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## **Executive Summary**

#### **Charter School Overview**

Today, there are 88 public charter schools operating in New Jersey serving more than 50,000 students. While charter schools are located in 40 cities across 17 of New Jersey's 21 counties, most charter schools are concentrated in our urban districts such as Newark, Camden, Trenton, Paterson, Jersey City, and Plainfield. Fifty-one percent of charter school students are Black, 34% are Hispanic, 72% are economically disadvantaged, 10% are students with disabilities, and 4% are English language learners. There are more than 35,000 students on charter school wait lists.

An evaluation of charter performance demonstrates that charter schools in New Jersey are, on the whole, providing a high-quality public education to tens of thousands of students. Charter schools are closing the achievement gap with the rest of the State. Black, Hispanic, and economically disadvantaged charter school students continue to outperform their peers on statewide assessments and have better graduation rates in high school. In 2018, economically disadvantaged charter school students outperformed their statewide peers by more than 10% points in English language arts (ELA) and 9% points in mathematics. In Newark, the second highest performing charter sector in the nation, charter school students have made extraordinary progress and outperformed the state average on PARCC in ELA and math for the first time in 2018. This is a truly remarkable accomplishment since New Jersey has one of the best public school systems in the nation. To learn more about the success of charter schools in New Jersey, you may review Appendix A of this report which includes multiple analyses evaluating charter school performance.

#### The Charter Review Process and Charter School Community Engagement

On October 11, 2018, the New Jersey Department of Education (Department) announced a comprehensive review of public charter schools in New Jersey. The goal of the review is to engage with students, parents, teachers, administrators, education advocacy organizations, and other stakeholders to inform the State's mission of assuring the best educational opportunities for all students. On the same day as the Department's announcement of the charter review, a statewide coalition of parents, students, and advocates launched the #ILoveMyCharter campaign to demand equity and fairness for charter school students. Through this campaign, more than 1,050 public charter school parents, teachers, and supporters turned out to charter review events in Newark, Paterson, Trenton, Jersey City, Camden, Atlantic City, and Plainfield to share their stories and demand fair funding. On social media, more than 1 million New Jersey residents were reached with stories about how charter schools are changing lives. Videos from the #ILoveMyCharter campaign were viewed 136,733 times. Users interacted with the content to generate 68,601 post engagements—meaning reactions, comments, shares, link clicks, post clicks, and photo clicks.

#### New Jersey Charter School Association's Policy Recommendations

Through the ongoing charter review process, it is imperative that the Department evaluate how charter schools are performing and work towards creating conditions to increase educational opportunities for students across the state. In order to do what is best for students and communities, the Department should focus its charter school reform efforts on fair funding, access to facilities, more operational autonomy, more authorizing options, and increased transparency. A list of comprehensive policy recommendations can be found on pages 11 to 12 in this report. Key recommendations include the following:

#### • Fair Funding for Charter Schools and District Schools

- o Currently, <u>charter schools only receive about 73 cents on the dollar in local and state aid compared to traditional public schools</u>. Revise the School Funding Reform Act (SFRA) so that public charter school students receive <u>the same funding as traditional public school students</u>.
- o Provide transition aid for districts with large/growing charter sectors to ensure that the district can better plan for the change in funding.
- o Revise SFRA to include facilities funding for charter schools.

#### Increase Charter School Access to Under-Utilized School Buildings

o Allow for a right of first refusal for charter schools to acquire or lease at no cost an under-utilized public school facility or property.

#### • Increase Charter School Autonomy

- o Autonomy is one of the core principles of public charter schooling schools are given operational flexibility in exchange for accountability for student outcomes. At least 25 states, including Pennsylvania, New York, Washington D.C., and Massachusetts, exempt charter schools from most education statutes and regulations. New Jersey should also provide charter schools with flexibility from public school laws and regulations except those pertaining to the state accountability program, civil rights, student health, life, and safety, criminal background checks, special education, conflicts of interest, public records, and generally-accepted accounting principles. At the very least, allow charter schools flexibilities afforded to Renaissance Schools through the Urban Hope Act. This would include flexibility from state residency requirements for teaching staff, public school contracts law, and 10 year renewals (rather than five).
- o Reward high performing charter schools. Amend the current law to allow charter schools to undergo the first renewal after five years, rather than four, and allow for all future renewals to be up to 10 years based on performance.
- o Allow charter school board members to receive the mandatory board training through other Department-approved entities.

#### More Authorizing Options

o New Jersey's charter school law should be amended to allow for an independent chartering board as an additional authorizer.

#### **Recommendations for Next Steps**

Through the ongoing charter review process, it is imperative that the Department review how to strengthen the charter sector's ability to continue to deliver strong performance outcomes, increase district-charter collaboration, and create financial and operational conditions that increase educational opportunities for students across the state - particularly for minority and economically disadvantaged children in our urban communities. Below is a list of recommendations for next steps for the Department as it continues to gather information on charter schools in New Jersey:

- 1. The Department should complete a comprehensive evaluation of charter school performance and release a data-driven report to supplement findings from its initial outreach report.
- 2. The Department should review why charter schools are not currently receiving equitable funding and work towards equal funding for public charter school students and traditional public school students. States that are approaching charter school funding equity are Minnesota, New Mexico, and Colorado.

