What are Charter Schools?
Charter schools are tuition-free, independent public schools exempt from most of the rules, regulations, and statutes that apply to other public schools. In North Carolina, charter schools are vetted by an advisory council, approved by the State Board of Education, funded with taxpayer dollars, and are governed by private, nonprofit organizations.

How and Why Did Charter Schools Get Started in North Carolina?
The original NC charter school legislation was ratified in 1996 and authorized the establishment of up to 100 charter schools.

The intent of this original bill was to provide increased choice and learning opportunities (“with special emphasis on expanded learning experiences for students who are identified as at risk of academic failure or academically gifted”), encourage creative teaching methods, share best practices with traditional public schools, and offer new professional opportunities for educators. In order to allow charter schools the freedom to experiment and innovate, the law provides these schools with a broad exemption from “statutes and rules applicable to a local board of education or local school administrative unit.”

In 2011, NC Senate Bill 8 was approved, removing all limits on the number and enrollment increases of charter schools allowed in the state, lowering minimum enrollment numbers, and provisions that guard against schools being created to serve only specific subcategories of students (e.g. gifted students, students with disabilities, students of the same gender). The bill also removes the clear expectation that charter schools will be required to participate in the public school student accountability program.

In 2012, the State Board of Education approved 33 new charter schools, a 33% increase in just one year. Twenty-five were approved as a “block,” and eight were approved as part of a “fast track” process.

In 2013: As of January 3rd, 154 letters of intent were received for new charter schools to open in 2014.

What are the Concerns Over Charter Schools?

Lack of Accountability
Charter schools are required to participate in the state’s accountability program and administer end-of-grade and end-of course tests. And like traditional public schools, charter schools must provide all data needed for NC School Report Cards.

However, unlike traditional public schools, charter schools:

- Are not governed by an elected board. For-profit companies may manage them, and there is no requirement that board members reside in North Carolina.
- Have no curriculum requirements
- Have no restrictions on class size
- Are not required to have all teachers licensed
- Are not required to hold teacher workdays for professional training and development
- Are not required to provide transportation to students, and those that do provide transportation are not subject to the same safety standards as are traditional public schools. Many charter schools use older buses and vans that would not be allowed to transport traditional public school students.
- Are not required to provide free and reduced price lunches for students living in poverty
The Facts on Charter Schools

- Are exempt from public bidding laws that protect how tax dollars are spent

**Lack of Oversight**
The NC Office of Charter Schools consists of three full-time consultants, who oversee 133 charter schools, or one consultant for every 44 schools. The national average is one consultant for every nine charter schools. NC Office of Charter Schools consultants ensure that every aspect of the law is upheld—including assistance with starting up new schools, admissions standards, financial and academic accountability, and the monitoring and sharing of “different and innovative teaching methods.” Before the charter school cap was lifted, only a limited number of schools could be approved annually. Now, the absence of a cap, the approval of multiple applications in a single block, and the great variation in the quality of applications among the 25 schools approved as a block suggests that the State Board of Education lacks a sufficiently rigorous process for differentiating among applications.

**Lack of Positive Outcomes for Students**

Student Performance
Although the primary purpose of charter schools is to increase student performance, studies of charters show mixed results.

A 2009 study of charter schools in 16 states conducted by Stanford University compared charter school student performance to traditional public education student performance. The study found that

- 17 percent of charter schools reported academic gains that were significantly better than traditional public schools;
- 46 percent showed no difference from public schools; and
- 37 percent of charter schools had significantly worse student achievement scores than their traditional public school counterparts.

Of North Carolina’s 100 charter schools (2011-12), 34 failed to meet their annual measurable objectives.

According to the NCSBA, some charter schools “will counsel out low-achieving students immediately prior to high stakes assessment administration so that their anticipated low performance does not appear in year-end test data; the public school district then absorbs both the students and the resulting test data.”

