local professionals. The charter concept has become more recognized and successful, banks and corporations have developed ways to provide capital to charter schools at favorable rates.

*Operational costs:* Charter schools receive a portion of the state and district operating funds generally based on student enrollment counts. The portion is determined by the state legislation, and, in some states, is negotiated in the charter contract. For example, a state's charter legislation determines that a percentage or up to a percentage of operating funds follows the students. The actual acquisition of that funding however, falls upon the charter school operators – sometimes no small task. For example, soon after Vaughn Next Century Learning Center Charter School (San Fernando, CA) opened, Chan charged that the district had shortchanged the school \$811 per pupil. State funding called for \$3,111 per pupil, but the district delivered \$2,300. LAUSD responded that elementary schools receive less than junior and high schools. Moreover, a legal settlement that equalized funding for suburban and urban schools hampered further funding. Chan felt that violated the intention of the charter contract. She sent back the check and prepared to operate the school with a second mortgage on her house. In the midst of the controversy, Assemblyman Richard Katz drafted a bill requiring the district to give Vaughn 95 percent of the money it received from the state for



its pupils and the school board backed down and paid Vaughn an additional \$500 per student. The law set a precedent for charters' per pupil fund allocation. Says Chan: "We got that money because we went to war."

*Categorical aid:* Also significant in operational expenses are categorical federal education grant funds. These funds generally follows one of two routes before reaching schools: (1) either distributed directly by the U.S. Department of Education through its own application process, or (2) channeled through state education agencies that then distribute the funds in a variety of ways. Typically, state agencies distribute funds based on whether a charter school is recognized as its own local education authority or not. If it is recognized as such, then charter schools may receive the money directly. The route is ultimately determined by the state legislation.

**Do Charter Schools Take Money from Public Schools?** Charter schools *are* public schools. When a child leaves for a charter school the money follows that child. This benefits the public school system by instilling a sense of accountability into the system regarding its services to the student and parents and its fiscal obligations. Fiscally, charter schools have demonstrated efficiency. For example, ABC's "Prime Time Live" ran a story on Yvonne Chan, the energetic principal of a San Fernando Valley's Vaughn Next Century Charter School. The local school district, one of the largest and most bureaucratic in the nation, typically took a year to buy computers for its classrooms. Ms. Chan thought that was ridiculous. It took her charter school six days to purchase computers, and for less money. As a result, the Los Angeles Unified School District revised its purchasing system. Overall, in its first year of operation, Vaughn Next Century generated, through operational changes and efficiencies, a \$1 million plus surplus, which it used to expand facilities to benefit both students and staff.

For more information on common misconceptions surrounding charter schools, see [CHARTER SCHOOLS: Six Common Criticisms from Opponents...and Proof That They are Unfounded.](#)

### How Do Charter Schools Impact the Public School System?

**The "Ripple" Effect:** Conventional public school districts often view charter schools as a threat but time has shown that these new schools can serve a valuable teaching role. Increasingly, members of the traditional public school system are turning to charter schools for examples of "best-practices" regarding everything from curriculum to staffing and teacher retention. The attitudes of leading administrators in the conventional public school system are also changing. Instead of viewing charter schools as nuisances many realize the need for improvement spurred on by charter schools. For more on the "ripple" of improvements charter schools are bringing to their communities see [Charter Schools, Still Making Waves.](#)

**Do Charter Schools Work?** Yes. In addition to the positive pressure they put on the public school system as a whole, charter schools satisfy and serve their primary constituents (teachers, parents, and students) by providing exciting and viable new education in an inclusive, individual manner. Harvard University Professor and Economist Caroline Hoxby recently released a study called "A Straightforward Comparison of Charter Schools and Regular Public Schools in the United States." The study compared 4th grade students in charter schools with 4th graders in the public schools that the charter students would go to absent the charter option and made several important conclusions:

- Compared to students in the nearest regular public school, charter students are 4 percent more likely to be proficient in reading and 2 percent more likely to be proficient in math, on their state's exam.
- Compared to students in the nearest regular public school with a similar racial composition, charter students are 5 percent more likely to be proficient in reading and 3 percent more likely to be proficient in math.
- In states where charters are well established, such as Arizona and California the advantage tends to be greater.

For a summary of charter school research findings - overwhelmingly supporting the viability and success of charters - see [What the Research Reveals About Charter Schools.](#)

### Charter School Resources

- [Charter Connection:](#) Recent Developments and Ongoing Research and Analysis
- [Charter school laws:](#) Ratings, rankings, recent court developments
- [Charter school funding](#)
- [Charter school achievement](#)
- *Toolkit:* [How to Start a Charter School](#)
- Some more [Quick Facts About Charter Schools.](#)
- [Find Your Charter School:](#) Comprehensive National Directory