- 3. The Department should review other states' policies to increase equitable access to capital funding and facilities. States that provide charter schools access to state facility funding programs include Alaska, Colorado, Delaware, New Hampshire, Oklahoma, Rhode Island, and Wyoming.
- 4. The Department should work directly with the National Association of Charter School Authorizers (NACSA) and authorizers that are nationally recognized to <a href="better align with national best practices">better align with national best practices</a>. Model authorizers include the DC Public Charter School Board, the Thomas B Fordham Foundation (Ohio), Massachusetts Board of Elementary and Secondary Education, and Metro Nashville Public Schools.
- 5. The Department should work with the National Alliance for Public Charter Schools (NAPCS) to review and better understand its model charter law. A letter from NAPCS is attached to this report as Appendix B.
- 6. The Department should work with organizations such as the Center for Reinventing Public Education (CRPE) and WestEd to learn more about how to create conditions to increase district-charter collaboration in New Jersey.
- 7. The Department should organize a task force that includes organizations in New Jersey (e.g. NJCSA, JerseyCAN, NJEA, etc.) and outside of New Jersey (e.g., NACSA, NAPCS) to work through policy issues based on feedback and initial assessments.

## **An Overview of Charter Schools in New Jersey**

#### **Charter School Students**

In 1997, the first cohort of 13 charter schools opened in New Jersey. More than 20 years later, there are 88 public charter schools operating in the State serving more than 50,000 students. While charter schools are located in 40 cities across 17 of 21 counties in New Jersey, most charter schools are concentrated in our urban districts such as Newark, Camden, Trenton, Paterson, Plainfield, and Jersey City. In fact, 81% of charter schools are located in economically challenged communities where at least 60% of students receive free or reduced price lunch. In Newark, New Jersey's largest school district, approximately 35% of all public school students attend charter schools. Charter school students in New Jersey are primarily low-income students of color. Fiftyone percent of charter school students are Black, 34% are Hispanic, 72% are economically disadvantaged, 10% are students with disabilities, and 4% are English language learners. There are more than 35,000 students on charter school wait lists.

#### **Charter School Wait Lists**

There is strong demand for students to attend public charter schools in New Jersey. According to data collected by the Department, there are more than 35,000 students on charter school wait lists throughout the State. In the top five charter cities listed below, there are more than 23,800 students on wait lists. Families are clearly seeking additional public school options for their children, particularly in our urban communities.

DISTRICT	STUDENTS ON CHARTER WAITLISTS
Newark	10,200
Jersey City	4,650
Paterson	4,645
Camden	2,370
Trenton	1,940

#### **Charter School Performance**

By most measures, the public education system in New Jersey is one of the highest performing in the nation. According to the National Assessment of Educational Progress (NAEP), also known as "The Nation's Report Card", New Jersey had some of the top results in the country in both math and reading. However, a deeper examination demonstrates that wide achievement gaps remain within the State. New Jersey has large and persistent achievement gaps that have spanned decades. While most students in our affluent suburbs are meeting and exceeding grade level standards, students in our urban centers continue to struggle.

An evaluation of charter performance demonstrates that charter schools in New Jersey are, on the whole, providing a high-quality public education to tens of thousands of students. Charter schools are closing the achievement gap with the rest of the State. Black, Hispanic, and economically disadvantaged charter students continue to outperform their peers on statewide assessments and have better graduation rates in high school. In 2018, economically disadvantaged charter school students outperformed their statewide peers by more than 10% points in ELA and 9% points in math. In Newark, charter school students have made extraordinary progress and outperformed the state average on PARCC in both ELA and math for the first time in 2018.

Stanford University's Center for Research on Education Outcomes (CREDO) is the nation's foremost independent analyst of charter school effectiveness. In 2012, CREDO released a rigorous, independent analysis of the achievement results of charter schools in New Jersey. The results showed that New Jersey charter school students on average gained an additional two months of learning per year in reading and an additional three months of learning per year in math compared to their district school counterparts. In particular, the authors of the report highlighted the strong performance of urban charter students and noted that the "results confirm that New Jersey charter school leaders and teachers show a commitment to addressing the needs of Black and Hispanic students in poverty." In 2015, CREDO conducted an Urban Charter School Study on 41 Regions and found that Newark had the second highest performing charter school sector in the nation. There is substantial evidence that charter schools in New Jersey are working. In Appendix A, this report includes multiple analyses evaluating charter school performance in New Jersey.

#### **The Charter Review Process**

#### The Process

On October 11, 2018, the New Jersey Department of Education (Department) announced a comprehensive review of public charter schools in New Jersey. According to the Department, the goal of the review is to engage with students, parents, teachers, administrators, education advocacy organizations, and other stakeholders to inform the State's mission of assuring the best educational opportunities for all students. "Charter schools are a valuable part of the existing educational landscape of New Jersey, and it is critical that we engage with the public to hear possible concerns and collect important data," said Education Commissioner Dr. Lamont Repollet in the Department's press release announcing the charter review. During the Department's listening tour, Commissioner Repollet and Department staff visited public charter schools, conducted community focus groups, organized stakeholder collaboratives, completed webinars, and provided an online survey to submit written feedback. In the coming months, the Department will publish a report based on this outreach and detail what they learned while on the tour. The Department's report will focus on the following four questions that were asked at all stakeholder meetings:

- What do you like about New Jersey's approach to charter schools? Why?
- What would you like to improve regarding New Jersey's approach to charter schools? Why?
- Are there adjustments the State can make to its approach to charter schools in order to better serve students and communities?
- In what ways can district schools and charter schools work together to improve educational, operational, and social outcomes?

