



# Preface

Colorado was among the nation's first crop of states to pass its charter law in 1993 and has subsequently revised and improved it since. Today more than 100 charter schools can be found around this diverse state. These schools range from highly progressive to staunchly traditional and can be found in the most urban, suburban, and rural parts of Colorado, a uniqueness that sets the state apart from others.

In this new report for the Progressive Policy Institute's 21st Century Schools Project, charter school researcher Todd Ziebarth examines the history, status quo, challenges, and the future of the charter schooling in Colorado. Despite many demonstrated successes and outstanding leadership within the state, the charter schooling community in Colorado faces numerous challenges and must make improvements including: reaching more disadvantaged students, increasing student achievement across the board, and strengthening political support within the state for charter schools. Ziebarth offers policymakers and charter supporters in Colorado specific recommendations about how to address these and other important issues. He also offers lessons from Colorado's unique experience with charter schools that are applicable elsewhere.

This report is an important resource for educators, policymakers, journalists, and others with an interest in charter schooling in Colorado and nationwide. It is the 10th in a series of PPI analyses of state and urban experiences with charter schooling. Previous reports examined California, Minnesota, Arizona, New York City, Indianapolis, Ohio, Texas, Chicago, and Washington, D.C. Peaks and Valleys is the last PPI report in this series; however, beginning in 2006, Education Sector, a new national education think tank, will continue to produce similar analyses.

A generous grant from the Bill & Melinda Gates Foundation made it possible for the 21st Century Schools Project to produce this report and many others in the series. PPI is grateful to the Gates Foundation for their support of this project and their overall commitment to educational improvement.

The 21st Century Schools Project at the Progressive Policy Institute works to develop education policy and foster innovation to ensure that America's public schools are an engine of equal opportunity in the knowledge economy. The Project supports initiatives to strengthen accountability, increase equity, improve teacher quality, and expand choice and innovation within public education through research, publications, and articles; an electronic newsletter; and work with policymakers and practitioners.

The Project's work is a natural outgrowth of the mission of the Progressive Policy Institute, which is to be a catalyst for political change and renewal. Its mission is to modernize progressive politics and governance for the 21st century. Moving beyond the right-left debates of the last century, PPI is a prolific source of the Third Way thinking that is reshaping politics both in the United States and around the world. Rejecting tired dogmas, PPI brings a spirit of radical pragmatism and experimentation to the challenge of restoring our collective problem-solving capacities—and thereby reviving public confidence in what progressive governance can accomplish.

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# Peaks & Valleys

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**Colorado's Charter School Landscape**

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**By Todd Ziebarth**

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## Executive Summary

In November 1992, Colorado voters faced a choice between two competing visions of schooling for the state's children. One initiative on the state ballot that fall called for vouchers that could be used to pay for private school tuition. Another called for a major sales tax increase for the state's public schools.

When the votes were counted, Coloradans had rejected both initiatives. To state leaders, the message seemed clear: Citizens were not ready to give up on public schools in the Centennial State, nor were they satisfied with the status quo. Democrats and Republicans in the Legislature and the state's Democratic governor, Roy Romer, recognized that citizens expected bold action to improve public education in the coming legislative session.

Bold action was just what Coloradans got. The stage was set for a bipartisan compromise in late spring of 1993 on a then-novel school reform model: the creation of independent public charter schools that would be granted significant freedom from state and local regulation in exchange for improved student performance. If the new independent schools did not live up to their end of the bargain, they would be closed and replaced with others. At the time, only two other states had passed charter laws and a handful of charter schools existed in the nation.

The Connect School, Colorado's first charter, opened in downtown Pueblo in the fall of 1993 with about 70 students in grades 6 through 8. Twelve years later, the middle school is still going strong, with its students among the highest scorers in their school district on Colorado's state student assessments in 2004.<sup>1</sup>

By the 2004-2005 school year, Colorado had 108 charter schools, accounting for about 6 percent of all public schools in the state. They served more than

36,000 children, or about 5 percent of the state's public school students. Unlike the national averages for charter schools, Colorado's serve smaller percentages of minority and low-income students than traditional public schools, but those gaps are narrowing.

On the whole, Colorado's charters outperform non-charter public schools at the elementary and middle school levels, but underperform at the high school level. Over time, charters have raised student test scores at all levels, including high school, as well as or slightly better than non-charters. These results partially reflect the fact that in the lower grades, charters typically enroll more advantaged children than non-charter schools, while in upper grades the reverse is true. Still, it is worth noting that several Colorado charter schools outperform non-charter schools with similar student populations.

Looking ahead, Colorado charter schools face several challenges if they are to become a more powerful force for positive change in public education. First, they must continue their progress in serving at-risk students. They also must meet increasingly tough federal and state mandates to improve student achievement. Finally, the charter community must strengthen its political support if it is to withstand continued efforts to weaken the state's charter school law.

During the past decade, Colorado has created a viable but relatively small charter movement. Efforts to reach out to at-risk populations, combined with the recent creation of an independent state-level charter school authorizer, promise to make the movement larger and stronger. The challenge now is to expand the movement without sacrificing its commitment to create high-quality public school options that raise the achievement levels of all students.



# The Colorado Charter School Law

## *The Law's Enactment*

In the early 1990s, states began debating and passing increasingly bolder laws to reform their public schools. Colorado was no exception. In 1990, Colorado mandated open enrollment within school districts and authorized a pilot program of cross-district open enrollment in three districts.<sup>2</sup> In 1992, the state's voters overwhelmingly rejected a ballot initiative to create publicly funded vouchers for use at public, private, or parochial schools. Even though the initiative failed, it increased the intensity of the school choice debate in the state.

In 1993, Colorado lawmakers passed two major school reforms. The first, HB 1313, created a new system of standards and testing. It required the state and each school district to establish content guidelines in most curriculum areas as well as new tests to measure whether students met the standards.<sup>3</sup>

The second reform was SB 183, which authorized the creation of charter schools. Nationally, 1993 would prove to be a watershed year for the charter movement. Before, only two states had passed charter laws: Minnesota in 1991 and California in 1992. By the end of 1993, five other states—Georgia, Massachusetts, Michigan, New Mexico, and Wisconsin—would join Colorado in passing such measures.

The Colorado bill was a truly bipartisan effort. It was sponsored in the state Senate by Republican Sen. Bill Owens (now the governor) and in the state House by Democratic Rep. Margaret “Peggy” Kerns. While a mix of Republicans and Democrats opposed the bill, a largely bipartisan coalition pushed the legislation through both chambers and ushered it through a deeply divided conference committee.<sup>4</sup> From there, it went to the desk of Democratic then-Gov. Roy Romer, a strong charter school supporter, who signed it into law in June of 1993.

## *Important Elements of the Law*

The original law was relatively restrictive. It permitted the creation of just 50 charter schools statewide,

gave local school boards the exclusive right to grant charters, and required charter schools to negotiate with those boards for their funding and for waivers from state and local regulations. But, thanks to strong support from the executive and legislative branches and effective lobbying by charter supporters, many of those restrictions have been eased over the years. The cap on charters has been lifted, funding for school operations and facilities has been improved, and schools are now automatically exempt from several state regulations. In addition, the state also removed some local school boards' exclusive right to grant charters through the recent creation of the Colorado Charter School Institute (CSI), an independent statewide authorizing agency. As a result of such changes, today's law is relatively robust.<sup>5</sup>

## *Sunset and Caps*

Colorado's charter experiment was originally designed to end after five years and include no more than 50 schools. Also, one-quarter of the charters granted were to be for schools designed for at-risk pupils. Local school boards defined at-risk status broadly when awarding charters, however. In addition, districts with large numbers of poor and minority students were reluctant to award charters. As a result, few charters for such students were created during the movement's early years.<sup>6</sup>

The state raised the cap to 60 schools in 1996 and allowed it to expire altogether as of July 1997. Unlike the original 1993 charter statute, the 1998 law reauthorizing the program did not include a sunset provision. As one researcher noted, with these changes, “charter school reform had progressed from being a policy experiment to being an institutionalized feature of public education in the state.”<sup>7</sup>

## *Finance*

Charter school financing is controversial in most states, and Colorado is no exception. The original law