In addition, charter schools can be quite selective in terms of the students they admit. While schools cannot discriminate on the basis of “ethnicity, national origin, gender, or disability,” the NC statute allows sufficient latitude in limiting admissions based on other criteria (IQ scores, athletic ability). Charters can and often do exclude students on the basis of intellectual ability and aptitude.

**Racial Isolation**
A 2010 study by researchers at University of Colorado-Boulder and Western Michigan University found that most charter schools were “divided into either very segregative high-income schools or very segregative low-income schools” compared to their sending districts, and that the pattern had changed little between 2000-01 and 2006-07. They also tended to enroll a lower proportion of special education students and English-language learners.

In North Carolina, the majority of charter schools are racially isolated and serve lower proportions of low-income students.
The Facts on Charter Schools

- Compared to traditional public schools, charter schools have a larger percentage of black students (40 vs. 31%) and lower percentages of Hispanic (2 vs. 5%) and white (56 vs. 60%) students.
- 2010-11 data shows that approximately 30% of charter school students were economically disadvantaged (ED). One-third of charter schools had fewer than 15% ED students.

Uncertain Legal Protection for Students
Nationally, there is a great deal of concern about the lack of due process protection afforded to charter school students: “Students of color attending charter schools should be concerned about the potential lack of constitutional due process protection. Studies of data at the national, state, district, and building levels have consistently found that students of color are suspended at two to three times the rate of other students.”

Effect on Local Public School Districts
As local school districts lose students to charter schools, they lose funding for those students. A measurable loss of funds poses significant challenges for traditional public schools, which are often forced to reduce staff, programs, and other basic expenditures. In sum, the quality of traditional public school education is further threatened by the depletion of resources prompted by the growing number of loosely regulated charter schools.

Local school districts also lack of authority in determining if charter schools are right for their community, despite the fact that funding for charter schools comes from those districts. In the next application cycle, local districts will have the opportunity to state the impact they think the new charter will have on their schools in terms of facilities and enrollment plans as well as duplication of existing services—although it is unclear what weight this feedback will carry in the approval process.

Charters have become drains on traditional public schools, rather than serving as labs of innovation that benefit teachers and students and a source of best practices that can be returned to traditional public schools.

What is Needed
- Rigorous, sensible criteria for establishing and evaluating charter schools and a competitive approval process that approves the best charter school applicants
- Fidelity to the original concept of charters, including the sharing of best practices
- Local control on the decision to open new charters
- Work, in partnership with local school districts. Charter schools should have limited impact on LEA long-term planning including capital, facilities, and enrollment plans.
- Equal access. Charter schools are public schools that should be open to all students in the state. Charters should be required to offer free and reduced lunch, safe and reliable transportation, and services for students with disabilities, limited English proficient students, and academically gifted students
- Meaningful oversight, accountability, and transparency to the public, both in terms of finances and student achievement
Endnotes

1 G.S. 115C-238.29E(f) http://www.ncga.state.nc.us/EnactedLegislation/Statutes/HTML/BySection/Chapter_115C/GS_115C-238.29F.html

2 Charter schools are subject to a very low minimum performance standard: 60% or better on the composite test score (essentially an average of all the standardized tests taken in the school) for at least 2 out of 3 years.

3 By law, charter schools are required to admit students with disabilities, gifted students—any student qualified under the state law to be admitted to traditional public schools. Because charter schools are exempt from providing transportation, free/reduced lunch, or offering services for limited English proficient students, these students have limited access in practice.


7 G.S. 115C-238.29F(g) “A charter school shall not discriminate against any student on the basis of ethnicity, national origin, gender, or disability. Except as otherwise provided by law or the mission of the school as set out in the charter, the school shall not limit admission to students on the basis of intellectual ability, measures of achievement or aptitude, athletic ability, disability, race, creed, gender, national origin, religion, or ancestry.” http://www.ncga.state.nc.us/EnactedLegislation/Statutes/HTML/BySection/Chapter_115C/GS_115C-238.29F.html