#### Hearing from Charter School Families

During the charter review process, many parents noted that they chose to send their children to a public charter school because of the quality of education their children are receiving compared to other public school options in their communities. There is a reason why tens of thousands of students sit on charter wait lists to attend a high performing charter school. Through the ongoing charter review process, it is imperative that the Department review how to strengthen the charter sector's ability to continue to deliver strong performance outcomes, increase charter school and district school collaboration, and create financial and operational conditions that increase educational opportunities for students across the state - particularly for minority and economically disadvantaged children in our urban communities.

# Question 1: What do you like about New Jersey's approach to charter schools? Why?

#### Focus on Giving Families High-Quality Public School Choices

In New Jersey, there has been significant growth in the charter sector over the last ten years. The reason for this growth is the implementation of high-quality charter school authorizing that has been focused on the quality of education charter schools are providing to students. New Jersey's state law allows for a single authorizer of charter schools – the Commissioner of Education. The Commissioner has sole discretion and broad authority when making decisions on charter schools in the State and the Department vastly improved its practices over the last five years. According to a 2014 report from the National Association of Charter School Authorizers (NACSA), the Department improved the quality of application decisions, established and enforced clear performance expectations, clarified monitoring roles, responsibilities, and processes, and defined school autonomy despite a weak charter law. These improvements led the Department to thoughtfully increase the number of high-quality charter schools in the State over the last decade. Greg Richmond, the president and CEO of NACSA recently noted, "For years, we've known that good authorizing leads to great charter schools, not just for a few children but for children in entire cities."

New Jersey's charter schools are providing 50,000 New Jersey students, predominantly minority and low-income families, with life-changing choices and educational opportunities. The Department empowered families by increasing seats in charter schools based on how well they were performing academically and the number of students on charter wait lists (currently 35,000). The Department utilizes the Performance Framework (the charter accountability system) to determine how well charter schools are performing academically. Tier 1 charter schools (high-performing) were generally permitted to expand to serve more students. Tier 3 charters (lower-performing) were not granted permission to grow and were often closed. It is imperative that the future growth of the charter sector be determined by what is best for children, particularly in our urban districts, not adult or special interests. With the current wait list at 35,000, it is abundantly clear that families are desperately seeking additional options for their kids.

# Commitment to Ensure Charter Schools Serve All Students, including Students with Disabilities

The Department has demonstrated a strong commitment that charter schools serve and meet the needs of all students, especially our most vulnerable students requiring special education services, students who are English Language Learners, students who are economically disadvantaged, and other underserved or at-risk populations. There is an entire section in the Performance Framework on access and equity – something not typically found in charter accountability systems across the country. Charter schools must demonstrate that their recruitment, application, admissions, lottery and enrollment policies and practices are fair and equitable, as required by law. Additionally, charter schools must demonstrate that they comply with state and federal laws relating to special education students and students who are English Language Learners. The Organizational Performance Framework outlines the clear standards and expectations for charters schools in New Jersey. The Department has done its part to ensure that charter schools are truly open to all students through its rigorous oversight practices.

Recently, the Department allowed charter schools in New Jersey to institute weighted lotteries for at-risk students to increase access to underserved students. Approximately 20 charter schools in New Jersey have been approved to conduct weighted lotteries for low income students, students with special needs, and English language learners throughout the state. In fact, Newark's universal enrollment system automatically preferences low-income and special needs students and will soon be adding a preference for English language learners next school year.

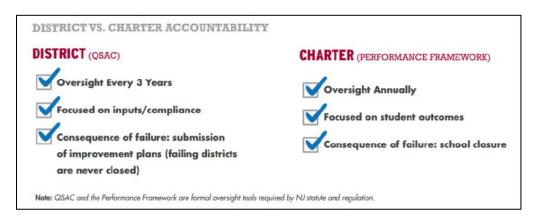
#### **The Most Highly Accountable Public Schools in the State**

As the authorizer, the Department has oversight responsibilities to ensure that charter schools are meeting expectations academically, operationally, and financially. Annually, the Department evaluates charter performance across more than 100 different metrics utilizing these three guiding questions:

- Is the educational program an academic success?
- Is the school equitable and organizational sound?
- Is the school financially viable?

Charter schools that are failing students are closed, the ultimately form of accountability. Since 2010, 24 charter schools have been closed. <u>If traditional districts were measured against the standards within the Performance Framework, dozens of struggling districts would likely be forced to close due to these higher expectations.</u> QSAC reviews, the accountability system used for school districts, are conducted every three years, and are largely focused on inputs/compliance with

limited consequences. Many districts would be forced to close and not have the privilege of serving children if they were held to the same standards as charter schools.



#### Emphasis on Local Input for New and Existing Charter Schools

The Department has a robust application review process for all new charter school applications. The family and community engagement section includes numerous questions about outreach activities to ensure that there will be adequate family demand for a charter school in the proposed district. Applicants are also evaluated on partnerships with community organizations, businesses, and educational institutions prior to opening a charter school. At the end of the day, if there is a lack of community demand for a charter school, the school would simply not exist due to lack of funding, since money follows the child to the charter school.

The same idea applies for existing schools that are up for renewal or request an expansion to serve more students. The Department must wait at least 60 days before making a decision on a charter school based on local district input. Nothing precludes a school district from providing ongoing feedback to the Department about the impact the charter school will have on the community. The Department takes local input into account in all high-stakes charter decisions.