**Table 1: Key Provisions of the Colorado Charter School Law**

<b>Approval Process</b>	
Eligible Chartering Authorities	Local school boards and, in districts that have not retained exclusive authority to authorize charter schools, the Colorado Charter School Institute (CSI)
Eligible Applicants	One or more individuals or a nonprofit, governmental, or other organization; greater consideration must be given to applications designed to increase the educational opportunities of at-risk pupils.
Types of Charter Schools	Converted public and new start-ups
Appeals Process	A charter application denied by a local school board may be appealed to the Colorado Board of Education, which may remand the decision back to the local school board for reconsideration. A second denial may also be appealed to the Board, which may then instruct the local school board to approve the charter. A charter application denied by CSI may be appealed to the Board, which must remand the matter to CSI with instructions to approve or deny the application.
Evidence of Local Support	Teachers, parents, and/or students must support the application in adequate numbers.
Recipient of Charter	Charter school governing board
Term of Initial Charter	Typically, terms last up to five years, although a longer term may be negotiated to match the terms of facilities financing transactions.
<b>Operations</b>	
Automatic Waiver of Most State and District Education Laws, Regulations, and Policies	The Colorado Board of Education has promulgated a rule that identifies state statutes and rules that are automatically waived for all charter schools. A district or CSI, on behalf of a charter school, may apply to the Board for a waiver of a state statute or rule that is not automatically waived. Charter applicants must negotiate waivers from district policies during the application process.
Local Education Agency (LEA) Status	A charter school approved by a local school board is part of the LEA for the district; a charter school approved by CSI is part of the LEA that is CSI.
Governance	Specified in charter application
Governing Body Subject to Open Meeting Laws	Yes
May Charter Schools be Managed or Operated by a For-Profit Organization?	Charters can be given directly to a for-profit organization.
Transportation Requirements	A charter school application must describe how the school plans to meet the transportation needs of its pupils and, if it intends to provide transportation for pupils, it must develop a plan for addressing the transportation needs of low-income and academically low-achieving pupils.
Facilities Assistance	Five million dollars in capital construction funds have been appropriated and are provided to qualified charter schools on a per-pupil basis. The Colorado Educational and Cultural Facility Authority (CECFA) may issue bonds on behalf of charter schools. The Legislature created a debt reserve fund that enhances charter schools' ability to obtain more favorable rates on funds borrowed from CECFA. If space is available in a district facility, a charter school may not be charged for that space, although other costs for facilities operations and maintenance must be negotiated. Districts are required to invite charter schools to discuss their capital construction needs prior to submitting a request to the voters or floating a bond for facilities funding, although the district is not required to include the charter schools as part of their requests or bonds. If districts do not include charter schools, then charters may submit a request to the voters for facilities funds.

Technical Assistance	Provided by the Colorado Department of Education (CDE), CSI, and non-governmental entities upon request
Reporting Requirements	Charter school renewal applications must include a report on progress in meeting its educational goals. Beginning in the 2004-2005 budget year, and at least every three years thereafter, the CDE must prepare a report and evaluation for the governor and the state House and Senate education committees on the success or failure of charter schools, their relationship to other school reform efforts, and suggested changes in state law necessary to strengthen or change the charter program.
<b>Funding</b>	
Amount	For charter schools authorized by local school boards, 100 percent of the per-pupil revenue flows to charter schools, less specified administrative costs based on actual district spending as reported to the state. The administrative amount is limited to 5 percent, except in districts with 500 or fewer students, where it is limited to 15 percent. For charter schools authorized by CSI, 100 percent of the per-pupil revenue provided for other students within the district where the school is located, less up to 3 percent for CSI's administrative costs and up to 2 percent for CDEs administrative costs.
Path	For charter schools authorized by a local school board, funds pass through the district. For charter schools authorized by CSI, funds pass through the Institute.
Fiscal Autonomy	Relationship negotiated with sponsor and specified in contract
Start-up Funds	Federal are funds available, but no state start-up funding.
<b>Teachers</b>	
Collective Bargaining/ District Work Rules	A charter school's teachers may remain covered by the district's collective bargaining agreement, negotiate as a separate unit with the charter school governing body, or work independently.
Certification	Yes, unless a waiver is granted
Leave of Absence	Districts must grant teachers a leave of absence for up to three years to teach in a charter school.
Retirement Benefits	Charter schools must participate in the state's retirement system.
<b>Students</b>	
Eligible Students	All students in the state are eligible, but a majority of a charter school's students must reside in the district where the school is located or in contiguous school districts.
Preference for Enrollment	No
Selection Method (in case of over-enrollment)	Enrollment decisions are made in a non-discriminatory manner specified in charter (e.g., first-come-first-served, lottery, etc.).
Accountability	Charter schools must participate in statewide tests administered by the Colorado Student Assessment Program.
<b>Other Features</b>	
Other Services	Federally mandated services must be provided by the district on the same basis as they are to traditional public schools.

SOURCES: Center for Education Reform, <http://www.edreform.com>; Education Commission of the States, <http://www.ecs.org/>.

## Climbing High: Denver School of Science and Technology in Denver, Colorado

The Denver School of Science and Technology (DSST), which opened in August 2004, was one of the first charter schools in the state to be included in a district's bond request. As a result, DSST received \$5 million from Denver Public Schools—which covered nearly one-half of the cost of the state-of-the-art facility. The school was designed to accommodate broadband wireless technology, and every student and teacher has a wireless laptop computer.

One of DSST's founding purposes is to educate students who traditionally do not go to college. More than two-thirds of the members of its first freshman class are minorities and more than 40 percent come from low-income families. The school's goal is to shepherd every student through a successful four years and into college.

The educational model of DSST is based on the nationally recognized High Tech High in San Diego, Calif. Students develop digital portfolios and there is an emphasis on collaborative work, project-based learning, and internships. The culture of DSST enforces what Head of School Bill Kurtz calls a "non-negotiable 'you-do-your-work-here' ethic." For example, students who are late or otherwise misbehave must apologize to their classmates at a daily assembly. Those who ignore a homework assignment stay after school to study and those who lag behind in achievement take an extra seminar.

SOURCE: "Tech School a Dazzling Option: The Other Side of Urban Schools," *Rocky Mountain News*, January 9, 2005.

required charter schools to negotiate their funding with their authorizing districts. Their per-pupil funding was to be no less than 80 percent of the district's per-pupil operating revenues.

The state has changed that formula over the years. Today, charter schools authorized by local school boards receive the same amount of per-pupil revenue as the boards spend on their other pupils, less specified administrative costs based on actual district spending as reported to the state. Districts with 500 or fewer students can hold back up to 15 percent; all other districts can hold back no more than 5 percent. Charter schools authorized by CSI receive the same amount of revenue per pupil as that provided for other students in the district in which the school is located, less up to 3 percent for CSI's administrative costs and up to 2 percent for the Colorado Department of Education's administrative costs.

The state has also made it easier for charters to obtain funds for facilities. For example, the Colorado Legislature appropriated \$5 million in capital construction funds that qualified charter schools receive on a per-pupil basis and allows the Colorado Educational and Cultural Facility Authority (CECFA) to issue bonds on their behalf. In addition, the Legislature created a debt reserve fund that enhances charter schools' ability to obtain more favorable rates for funds borrowed from CECFA.

Finally, districts are required to invite charter schools to discuss their capital construction needs prior to submitting a request to voters or floating a bond for facilities funding. Districts are not required to include charter schools as part of their requests or bonds. To date, charter schools in four districts have benefited from this provision. If districts do not include charter schools, then charters may submit a request to voters to authorize issuance of bonds for charter school facilities. So far, three charter schools have submitted such requests—none of which were approved.

### Waivers

Initially, Colorado charter operators had to negotiate waivers from school district policies during the charter application process. Also, the schools and their authorizing districts had to apply to the Colorado Board of Education jointly for waivers from state laws and rules. During the first 12 years of chartering in Colorado, the most common requests for state waivers concerned local school board duties related to performance evaluations, the employment and authority of principals, and several provisions of the teacher employment act—such as the requirement for teachers to hold a certificate, the requirement for probationary teacher renewal and non-renewal, and procedures for the dismissal of teachers.<sup>8</sup>

In 2005, the Board created a blanket waiver from 13 state statutes, rules, and regulations that had been frequently waived for charter schools. According to the new rule, each of the automatic waivers must be reflected in the contract between the charter school and its authorizer. If a charter school wants the state to waive rules in addition to those that are automatically waived, it must still apply jointly with its authorizing district to the Board.