# Question 2: What would you like to improve regarding New Jersey's approach to charter schools? Why?

#### **Unfair Funding for Charter Schools**

On average, public charter school students receive only 73 cents on the dollar compared to traditional public school students. In some districts, a charter school may receive less than 50% of the aid the district receives for a student. Charter school students are public school students and should be treated equally.

### Lack of Access to Capital Funding and Facilities for Charter Schools

Charter schools do not have equitable access to capital funding and facilities in New Jersey, and finding viable facilities is a challenge for most charter schools. Charter schools receive \$0 for facilities funding, while traditional districts receive millions of dollars per year in debt service aid and access to free buildings. On average, charter schools in New Jersey spend about \$1,500 per student from designated per-pupil funding/operating revenue each year on facilities costs, which takes away money that could be spent in the classroom. Providing equitable access to capital funding and facilities would remedy one of the greatest challenges to increasing the number of

great public charter schools in the state – a suitable building to provide students with a high quality public education.

#### Lack of Flexibility for Charter Schools

Autonomy is one of the core principles of public charter schooling - schools are given operational flexibility in exchange for accountability for student outcomes. According to its website, the Department's mission is to "authorize charter schools consistent with national best practice in charter school authorizing, offering school operators autonomy and opportunities for innovation in exchange for accountability for student outcomes." While the Department has been holding schools accountable to high expectations (24 closures since 2010), charter schools in New Jersey have very little autonomy compared to other states. At least 25 states, including Pennsylvania, New York, Washington D.C., and Massachusetts, exempt charter schools from most education statutes and regulations, except those pertaining to the state accountability program, civil rights, student health, life and safety, criminal background checks, special education, conflicts of interest, public records, and generally-accepted accounting principles. When there is a heavy focus on inputs and compliance, innovation is stifled in charter schools. This lack of operational autonomy is one of the reasons why the National Alliance for Public Charter Schools ranks New Jersey's charter law as 33rd out of 45 charter laws in the country. These added burdens on charter schools make it more challenging for charter schools to focus on what matters – a high-quality educational program that meets the needs of diverse learners.

#### Lack of Authorizing Options for Charter Schools

The number and types of authorizers, which can include state education agencies, local school districts, nonprofits, and universities, vary greatly from state to state. In New Jersey, there is only one authorizer – the Commissioner of Education. There should be at least one more type of authorizer in New Jersey that is aligned to national best practices in charter school authorizing. In the March 2018 application round to open new charter schools, the Commissioner of Education rejected all thirteen charter school applicants without any applicant being granted an interview. The last two charter school applications were for schools to open in Trenton and Jersey City, two cities that could use additional public school choices. In the October 2018 application round (for applicants with a proven track record), zero applications were submitted to the Department. The decisions on the March applications clearly had a chilling effect on schools with proven track records to apply for more charters, limiting options for families in the State.

#### Lack of Public Information About Charter Schools

The Department does not provide enough useful information to the general public about public charter schools. The Department should publish more information about charter schools with regards to the application process, oversight activities, and charter school performance to provide researchers, policymakers, and the general public with more transparent data and facts.

# Question 3: Are there adjustments the State can make to its approach to charter schools in order to better serve students and communities?

In order to do what is best for students and communities, the Department should focus its charter school reform efforts on fair funding, access to facilities, more operational autonomy, more authorizing options, and increased transparency. The Department should align itself with national

best practices and learn from other states to improve New Jersey's charter school policy environment.

#### Fair Funding for Charter Schools and Districts

- Currently, <u>charter schools only receive about 73 cents on the dollar in local and state aid compared to traditional public schools</u>. Revise the School Funding Reform Act (SFRA) so that public charter school students receive <u>the same funding as traditional public school students</u>.
- Provide transition aid for districts with large/growing charter sectors to ensure that the district can better plan for the change in funding.
- Revise SFRA to include facilities funding for charter schools.

#### Increase Access to Facilities for Charter Schools

- Allow for a right of first refusal for charter schools to acquire or lease at no cost an underutilized public school facility or property. Among the many states that allow a charter school to utilize vacant or underused facilities are Delaware, New York, Maine, Washington D.C., Ohio, Michigan, California, Colorado, and Oklahoma.
- Remove the existing provision in the Charter Law which prohibits charter schools from using public dollars (per pupil dollars) to construct a facility.
- Allow charter schools to access state facility funding programs that are available to all
  other public schools. States that provide such access include Alaska, Colorado, Delaware,
  New Hampshire, Oklahoma, Rhode Island, and Wyoming.

#### **Increase Charter School Autonomy**

- Autonomy is one of the core principles of public charter schooling schools are given operational flexibility in exchange for accountability for student outcomes. At least 25 states, including Pennsylvania, New York, Washington D.C., and Massachusetts, exempt charter schools from most education statutes and regulations. New Jersey should also provide charter schools with flexibility from public school laws and regulations except those pertaining to the state accountability program, civil rights, student health, life and safety, criminal background checks, special education, conflict of interest and public record and generally-accepted accounting principles. At the very least, allow charter schools flexibilities afforded to Renaissance Schools through the Urban Hope Act. This would include flexibility from state residency requirements for teaching staff, public school contracts law, and 10 year renewals (rather than five).
  - o (If only limited autonomy can be granted) Teacher development is a major area of innovation for charter schools which often have their own rigorous processes and criteria for hiring and advancing staff. As charters are the most accountable public schools in New Jersey, high-performing charter schools (Tier 1 or Tier 2) should have additional certification flexibility to hire staff to fulfill the unique needs of their schools and increase teacher diversity. Certification flexibility should also be afforded to high performing districts that share these same goals.
- Reward high performing charter schools. Amend the current law to allow charter schools to undergo the first renewal after five years, rather than four, and allow for all future renewals to be up to 10 years based on performance.
- Allow charter school board members to receive the mandatory board training through other Department-approved entities.