### ***Authorizers and Appeals***

Colorado is one of the few states whose constitution explicitly addresses local authority over public education. According to Article IX, Section 15 of the Colorado Constitution, local school boards shall have control of instruction in the public schools in their respective districts. Accordingly, local school boards were made the sole authorizers of charter schools when the law passed in 1993.

Colorado's charter school law contains a rather unique appeals process. A charter school application denied by a local school board may be appealed to the Colorado Board of Education, which may remand the decision back to the local school board for reconsideration if the Board believes that the decision was contrary to the best interests of the pupils, school district, or com-

## Automatic State Policy Waivers for Charter Schools

- Local board duties concerning performance evaluation
- Local board duties concerning selection of personnel and pay
- Local board powers concerning employment termination of school personnel
- Employment and authority of principals
- Requirement for teachers to hold a certificate
- Teacher contracts in writing, duration, and damage provision
- Requirements for probationary teachers—renewal and nonrenewal
- Transfer of teachers
- Grounds for dismissal of teachers
- Procedures for dismissal of teachers
- Teachers subject to adopted salary schedule
- Certificate required to pay teachers
- Payment of teacher salaries

SOURCE: Colorado Code of Regulations, 2217-R-3.06, Colorado Board of Education, [http://www.cde.state.co.us/cdeboard/download/bdregs\\_301-35.pdf](http://www.cde.state.co.us/cdeboard/download/bdregs_301-35.pdf).

munity. A second denial may also be appealed to the Board, which may then instruct the local school board to approve the charter.

**Table 2: State Policy Waivers Most Frequently Granted to Charter Schools**

Statute	Number of Schools Granted Waiver
Local board duties concerning performance evaluation	97
Employment and authority of principals	97
Requirement for teachers to hold a certificate	97
Procedures for dismissal of teachers	94
Grounds for dismissal of teachers	92
Certificate required to pay teachers	92
Teachers subject to adopted salary schedule	91
Requirements for probationary teachers—renewal and nonrenewal	90
Transfer of teachers	89

SOURCE: "Waivers Granted to Colorado Charter Schools," Colorado Department of Education, April 2005, <http://www.cde.state.co.us/>.

While imperfect, the state's approach to authorizing held for the first 10 years of the charter movement. However, concerns about increasing district hostility to charter schools and disproportio-

nately low enrollments of poor and minority students in charters led the state to create a new charter authorizer in 2004, discussed at greater length in the following chapters.

## Climbing High: Colorado League of Charter Schools

The Colorado League of Charter Schools provides a core package of services to its member schools including conferences and events, technical assistance, facilities support, resource and information dissemination, and third-party grant administration.

The League is widely recognized for its effective advocacy efforts in the state capital. League officials say they did two things at the outset that has greatly aided their efforts. First, they immersed themselves in new school development work to learn about the challenges and issues that charter schools face. Second, they wove their member schools into a true network that could speak as a coherent, unified voice on state policy matters.

The League also advises charter school staff and board members and charter authorizers on the best ways of meeting performance benchmarks for student achievement and operational performance set by federal and state regulations, as well as their own performance goals. In addition, it helps schools assess their strengths and weaknesses through facilitated self-studies and critiques offered by teams of visitors from other member schools.

SOURCES: Colorado League of Charter Schools, <http://www.coloradoleague.org/>; Griffin, Jim, Executive Director, Colorado League of Charter Schools, interview by author, November 2004.

# The Current Charter School Picture in Colorado

## Numbers of Schools and Students

As of the 2004-2005 school year, there were 108 charter schools operating in Colorado. That works out to an average gain of nine schools per year since charters were authorized in 1993.

Currently, there are more than 36,000 charter school students in Colorado—about 5 percent of the state's total public school enrollment (nationally, charters enroll 2 percent of public school students).<sup>9</sup> On average, the state's charters have added 3,600 students per year. The biggest single-year increase was 5,129 students in 2004-2005.

**Table 3: Charter School Growth from 1993-1994 to 2004-2005**

School Year	Increased Number of Charter Schools	Total Number of Charter Schools	Percent Increase
1993-1994	2	2	-
1994-1995	11	13	550%
1995-1996	10	22 <sup>a</sup>	77%
1996-1997	11	33	50%
1997-1998	19	52	58%
1998-1999	7	59	13%
1999-2000	12	70 <sup>b</sup>	20%
2000-2001	10	79 <sup>c</sup>	14%
2001-2002	8	86 <sup>d</sup>	10%
2002-2003	7	91 <sup>e</sup>	8%
2003-2004	5	95 <sup>f</sup>	5%
2004-2005	13	108	14%

<sup>a</sup> One charter school closed in 1995-1996.

<sup>b</sup> One charter school closed in 1999-2000.

<sup>c</sup> One charter school closed in 2000-2001.

<sup>d</sup> One charter school closed in 2001-2002.

<sup>e</sup> Two charter schools closed in 2002-2003.

<sup>f</sup> One charter school closed in 2003-2004.

SOURCE: "Fall Charter School Pupil Membership," Colorado Department of Education, 2005, <http://www.cde.state.co.us/>.

**Table 4: Charter School Student Growth from 1995-1996 to 2004-2005**

School Year	Increased Number of Charter School Students	Total Number of Charter School Students	Percent Increase
1995-1996	4,107	4,107	-
1996-1997	2,568	6,675	63%
1997-1998	4,368	11,043	65%
1998-1999	2,872	13,915	26%
1999-2000	3,204	17,119	23%
2000-2001	3,945	21,064	23%
2001-2002	3,594	24,658	17%
2002-2003	4,124	28,782	16%
2003-2004	2,747	31,529	10%
2004-2005	5,129	36,658	16%

SOURCE: "Fall Charter School Pupil Membership," Colorado Department of Education, 2005, <http://www.cde.state.co.us/>.

## Student Demographics

### Race/Ethnicity

As of the 2004-2005 school year, 68 percent of Colorado's charter school students were white and 32 percent were minorities. By comparison, 64 percent of all Colorado public school students are white and

It is worth examining the demographic picture in two districts with relatively large numbers of minority students. In Denver, charter schools serve the same percentage of minority students as all public schools—80 percent. However, the city's charters serve a higher percentage of African-Americans than all public schools (35 percent versus 19 percent) and a lower percentage of Hispanics (42 percent versus 57 percent).

**Table 5: Racial/Ethnic Student Enrollment in Charter Schools and All Public Schools in the 2004-2005 School Year**

	Charter Schools	All Public Schools
<b>White</b>	68%	64%
<b>Hispanic</b>	20%	26%
<b>African-American</b>	8%	6%
<b>Asian</b>	3%	3%
<b>Native American</b>	1%	1%

SOURCE: Colorado Department of Education, Schools of Choice Unit, [http://www.cde.state.co.us/index\\_charter.htm](http://www.cde.state.co.us/index_charter.htm).

**Table 6: Change in Racial/Ethnic Student Enrollment Between 1997-1998 and 2004-2005**

	1997-1998	2001-2002	2004-2005
<b>Charter Schools</b>	81% - White 19% - Minority	73% - White 27% - Minority	68% - White 32% - Minority
<b>All Public Schools</b>	71% - White 29% - Minority	67% - White 33% - Minority	64% - White 36% - Minority

SOURCE: Colorado Department of Education, Schools of Choice Unit, [http://www.cde.state.co.us/index\\_charter.htm](http://www.cde.state.co.us/index_charter.htm).

36 percent are minorities.<sup>10</sup> While Colorado charter schools serve a lower percentage of Hispanics than all public schools, they serve a higher percentage of African-Americans.