• Permit charter school students to participate in all interscholastic leagues and extracurricular activities available in their districts of residence to the same extent as traditional public school students if not offered in the charter school.

#### More Authorizing Options

- There are at least 12 states with independent chartering boards. The strength of an independent statewide board is that its only focus is to charter and oversee schools. Because of this narrow focus, the independent chartering board can develop the best, most-equitable way to do that job. New Jersey's charter school law should be amended to allow for an independent chartering board. Independent charter boards in Georgia, Washington D.C., Indiana, Alabama, Maine, Washington, and Mississippi are known to align with national best practices.
- A fair authorizer fee structure should be placed in statute to help defray the costs associated with high-quality authorizing standards, duties, and responsibilities.

#### Increase Availability of Public Information on Charter Schools

- The Department should provide the following reports on their website to increase charter school transparency for the public:
  - All charter school applications that have been approved/rejected including denial summaries
  - o Renewal applications that have been submitted
  - o Performance framework reports for charter schools
  - o Annual reports for charter schools
  - o Department's annual report on charter performance
  - Revocation letters for charter schools
  - o Mobility rates for all public schools
  - Suspension/expulsion rates for all public schools.

# Question 4: In what ways can district schools and charter schools work together to improve educational, operational, and social outcomes?

#### District-Charter Collaboration in New Jersey

In New Jersey, there have been some successful examples of district-charter collaboration. In both Newark and Camden, there are currently universal enrollment systems in place where families apply to both district schools and charter schools through a centralized application system. In Newark, Uncommon Schools (North Star Academy) and Newark Public Schools began a literacy collaboration in the summer of 2017 that focused on rising 2<sup>nd</sup> graders who were below grade level in reading. Together, they developed a program to train Newark Public Schools' reading teachers in the most up-to-date techniques available for use during a summer program for struggling students. Incredibly, the result after just four weeks was dramatic improvement in student achievement, from 24% student proficiency at the beginning of the program, to 41% proficiency at the end. In July 2018, KIPP New Jersey (Team Academy) partnered with Newark Public Schools to send staffers from three Newark high schools — American History, Central, and University — to attend a three-day training called the "College Counseling Institute" to help their counselors assist students to make better decisions on where to apply to college. As demonstrated in Newark, cooperation

between district schools and charter schools is not only possible, but it can lead to tangible results for students.

#### Recommendations to Improve District-Charter Collaboration in New Jersey

The Center on Reinventing Public Education (CRPE) conducted research on 23 cities that are deeply invested in district-charter collaboration. Benefits include decreased political tensions, sharing of best practices, and more high performing schools for students in the community. In New Jersey, there are numerous ways that district schools and charter schools can work together to improve educational, operational, and social outcomes:

- District schools and charter schools should share instructional best practices through workshops, trainings, and other professional development opportunities. County offices of education should act as an intermediary to foster these opportunities for collaboration.
- The Department should provide grants to foster district-charter collaboration and host an annual meeting to discuss and disseminate these best practices throughout the state.
- Districts with underutilized buildings should provide facility space to high performing charter schools in co-located campuses.
- The Department should consider inclusion of charter school performance in district accountability ratings.
- Similar to Nevada, New Jersey should create funding set-asides for school districts and charter schools to partner to turn around the lowest-performing district schools.

### **Recommendations for Next Steps**

The Department's comprehensive review of charter schools in New Jersey is an opportunity to objectively evaluate the impact of charter schools in New Jersey over the last 20 years. Charter schools have been cemented in New Jersey as a key part of the public education landscape, particularly in our urban communities. It is critical that this review of charter schools does not devolve into a polarizing debate steeped in myths and distrust; rather, policymakers must take a deep look into the data (academic, financial, and operational) to determine what is working and not working in charter schools and how to change policies to strengthen the charter sector's ability to continue to deliver strong performance outcomes, enhance district-charter collaboration, and create financial and operational conditions that increase educational opportunities for students across the state. Moreover, the Department should leverage lessons learned and best practices from our colleagues from across the country to ensure a strong and thriving charter sector that meets the needs of its students and communities. Below is a list of recommendations for next steps for the Department as it continues to gather information on charter schools in New Jersey:

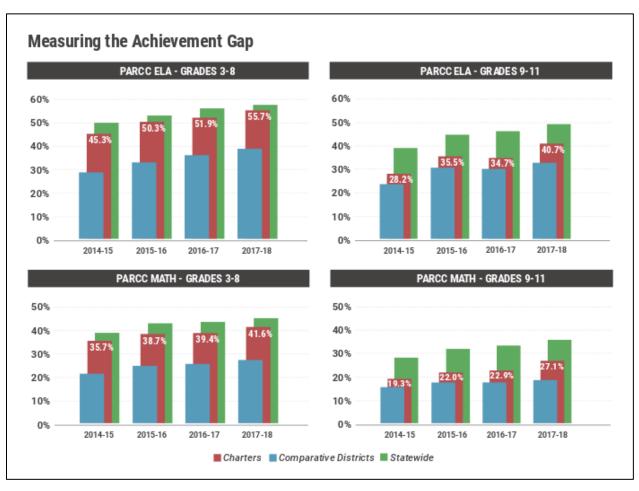
- 1) The Department should complete a comprehensive evaluation of charter school performance and release a data-driven report to supplement findings from its initial outreach report.
- 2) The Department should review why charter schools are not currently receiving equitable funding and work towards equal funding for public charter school students and traditional public school students. States that are approaching charter school funding equity are Minnesota. New Mexico, and Colorado.
- 3) The Department should review other states' policies to increase equitable access to capital funding and facilities. States that provide charter schools access to state facility funding programs include Alaska, Colorado, Delaware, New Hampshire, Oklahoma, Rhode Island, and Wyoming.
- 4) The Department should work directly with NACSA and authorizers that are nationally recognized to <u>better align with national best practices</u>. Model authorizers include the DC Public

- Charter School Board, the Thomas B Fordham Foundation (Ohio), Massachusetts Board of Elementary and Secondary Education, and Metro Nashville Public Schools.
- 5) The Department should work with the National Alliance for Public Charter Schools (NAPCS) to review and better understand its model charter law.
- 6) The Department should work with organizations such as the Center for Reinventing Public Education (CRPE) and WestEd to learn more about how to create conditions to increase district-charter collaboration in New Jersey.
- 7) The Department should organize a task force that includes organizations in New Jersey (e.g. NJCSA, JerseyCAN, NJEA, etc.) and outside of New Jersey (e.g., NACSA, NAPCS) to work through policy issues based on feedback and initial assessments.

## **Appendix A: Analysis of Charter School Performance**

#### Public Charter Schools Are Closing the Achievement Gap Versus the State Average

As noted previously, there are persistent achievement gaps in New Jersey when comparing urban students to the rest of the state. Since the first administration of PARCC in 2015, New Jersey's charter schools have made steady progress towards closing the achievement gap. According to the latest available 2017-18 PARCC results, public charter schools have nearly eliminated the achievement gap compared to the state average despite serving a much higher educationally disadvantaged population (72% low income in charters vs. 38% for the state).

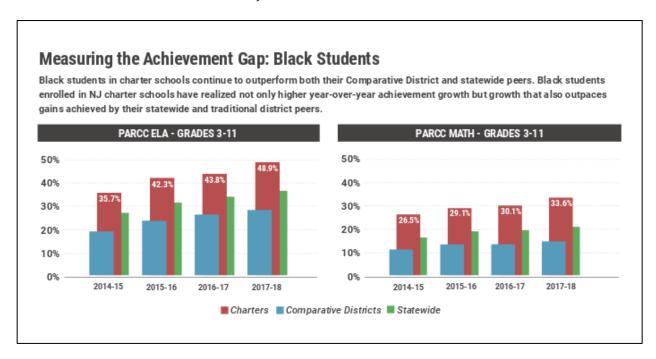


While public schools across the state showed improvements on statewide assessments, charter schools *outperformed* and *outgained* home district averages across all grades and subjects in English Language Arts (ELA) and mathematic. In ELA, charter school students in grades 3-8 are nearly even with the state average, falling just 2.1% points short. While charter students in grades 3-8 continue to lag behind the state average in math, they made year-over-year progress and *outgained* the State; growing 2.2% points compared to 1.6% points last year. In high school, charter school students made the largest gains, growing 6% points in ELA and 4.2% points in math compared to 3.1% points in ELA and 2.1% points in math for the State.

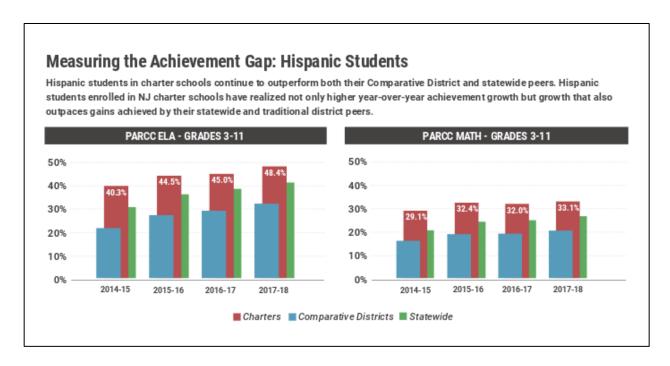
# Black, Hispanic, & Economically Disadvantaged Charter School Students Outperform Their Statewide Peers

51% of charter school students are African-American, 34% are Hispanic, and 72% are economically disadvantaged. In 2018, African-American charter students outperformed their statewide peers by more than 12% points in ELA and math; Hispanic charter students outperformed their statewide peers by 6% points in ELA and 5% points in math; Economically disadvantaged charter students outperformed their statewide peers by more than 10% points in ELA and 9% points in math.