As the numbers of minority students in Colorado's public schools increase, the gap between the percentages of minority students attending Colorado charter schools versus all public schools is also narrowing. It decreased from 10 percentage points in 1997-1998 to 4 percentage points in 2004-2005—in large part because the Denver Public Schools (DPS), which has the most minority students in the state, has become more hospitable to charters since the late 1990s.

In the Pueblo School District No. 60, 65 percent of charter school students are Hispanic, versus 48 percent in all district public schools.

### Free and Reduced-Price Lunch

In 2004-2005, 22 percent of Colorado charter school students were eligible for free and reduced-price lunches, versus 32 percent in all public schools.<sup>11</sup> The gap has narrowed considerably since 1997-1998, however.

Fifty-nine percent of Denver charter school students were eligible for the lunch subsidy in 2004-2005, versus 64 percent of students districtwide.

**Table 7: Change in Free and Reduced-Price Lunch Student Enrollment Between 1997-1998 and 2004-2005**

	1997-1998	2001-2002	2004-2005
<b>Charter Schools</b>	12%	18%	22%
<b>All Public Schools</b>	28%	28%	32%

SOURCE: Colorado Department of Education, Schools of Choice Unit, [http://www.cde.state.co.us/index\\_charter.htm](http://www.cde.state.co.us/index_charter.htm).

Colorado Springs charters actually served lunches to substantially more such students (64 percent of enrollment) than schools districtwide (40 percent), and Pueblo charters served slightly more than all schools (68 percent versus 63 percent).

### ***Special Education and English Language Learners***

Colorado charter schools serve lower percentages of special education students (8 percent of enrollment in 2004-2005) and English language learners (6 percent in 2002-2003) than all public schools (10 percent special education and 12 percent English language learners).<sup>12</sup>

### ***Explanations for Demographic Picture***

Colorado's charter demographics differ from national averages in some ways and are similar in others. Nationally, charter schools enroll higher proportions of low-income and minority students than all public schools, but in Colorado the reverse is true.<sup>13</sup> On the other hand, Colorado reflects the national trend of charters serving lower proportions of special education students and English language learners than public schools as a whole.<sup>14</sup>

There are several possible reasons for the state's charter demographics. First, the law emphasizes parental choice. Its major goals include "provid[ing] parents and pupils with expanded choices in the types of education opportunities that are available within the public school system" and "encourag[ing] parental and community involvement with public schools."<sup>15</sup> From the perspective of some of the law's legislative supporters, these goals apply not only to minority, low-income, urban families, but to white, middle-class, suburban, and rural ones as well.

A second explanation is parental demand for more educational options in white, middle-class, suburban

communities. According to a recent study, Colorado had the nation's highest percentage of charter schools located in suburban communities (47 percent).<sup>16</sup> Many were founded by parent groups and in particular by advocates of the Core Knowledge curriculum, which teaches a common set of concepts, skills, and knowledge that characterize a culturally literate and educated individual.<sup>17</sup> By one estimate, 50 percent of Colorado suburban charter schools used the Core Knowledge curriculum in 2000-2001.<sup>18</sup>

Charters have also flourished in the state's suburbs because school officials there see them as a way to address fast-growing enrollment.<sup>19</sup> Five charters opened in the Douglas County School District RE-1 between 1993-1994 and 1997-1998 when it was one of the nation's fastest growing school systems. Eight opened in Jefferson County R-1, Colorado's largest district, between 1994-1995 and 1997-1998.

The main force driving the state's charter demographics, however, is DPS's initial hostility toward the reform. The Denver district has the most minority and low-income students in the state. In 1993, the first year in which Denver accepted charter school proposals, it received more than one dozen applications, but approved only two. The first charter school opened in 1994, but closed in 1997, and the second never got off the ground. Denver's next charter opened in 1995-1996. By 1999-2000, there were 70 charter schools in Colorado, but only four in DPS.

Whatever the reasons, the state's charter demographics have been both a blessing and a curse. They have led to strong parental and teacher support for charter schools in suburban communities that are usually ambivalent about these options in other states. That grass-roots support, however, has not always swayed suburban legislators. In addition, the strength of charters in the suburbs has fueled criticism that they are institutions that serve middle-class, white students at the expense of low-income, minority youngsters.

The Colorado charter school movement's stable suburban base has also contributed to strong school performance. Supporters can point to that record as evidence that the model works. It is worth noting that several of these suburban charters outperform other suburban schools with similar student populations. As the state works in coming years to expand the number of schools serving at-risk students, it will be important to ensure that they similarly outperform traditional public schools serving the same populations.

### ***District Activity***

In 2004-2005, 45 of Colorado's 178 school districts authorized charter schools: 26 have authorized one school, eight have authorized two schools, and 11, including Denver, have authorized three or more schools.

The charter movement has finally taken root in DPS. Denver has 17 charters now, 13 of which have opened since 2000-2001. It currently has more charter schools than any other Colorado district. They served more than 5,000 children during the 2004-2005 school year, accounting for 8 percent of the district's total enrollment.

Several factors have spurred charter growth in Denver. In 1993, for example, DPS rejected an

application to open a charter middle school in the city and the Colorado Board of Education ordered DPS to reverse its decision on appeal. In turn, DPS appealed that ruling, citing its constitutional right to control instruction within its borders. The case eventually reached the Colorado Supreme Court, which in 1999 upheld the Board's authority in such matters.<sup>20</sup> As a result, DPS had little choice but to begin approving viable charter applications.

Meanwhile, in the late 1990s, federal courts allowed DPS to end busing for desegregation purposes and reassign students to schools closer to their homes, most notably in the northeast part of the city. The school district saw chartering as a way to accommodate students returning to those neighborhoods.

Finally, there were significant leadership changes at DPS. Since Colorado restricts school board members to two consecutive four-year terms, a number of new members were elected to the Denver school board in the late 1990s and early 2000s. Also, a new superintendent from a nontraditional background took over the district in 2001. Once in office, the board and the superintendent adopted charter schools as one piece of their larger school reform agenda. They began seeking and approving charter schools aimed at specific student populations that the district was struggling to adequately serve.

<b>District</b>	<b>Charter Schools</b>	<b>Charter School Students</b>	<b>Total District Students</b>	<b>District Students in Charter Schools</b>
Denver County I	17	5,228	69,167	8%
Jefferson County R-1	14	4,380	84,294	5%
Colorado Springs II	5	1,619	30,899	6%
Douglas County RE-1	5	2,397	43,524	5%
Boulder Valley RE-2	4	1,884	27,926	7%
Adams 12 Five Star Schools	4	4,814	35,693	13%
Pueblo No. 60	4	1,251	17,076	7%
Brighton 27J	3	1,472	9,256	16%
Greeley 6	3	1,985	17,691	11%
Harrison 2	3	675	10,484	6%
Poudre R-1	3	1,308	24,428	5%

SOURCE: Colorado Department of Education, Schools of Choice Unit, [http://www.cde.state.co.us/index\\_charter.htm](http://www.cde.state.co.us/index_charter.htm).

## Climbing High: Ridge View Academy in Watkins, Colorado

Responding to the need for additional correctional institutions, the Colorado Department of Human Services and the Colorado Division of Youth Corrections determined to construct a juvenile detention facility based on a new approach. They created the Ridge View Academy, a place that would focus on academics, vocational training, and a positive peer culture in an open, unfenced campus. Authorized by Denver Public Schools and operated by Rite of Passage—a nonprofit organization with more than 15 years of experience working with high-risk students—Ridge View opened in 2001 as a public-private effort to rehabilitate 14- to 18-year-old male criminals.

The 500-bed residential charter school offers nine hours of instruction per day (six hours of academic instruction and three hours of vocational training) for 250 days per year, plus athletic and extracurricular activities. Other services, such as drug and alcohol counseling, are available to students as well. Ridge View awards high school diplomas to those students who complete the necessary requirements. The school requires that all graduates be enrolled in college, enlisted in the military, or gainfully employed when they leave the school. According to its first recidivism report, released last fall, more than 60 percent of its students stay out of the criminal justice system after leaving.

SOURCES: "Ridge View Academy Charter School, Denver, CO," *The Education Innovator*, March 12, 2003; Hughes, Jim, "Marcos Escalera no longer sells crack or steals cars," *The Denver Post*, July 3, 2005; Colorado League of Charter Schools, [http://www.coloradoleague.org/charter\\_school\\_list\\_1.htm#ridgeviewacademy](http://www.coloradoleague.org/charter_school_list_1.htm#ridgeviewacademy).

While chartering in DPS is on the rise, it has slowed in the state's suburbs. Boulder and Jefferson County, for example, have not opened charters since 2000.

Finally, some rural Colorado parents have formed charters to preserve local schools and avoid consolidation. As in the suburbs, many of these rural charters use the Core Knowledge curriculum.<sup>21</sup>

### *School Characteristics*

The average Colorado charter has 340 students, about 100 fewer than a typical public school in the state. Sixteen percent span some combination of grades

K-6, 6 percent are in grades 5-8, 37 percent are in grades K-8, 18 percent are in grades 9-12, and 19 percent are in grades K-12.

According to the state's most recent evaluation of charter schools, 60 percent base their educational program on a comprehensive national reform model. Thirty-eight percent are Core Knowledge schools, 6 percent are Montessori schools, 6 percent are Expeditionary Learning/Outward Bound schools, and 3 percent are Edison schools. Other models include Paideia, the Modern Red Schoolhouse, the Coalition of Essential Schools, Mosaica, and William Glasser's Quality School Network.

## Climbing High: Paradox Valley Charter School in Paradox, Colorado

The K-8 Paradox Valley Charter School opened in the West End School District RE-2 in 1999. According to School Director Renee Owen, before it opened, students in the remote Paradox Valley were spending up to three hours per day riding buses to the nearest school. When community members, parents, and grandparents gathered in the basement of the Red Church in Paradox, they did not speak of wanting "a school of excellence" or a school with more rigorous standards. They simply wanted a school.

Most of the school's students come from low-income families and, in its first year, 70 percent tested below grade level, with many being two or three years behind. Dissatisfied with the school's initial performance, Owen and her staff immersed themselves in research about what works for children from similar backgrounds. They implemented a variety of changes, including extending the school day and school year. As a result, the school's elementary grades scored "excellent" in the state's accountability system during the most recent school year.

SOURCE: Owen, Renee, "Paradox Valley School," National Charter School Clearinghouse, *NCSC News*, vol. 4, no. 5, May/June 2005.

### *Teacher and Administrator Characteristics*

Colorado's charter teachers and administrators earn less money, have less experience, and hold fewer advanced degrees than their non-charter peers. Yet, charter schools offer their teachers more professional development opportunities and charter teachers miss fewer days of work.

According to the most recent data, the typical Colorado charter school teacher earns \$29,601 annually and has 5.2 years of teaching experience. Twenty-seven percent have advanced degrees. Statewide, standard public school teachers earn \$40,659 and have 11 years of experience, and 43 percent have advanced degrees.<sup>23</sup>

On average, Colorado charter administrators earn \$55,051 annually and their principals have 3.5 years of experience. Fifty-nine percent of charter principals have advanced degrees. The comparable statewide averages are a \$69,605 salary and 12.1 years of experience. Eighty-four percent of all Colorado public school principals have advanced degrees.<sup>24</sup>

The typical charter school offers its teachers 7.3 days of professional development versus an average of 5.5 days for non-charter teachers in the same districts. Charter teachers miss work 2.9 percent of the school year on average versus 4.8 percent of the school year for non-charter teachers.<sup>25</sup>

## The Path to the Colorado Charter School Institute

In 2004, Colorado created a second route to obtaining a charter by establishing the Colorado Charter School Institute (CSI), an independent authorizing body. Only three other states (Arizona, Idaho, and Utah) and the District of Columbia have such panels. The fact that Colorado has such a strong tradition of local control of education underscores the significance of CSI. The story behind the Institute's creation holds valuable lessons for states with similar school governance policies.

For 11 years, local school boards were Colorado's sole charter authorizers. Groups denied charters could appeal to the Colorado Board of Education, and the record shows it has not been a rubber stamp for local boards or charter schools in these matters. In 118 appeals from 1993 into 2005, the Board upheld charter denials 47 times, ordered local boards to reconsider applications 32 times, ordered the establishment of charters over a local board's objections six times, and overturned a local board's revocation of a charter once.

State leaders began re-examining this authorizing and appeals system in the wake of growing school district hostility toward charters. Districts saw themselves losing students and dollars to charters and several, including Boulder Valley School District RE-2, imposed moratoriums on chartering.<sup>26</sup>

The case that provoked the most outrage among charter supporters involved the 2,000 student Steamboat Springs School District RE-2. The local board rejected an application to create a Montessori charter school, the applicants appealed, and the state Board sent the matter back to Steamboat Springs for reconsideration. The local board rejected the application again, the applicants appealed again, and the state Board this time ordered the local board to award the charter. It defied the order, saying the district as a whole would suffer financially if it diverted funds to a charter school serving a small fraction of its students.<sup>27</sup>

State leaders also re-examined the charter-approval process given the percentage of at-risk students charters

**Table 9: Disposition of Charter School Appeals by the Colorado Board of Education**

Resolution	Inception to 2000	2001	2002	2003	2004	2005	Total
Upheld local board decision	32	3	2	2	1	7	47
Remanded decision back to local board for reconsideration	21	3	2	1	2	3	32
Ordered the establishment of a charter school after the second appeal of a local board's decision	3	1	0	1	0	1	6
Overtaken a local board's decision to revoke a charter	1	0	0	0	0	0	1
Dismissed the appeal because the parties settled the issues in dispute	5	0	0	0	0	0	5
Dismissed the appeal because of legal defects in the appeal	22	4	0	0	0	0	26
Pending	-	-	-	-	-	1	1
<b>Total</b>	<b>84</b>	<b>11</b>	<b>4</b>	<b>4</b>	<b>3</b>	<b>12</b>	<b>118</b>

SOURCE: "Disposition of Charter School Appeals by State Board of Education," Colorado Department of Education, 2005, <http://www.cde.state.co.us/>.

serve were lower relative to other public schools. Although this gap has narrowed during the past several years, it still remains wider than desirable—particularly with regard to students from low-income families.

Lawmakers responded to these problems in 2004 by passing legislation to create CSI to serve as an independent entity with the power to authorize charter schools. The bill, HB 1362, was cosponsored by a pair of Denver Democrats, Rep. Terrance Carroll and Sen. Peter Groff.

Seven of CSI's nine members are appointed by the governor and two by the state commissioner of education (an appointee of the elected Colorado Board of Education). The Institute grants charters and oversees the schools it creates. Notably, the law allows charters that were authorized by local boards to apply to come under CSI authority. The process for appealing a charter denied by CSI is the same as one denied locally.<sup>28</sup>

There are two explicit purposes of HB 1362: encouraging the creation of high-quality charters for at-risk students and modeling superior charter authorizing policies for school districts.

On the first point, the law focuses squarely on students who are eligible for free or reduced-price school lunches and/or score in the low or unsatisfactory range on the state's achievement tests. It authorizes CSI to issue requests for proposals for schools to serve such students and requires CSI charter applicants to include a plan to conduct community outreach to recruit and retain these students.

On the second point, HB 1362 outlined specific best-practices for CSI to model, including:

- ❑ Using state and federal systems to ensure the accountability of each charter school in meeting the obligations and goals set forth in its contract;
- ❑ Measuring the academic success of each charter school student through longitudinal indices; and
- ❑ Measuring the academic success of charter schools through performance-based means and not process-based means.<sup>29</sup>

In an important nod to local control, CSI may authorize charter schools only in districts that have not retained “exclusive authority” to grant charters within their boundaries. Essentially, this approach gives districts a chance to prove themselves as high-quality authorizers. Under HB 1362, districts with fewer than 3,000 students can ask to be granted exclusive chartering authority automatically. Larger districts can request such automatic authority in two situations:

1. If the percentage of pupils who are eligible for free and reduced-price lunch in the district's charter schools is greater than the overall percentage of pupils eligible for free and reduced-price lunch in the district, minus one percent; or
2. If the number of charter school students or the maximum number of charter school students permitted by contract in a district (expressed as a percentage) exceeds the percentage of charter school students in the state by more than three percent.