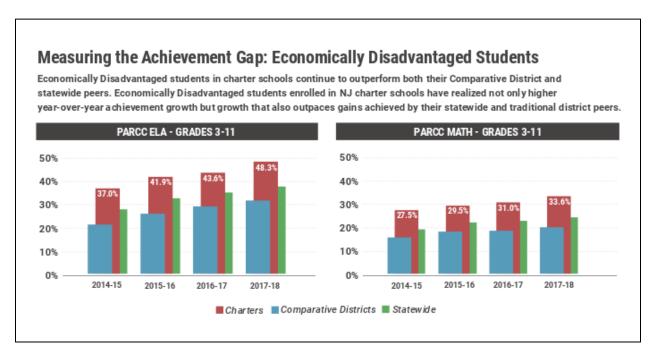
These results demonstrate that charter schools are improving student learning and outcomes for these traditionally underserved populations. While Black, Hispanic, and economically disadvantaged students across the state improved on statewide assessments, Black, Hispanic, and economically disadvantaged students in charter schools generally *made greater gains* than the rest of the state on PARCC in the last year.



In ELA, Black charter school students grew by 5.1% points compared to a 2.3% point gain for Black students across the state while in math, Black charter school students grew by 3.5% points compared to a 1.7% point gain for Black students across the state.



Hispanic students in charter schools increased proficiency by 2.1% points in ELA compared to 2.7% points for Hispanic students statewide. In math, Hispanic charter school students grew by .6% points compared to 1.7% points for Hispanic students statewide.

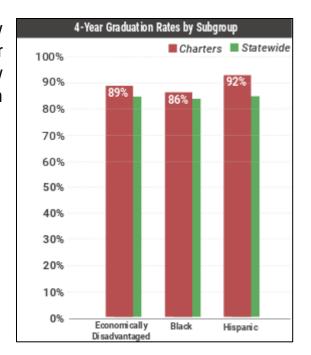


In ELA, economically disadvantaged students in charter schools increased proficiency by 4.7% points compared 2.4% points for economically disadvantaged students statewide. In math, economically disadvantaged charter school students grew by 2.6% points compared to 1.4% points for economically disadvantaged students statewide.

Charter High Schools Are Graduating Nearly 90% of All Students; Graduation Rates for Hispanic, Black and Economically Disadvantaged Students Are Higher Than Their State Peers

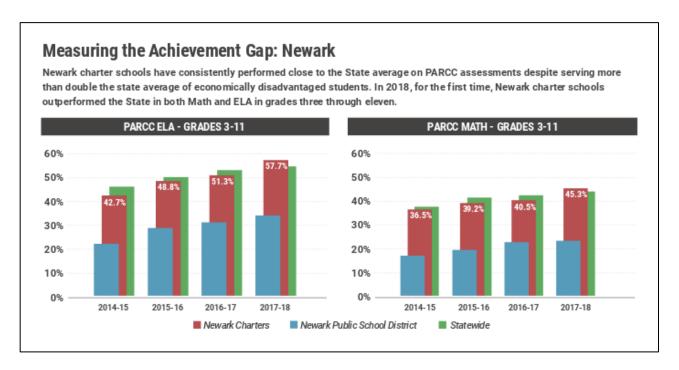
The latest available 4-Year Cohort Graduation Rate data released by NJ DOE shows that Black, Hispanic and economically disadvantaged students in charter schools are graduating at a higher rate than their statewide peers.

Economically disadvantaged students in charter schools had a graduation rate 5% points higher than the state, while Black and Hispanic graduation rates were 3% and 8% points higher, respectively.



#### Newark Charters Make Extraordinary Progress and Eliminate the Achievement Gap

In 2018, for the first time, Newark charter students eliminated the achievement gap and outperformed the state average in both English language arts (ELA) and mathematics on PARCC. Nearly 20,000 students attend public charter schools in Newark. 79% of Newark charter students are Black, 16% are Hispanic, and 83% are economically disadvantaged.



The 2018 PARCC results continue to prove that Newark charters are delivering breakthrough results for students in the city. Parents are choosing charter schools because of the opportunities and results they are creating for students. 2017-18 PARCC assessment results were released to the public in October. Despite this being during the Commissioner's review of charter schools in

New Jersey, the Newark charter school results have not been part of the discussion and have not been acknowledged by Department. The Newark charter story is extraordinary and should be highlighted to learn more about how it could be a model for what other urban schools across the state can achieve for their families. Eliminating the achievement gap is a persistent obstacle for schools throughout the nation and Newark charters are showing what is possible in public education. In 2015, Stanford University released an independent study showing that Newark had the second highest performing charter sector in the nation.

# Stanford University's Independent Studies in 2012 and 2015 Prove New Jersey Charter Schools are Working

There is substantial evidence that charter schools in New Jersey are working. Stanford University's Center for Research on Education Outcomes is the nation's foremost independent analyst of charter school effectiveness. In 2012, CREDO released a rigorous, independent analysis of the achievement results of charter schools in New Jersey. The results showed that New Jersey charter school students on average gained an additional two months of learning per year in reading and an additional three months of learning per year in math compared to their district school counterparts.

A significant finding came from the results of the urban charter schools in the state. Students enrolled in urban charter schools in New Jersey learn significantly more in both math and reading compared to their traditional public school peers. Black and Hispanic students in poverty who are enrolled in charter schools show significantly better performance in reading and math compared to Black and Hispanic students in poverty in traditional public schools. In fact, charter students in Newark gain an additional seven and a half months in reading per year and nine months per year in math compared to their traditional public school counterparts. Students enrolled in suburban charter schools also learn significantly more in both math and reading compared to their peers in traditional public schools.