Districts that want exclusive chartering authority, but do not automatically qualify, must apply to the Colorado Board of Education. To grant a district such authority, the Board must determine that it treated its charter schools equitably during the four years preceding the application—for example, districts that placed a moratorium on chartering during the period or set a districtwide limit on charter school enrollment are disqualified. A refusal of exclusive charter authority by the Board may be legally challenged by anyone within 30 days of the decision.

# Charter School Performance in Colorado

## Colorado Student Assessment Program Analysis

The Colorado Student Assessment Program (CSAP) is the main measure of charter school performance in the state. It is a set of criterion-referenced tests given in reading, writing, and math in grades 3-10 and in science in grade 8.

According to an analysis prepared by the Colorado Children's Campaign for this report,<sup>30</sup> the state's charter schools on the whole outperformed non-charter schools in 4th and 8th grades on state tests, but non-charter schools outperformed charter schools in 10th grade.

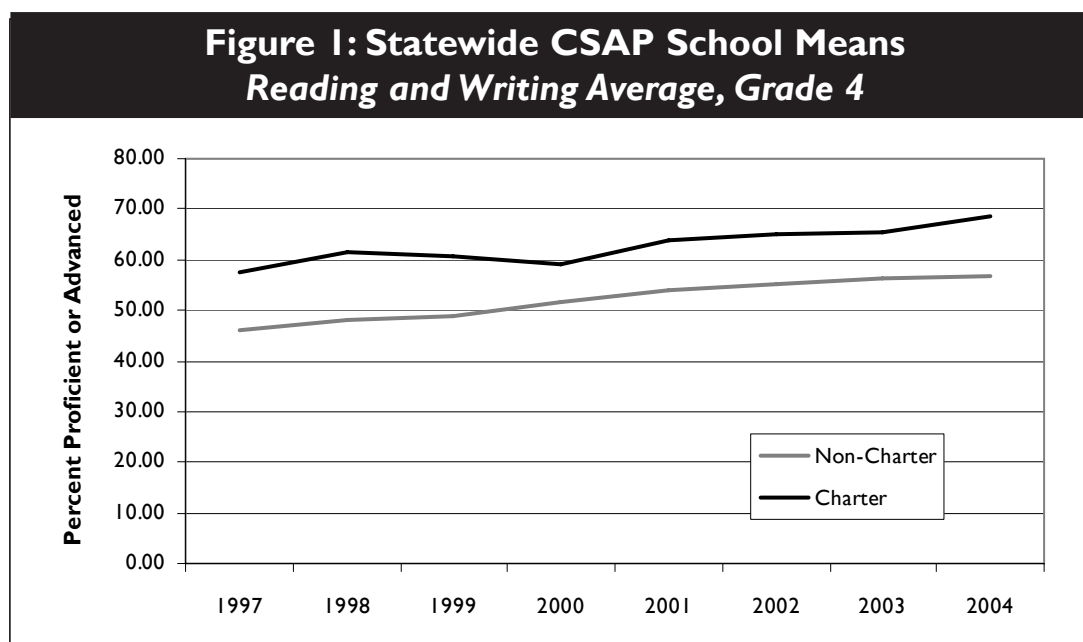
These performance differences have been relatively consistent for the past several years. Over time, charter schools have performed as well or slightly better than non-charter schools in raising student test scores in 4th, 8th, and 10th grades. These conclusions are not based on a value-added analysis per se, but on an examination of the changes in the percentage of students that scored proficient at certain points over several years.

In 4th grade reading and writing, 69 percent of charter school students were proficient or advanced in 2003-2004, compared to 57 percent of non-charter school students. From 1996-1997, these scores represented a 12-point increase in the percentage of charter students testing proficient and an 11-point increase for non-charter students.<sup>31</sup>

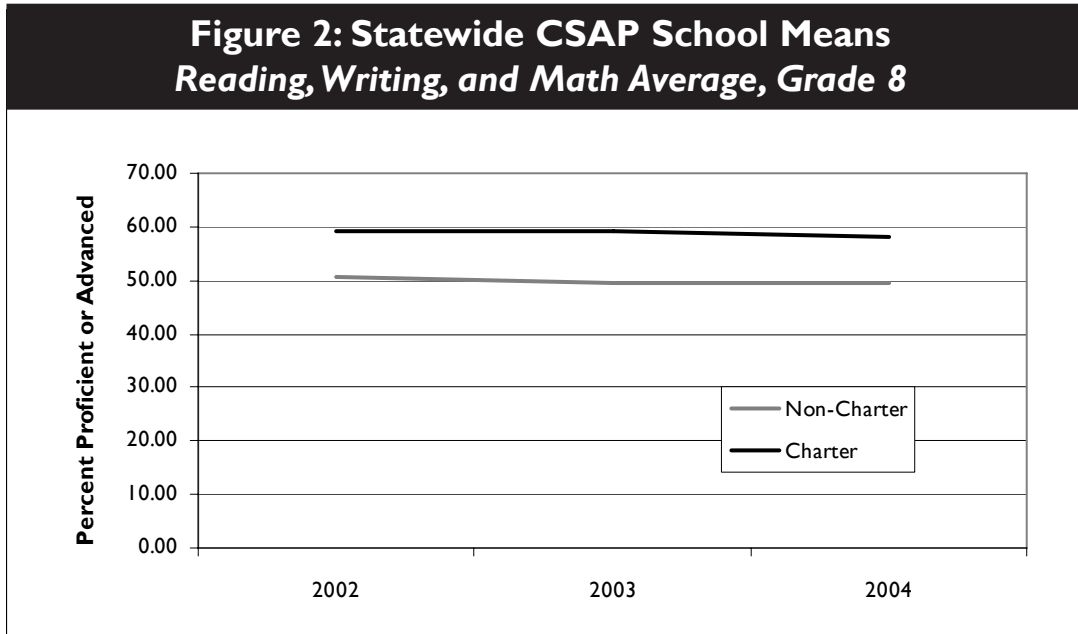
Across the 8th grade reading, writing, and math tests, 58 percent of charter school students scored proficient or advanced in 2003-2004, versus 49 percent of non-charter school students. In 2001-2002, 59 percent of charter school 8th graders scored proficient or advanced, as did 51 percent of non-charter school 8th graders.

In 10th grade reading, writing, and math, 41 percent of charter school students scored proficient or advanced in 2003-2004 versus 44 percent of non-charter school students. In 2001-2002, 37 of charter school 10th graders scored at that level, compared to 42 percent of non-charter school 10th graders.

On the whole, these results indicate Colorado's charter schools outperform non-charter schools at



SOURCE: Colorado Children's Campaign, <http://www.coloradokids.org/>.



SOURCE: Colorado Children's Campaign, <http://www.coloradokids.org/>.

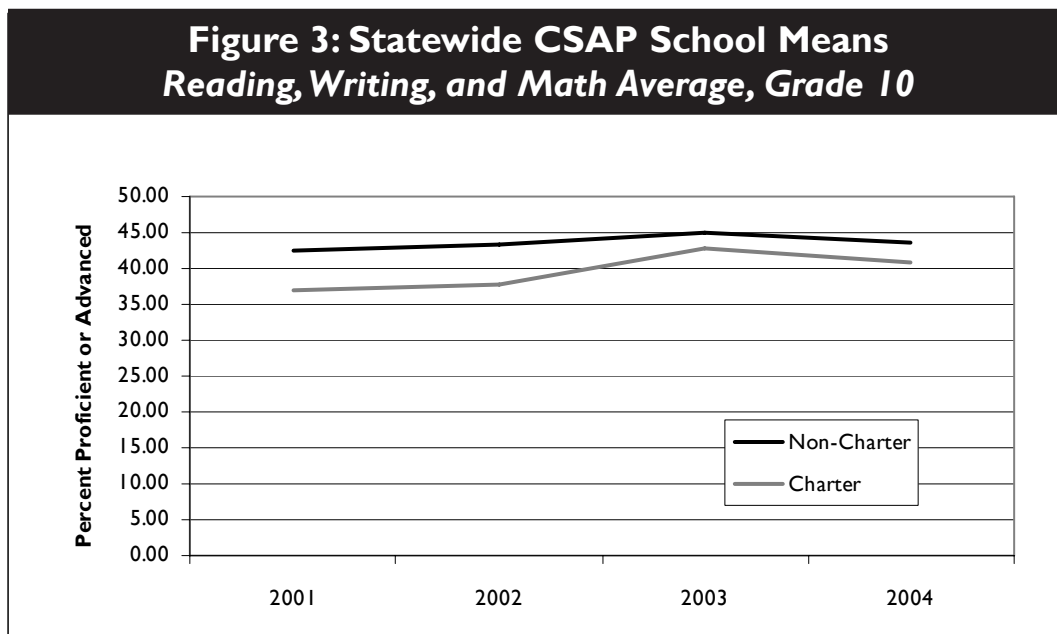
the elementary and middle levels, but underperform at the high school level. Over time, charters have performed as well or slightly better than non-charters in raising test scores at all levels, including high school.

The data partially reflect the fact that Colorado charter schools at the elementary and middle school levels typically enroll more advantaged students than non-charter schools, while the reverse is true at the high school level. Still, it is important to note that

several of these charter schools outperform non-charter schools with similar student populations.

### National Studies

Colorado charter students also fared well in two national studies. In 2002, the Brookings Institution compared test scores from charter schools in 10 states with each state's traditional public schools. It controlled for the schools' socioeconomic and racial



SOURCE: Colorado Children's Campaign, <http://www.coloradokids.org/>.

composition and weighted test scores to reflect school size. Colorado was the only state whose charters outperformed traditional schools at a statistically significant level.<sup>32</sup>

The second study, conducted by Harvard economist Carolyn Hoxby in 2004, compared charter school 4th graders' reading and mathematics proficiency with that of students in nearby public schools. It found that charter students tend to outperform others in states such as Colorado where charters are well established. Colorado charter students were 11 percent more likely to be proficient in reading and 13 percent more likely to be proficient in math than students in the nearest regular public school with a similar racial composition. While the study examined a single grade level at one point in time, its results are encouraging for Colorado charters. According to the study's author, these "results should presumably make us patient enough to wait for the results of multi-year studies based on random lotteries among charter school applicants."<sup>33</sup>

### ***State and Federal Accountability Ratings***

Colorado rates its public schools every year on the basis of students' CSAP reading, writing, and math scores as well as ACT scores at the high school level. It uses those results to compute standardized weighted scores for schools. Those that serve multiple grade levels

## **Climbing High: Liberty Common School in Fort Collins, Colorado**

Liberty Common School opened in the Poudre School District RE-1 in 1997. This suburban charter school currently serves 540 students in grades K-9, who are 92 percent white and 8 percent minorities, with 7 percent in the free and reduced-price lunch program. The school's curriculum highlights include: the Core Knowledge Sequence, additions in science from Project 2061, Singapore Math, Riggs Writing Road to Reading, and Open Court reading program with strong phonics and literacy.

Liberty Common School received an excellent rating for both its elementary school and middle school grades in the 2003-2004 school year. At the elementary level, 97 percent of its students scored proficient or advanced in reading, 85 percent were proficient in writing, and 90 percent were proficient in math. In grades 7-9, 92 percent scored proficient or advanced in reading, 91 percent were proficient or advanced in writing, and 75 percent were proficient or advanced in math.

SOURCES: Liberty Common School, [http://libertycommon.org/about\\_us/liberty\\_at\\_a\\_glance/index.htm](http://libertycommon.org/about_us/liberty_at_a_glance/index.htm); "Liberty Common Charter School, School Accountability Report, 01-06, 2003-2004 School Year" and "Liberty Common Charter School, School Accountability Report, 07-08, 2003-2004 School Year," Colorado Department of Education, October 21, 2004, <http://www.state.co.us/schools>.

receive separate scores for each level, while the ratings of excellent, high, average, low, and unsatisfactory.<sup>34</sup> Colorado charters received 161 ratings in 2003-2004:

## **Climbing High: Cesar Chavez Academy in Pueblo, Colorado**

Started in 2001 by a group led by Lawrence Hernandez—a native of Pueblo, Colorado, and former assistant professor at Harvard University's Graduate School of Education—the Cesar Chavez Academy has become known for the impressive results it achieves with its mostly low-income and Hispanic students. More than two-thirds of the students at the Pre-K-8 charter school come from low-income families and more than three-fourths are Hispanic.

The Cesar Chavez Academy uses the Core Knowledge curriculum. Its schedule includes longer school days—from 7:30 a.m. to 4:30 p.m.—and 25 training days for teachers beyond the regular 183-day school year. The school's staff works directly with families to prevent academic failure by dealing with behavior and family issues that interfere with learning.

Cesar Chavez received an excellent rating for both its elementary school and middle school grades in the 2003-2004 school year. At the elementary level, 96 percent of its students scored proficient or advanced in reading, 85 percent scored proficient or advanced in writing, and 85 percent scored proficient or advanced in math. In grades 7 and 8, 89 percent scored proficient or advanced in reading, 79 percent scored proficient or advanced in writing, and 77 percent scored proficient or advanced in math.

SOURCES: Hendrie, Caroline, "Financial Freedom," *Education Week*, January 6, 2005; "Cesar Chavez Academy, School Accountability Report, 01-06, 2003-2004 School Year" and "Cesar Chavez Academy, School Accountability Report, 07-08, 2003-2004 School Year," Colorado Department of Education, October 21, 2004, <http://www.state.co.us/schools>.

- 37 were excellent;
- 37 were high;
- 52 were average;
- 31 were low; and
- 4 were unsatisfactory.<sup>35</sup>

The charters' percentage of excellent ratings (23 percent) was substantially higher than that of non-charters (10 percent). However, the percentage of unsatisfactory charter ratings (3 percent) was also higher than that of non-charters (1 percent).<sup>36</sup>

The federal No Child Left Behind Act introduced other ways to gauge school performance. Under the law, by 2005-2006 all states must test students annually in reading and math in grades 3-8 as well as in grade 10. By 2007-2008, states must test them once in science between grades 3-5, 6-9, and 10-12.

States also must define adequate yearly progress (AYP) goals—based on student test results, student participation rates on tests, and other academic indicators—each year between now and 2013-2014, and determine if individual districts and schools are progressing toward 100 percent proficiency by 2013-2014. In 2003-2004, Colorado charter schools performed slightly better on the AYP measure than non-charters. According to the Colorado Department of Education, 84 percent of charter schools made AYP, versus 79 percent of non-charters.

### ***School Closures***

Nationally, about 9 percent of all charters opened since 1991 had been closed by January 2004.<sup>37</sup> Nine Colorado charters have been closed since 1993, or about 7 percent of the total authorized. For example, the Sojourner Charter School in Boulder opened in 1999 and became a magnet for English language learners. Its very small enrollment prevented it from becoming financially stable, and it closed after four years of operation.

## Challenges and Recommendations

Colorado's charter school movement has created dozens of new school options for students, parents, and teachers. Some have focused on creating a specific program needed in an individual community. Others have concentrated on serving particular groups of students, such as those at risk of dropping out.

There are also signs that, at least in some places, charter schools have influenced districts to alter their practices. Although there has not been a comprehensive study of how Colorado districts have changed in response to charter schools, anecdotes abound about districts creating programs or schools that replicate a popular charter school.

Notwithstanding these successes, charter schools face several challenges in the years ahead if they are to maintain and enhance their achievements.

### *Better Serving At-Risk Students*

While Colorado charter schools serve a higher proportion of at-risk students than in years past—whether defined by race/ethnicity, income level, special education, or English proficiency—they still serve a lower proportion than non-charter schools. Increased chartering activity in Denver and the creation of an independent chartering board with a priority to serve at-risk children could narrow the gap even further. It will, however, take proactive efforts by the state and school districts to make the gap disappear.

The Colorado Department of Education has already formed a group that advises the Colorado Board of Education on special education in charters. It should create similar groups to address the concerns of other at-risk student populations.

Other players in Colorado's charter school movement should take similar proactive steps. Here are three examples:

- ❑ The Colorado Charter School Institute (CSI) should conduct a statewide assessment of how charter and traditional schools are meeting the needs of at-risk populations and then issue requests

for charter proposals geared to those findings. It should also seek out and replicate at-risk charter school success stories from other states.