In 2015, CREDO conducted an Urban Charter School Study on 41 Regions and found that Newark had the second highest performing charter school sector in the nation.

# **Appendix B: NAPCS Letter to Dr. Lamont Repollet**



Dr. Lamont Repollet, Commissioner New Jersey Department of Education 100 River View Plaza P.O. Box 500 Trenton, NJ 08625

November 30, 2018

Dear Dr. Repollet;

Thank you for the chance to provide input into the New Jersey Department of Education's review of the state's public charter school policies. This review provides an opportunity for the state to create a policy framework that better supports the growth of high-quality public charter schools in New Jersey.

According to Measuring Up to the Model: A Ranking of State Charter School Laws, Ninth Edition, released by the National Alliance for Public Charter Schools in January 2018, New Jersey's charter school law ranked #33 (out of 45). Overall, New Jersey's law does not contain caps on charter public school growth and provides a fair amount of accountability, but it includes only a single authorizing path and provides insufficient autonomy and inequitable funding to charter schools.

Recommendations for improvement include creating another statewide authorizer and providing authorizer funding, increasing operational autonomy, strengthening authorizer accountability, ensuring equitable operational and categorical funding, and ensuring equitable access to capital funding and facilities. We provide more details on these recommendations below.

# Create Another Statewide Authorizer and Provide Authorizer Funding

The number and types of authorizers, which can include districts, state entities, and universities, vary greatly from state to state. Any of these entities can be a good authorizer if they exhibit the commitment and capacity to carry out this work.

In New Jersey, the law only allows the state commissioner of education to authorize charter schools. We recommend that the state create another pathway to authorizing charter schools via an independent state charter schools board or a public university.

We further recommend that a fair authorizer fee structure be placed in statute to help defray the costs associated with high-quality authorizing.

1101 Fifteenth Street, NW Suite 1010 Washington, D.C. 20005 202.289.2700

#### **Increase Operational Autonomy**

School-level flexibility is one of the core principles of public charter schooling. To provide public charter schools with needed autonomy, states and districts waive many of the state and local laws, rules, and regulations that burden traditional public schools. Generally, there are two approaches that state charter school laws take to waivers. Some state charter school laws, such as New Jersey's, allow public charter schools to apply to their school boards or state boards of education for waivers of state and local laws, rules, and regulations. This approach is typically onerous for the schools and makes it difficult for public charter schools to obtain the type of flexibility that is needed to develop unique and innovative programs.

A far better approach is the state charter school laws that provide flexibility from most state and local laws, rules, and regulations, except those covering health, safety, civil rights, student accountability, employee criminal background checks, open meetings, freedom of information, and generally accepted accounting principles. This approach allows for greater flexibility within public charter schools and invites a greater number of charter applications with more innovative programs. States that provide this increased flexibility to charter schools include Delaware, Maine, New York, Pennsylvania, and Washington, D.C.

We recommend that New Jersey change its law to provide flexibility from most state and local laws, rules, and regulations, except those covering health, safety, civil rights, student accountability, employee criminal background checks, open meetings, freedom of information, and generally accepted accounting principles.

## Strengthen Authorizer Accountability Requirements

Accountability for student results is another core principle of public charter schools. While the current charter school law in New Jersey provides a fair amount of accountability for charter schools, it would still benefit from certain changes to strengthen authorizer accountability.

We recommend changing the current law in multiple ways to strengthen accountability:

- Require that all charter approval or denial decisions be made in a public meeting with authorizers stating reasons for denials in writing.
- Require that charter contracts define the roles, powers, and responsibilities for the school and its authorizer and provide an initial term of five operating years.
- Provide that an authorizer may not request duplicative data submission from their charter schools and may not use its performance framework to create cumbersome reporting requirements.
- Require authorizers to make all charter renewal, non-renewal, and revocation decisions in a public meeting.
- Require authorizers to submit an annual report.

# **Provide Equitable Operational and Categorical Funding**

Charter schools in New Jersey are significantly underfunded. We recommend changing the current law to provide more equitable operational and categorical funding to public charter school students. States that are approaching equitable operational and categorical funding for public charter school students include Colorado, Minnesota, and New Mexico.



# Provide Equitable Access to Capital Funding and Facilities

One of the biggest challenges facing charter schools is finding and financing facilities. New Jersey's law currently includes a relatively small number of provisions to help charter schools overcome this challenge.

We recommend changing the current law in multiple ways to better help charter schools meet this challenge:

- Create a per-pupil facility allowance to help charter schools offset the costs of renting or purchasing facilities. Among the states that have enacted per-pupil facility allowance programs are California, Massachusetts, New York, and Washington, D.C.
- Remove the existing provision in statute that prohibits charter schools from using public dollars to construct a facility.
- Allow for a right of first refusal for charter schools to purchase or lease at or below fair market value a closed or unused public school facility or property. Among the many states that allow a charter school to utilize vacant or underused facilities are Delaware, Indiana, Maine, New York, and Washington, D.C.
- Allow charter schools to access state facility funding programs that are available to all other public schools. States that provide such access include California, Colorado, and Delaware.

Thank you again for the chance to provide input into this important process. We stand ready to work with the New Jersey Department of Education and other stakeholders to make changes to public charter school policies in the state that will actually lead to more high-quality public charter school options for students in New Jersey.

Sincerely,

Todd Ziebarth

Senior Vice President, State Advocacy and Support

National Alliance for Public Charter Schools