- ❑ School districts should develop similar request-for-proposal processes based on their local needs assessments. In this way, chartering can become an element of their strategic plans instead of something that is done to them.
- ❑ The state should give charter and traditional schools financial incentives to serve at-risk students. For example, it could adjust its school funding formula to account for the higher costs of serving these populations. Charters and traditional schools created to serve returning dropouts, for instance, could receive 1.5 times as much per-pupil aid as other schools.

### *Expanding the Reach of Colorado's Charter School Institute*

In November 2004, CSI approved its first two charter schools and both opened in the 2005-2006 school year. It also rejected nine applications, a clear indication that it will not put charter quantity ahead of quality.

As explained previously, CSI can grant charters only in school districts that have not retained their exclusive chartering authority. Currently, only 12 of the state's 178 school districts lack such authority and together they serve only about 9 percent of the state's students. Some of the state's most "charter unfriendly" districts remain outside the purview of CSI. In several closely divided votes, the Colorado Board of Education approved such districts' requests for exclusive chartering authority, prompting some charter supporters to question whether the Board is following the intent of the law.

Colorado should consider expanding CSI's reach to give its existing charter schools and future charter applicants access to a more supportive chartering

environment. Expansion would also allow CSI to model best authorizing practices for school districts at the scale intended by the law's drafters. Expansion could occur in a few ways:

- ❑ Some Board decisions to grant exclusive chartering authority to certain districts are being legally challenged. If state courts rule against the Board, it may be forced to evaluate future district applications for exclusive chartering authority in a different light.
- ❑ Districts granted exclusive authority may violate one or more of the factors that the Board used to make its decisions and thus lose their authority in the future. In a related vein, some of these districts could decide that they do not want to authorize charter schools after all and let potential charter operators apply to CSI instead.
- ❑ The Colorado Legislature and the governor may amend the law that created CSI to increase the number of districts in which it can authorize charter schools. For example, the state could allow CSI to authorize charter schools in any district with more than 3,000 students. As a result, CSI's reach would grow to encompass 36 school districts serving 88 percent of the state's public school students.

### ***Increasing the Success of Unsatisfactory Schools That Become Charters***

In 2000, Colorado enacted SB 186 proposed by Gov. Bill Owens to create a new school accountability system. Part of that law requires schools rated "unsatisfactory" for three years in a row to be converted to charters. This requirement was a precursor to the provision in the federal No Child Left Behind Act (NCLB) that allows districts to reopen chronically low-performing schools as charters. While this is one of five options in NCLB, it is the only option in SB 186.<sup>38</sup>

The parameters for such a transformation are set out in SB 186. It requires the Colorado Board of Education to issue a request for proposals, form a proposal review committee, and spell out the information that proposals must include. Students already enrolled in the school must be offered places in the new charter.

Individuals, nonprofit groups, companies, existing public schools, school districts, and higher education institutions can apply for the charter. The state Board will select an applicant to recommend to the local school board, and the state superintendent (or his or her designee) will help the selected applicant negotiate the charter with the local board.

Some charter advocates fear that the law will simply label struggling schools as charters without giving them the increased autonomy and accountability that comes with being a charter. Charter opponents do not see much value in charters at all—let alone as an answer to low-performing schools.

The first low-performing Colorado school subject to this legislation, a Denver middle school, recently went through the conversion process. Based upon difficulties encountered in this experience—including limited options and tight timelines—the Colorado Legislature revised the law in its most recent session, most notably by expanding the restructuring options the state may use, short of converting a school into a charter. The governor, however, vetoed the revisions.

Notwithstanding this veto, state and district leaders can take several steps to increase the chances for success when low-performing schools become charters, including:

- ❑ ***Involve parents and community members in the reopening process.*** Some parents will be understandably upset to learn that their children's school is being transformed from top to bottom. Parents and community members must be involved in the process from the start.
- ❑ ***Provide adequate time and resources for planning and start up.*** The new schools' operators must be given sufficient time and resources for careful planning, program development, facilities changes, staff and student recruitment, and other activities prior to opening.
- ❑ ***Give schools autonomy in staffing, budgets, and learning programs.*** State and district leaders must ensure that the new charters have the autonomy to make timely changes to meet students' needs, especially regarding budgets, staff, and learning programs.
- ❑ ***Make accountability requirements clear.*** State and district leaders should delineate what the school

will be accountable for, as well as how the accountability process will work.

- ❑ **Encourage both replication and innovation.** State and district leaders should use the chartering process to replicate successful school models and introduce innovative ideas into these schools.
- ❑ **Provide equitable funding to schools.** This intervention should operate under the general principle that all funding follows students on a per-pupil basis to the schools they choose.
- ❑ **Give schools access to facilities.** New schools must be granted access to the previous school's facility or other surplus district space.
- ❑ **Establish rigorous monitoring and oversight processes.** Given the high stakes involved, new schools must be monitored closely.<sup>39</sup>

### Addressing Low-Performing Charters

On the whole, Colorado charter school students outperform their non-charter peers in most subjects at most grade levels. Some of the state's top-rated schools are charters. These performance differences have been fairly consistent over time. But they should not obscure low performance by other charters.

Some Colorado authorizers only approve applications that have a high probability of success. Others have a less rigorous vetting system. Some authorizers in the state are strengthening their practices to better

ensure the quality of the schools they charter. Authorizers still face the challenge of what to do about charters that never should have been opened, however.

As a first step, authorizers should examine the value that the schools are adding to their students' performance beyond absolute achievement levels. By doing so, authorizers will be better able to distinguish between schools that are not meeting the absolute standards, yet still making progress toward them each year, and those that are doing neither.

Once an authorizer has such data in hand, though, the tough question remains about what to do when that data show that a school is not performing as promised. To address this issue, authorizers should adopt a three-pronged approach:

- ❑ They should solicit new charter schools to serve neighborhoods where existing schools—whether charter or traditional—are struggling.
- ❑ As schools' charters come up for renewal, authorizers should scrutinize their performance in both absolute and value-added terms and close those that are not living up to their promises. While school closures are difficult, they make the charter bargain of increased autonomy for greater accountability more than just rhetoric. More importantly, closures get students out of poor schools and into potentially better ones.
- ❑ Finally, authorizers and charter supporters should work to fix struggling charters. When these schools come up for renewal, authorizers should renew

## Climbing High: KIPP Cole College Prep in Denver, Colorado

On August 6, 2004, the Colorado Department of Education announced that Denver's Cole Middle School would be the first low-performing school to become a charter school through the state's accountability system. After releasing a request for proposals, the state received four charter applications. Three came from education management organizations—Edison Schools, Inc., Mosaica Education, Inc., and the Knowledge is Power Program (KIPP). The fourth came from a parent group in partnership with Padres Unidos, a local community organization. This application proposed to replicate the Cesar Chavez Academy in Pueblo, a charter that successfully serves a similar student population.

At the end of a highly charged process, the Colorado Board of Education selected KIPP based on its successful track record both nationally and locally. This will mark the first time that KIPP reopens an existing school without the usual one year of preparation and with a 7th and 8th grade already in place. Typically, KIPP starts with 5th grade and adds a grade each year as students progress. The new school, KIPP Cole College Prep, opened in the 2005-2006 school year.

SOURCE: Paulson, Amanda, "A forced conversion to charter school," *The Christian Science Monitor*, July 12, 2005.

## Climbing High: Colorado Education Performance Network

The Colorado Education Performance Network is a consortium of charter schools committed to learning from data. With local and national foundation support, the Network covers part of schools' costs in purchasing data management and assessment services.

The Network, which is part of the Colorado League of Charter Schools, conducts value-added analyses and reports results for participating schools; selects and implements data management software and benchmark assessments; and provides high-quality professional development for teachers and school leaders.

The Network has four goals:

1. Help charter schools increase student academic achievement by assisting teachers and school leaders in the identification of those students not making sufficient progress on state standards.
2. Provide quality professional development on performance management to charter teachers and school leaders.
3. Leverage the effective performance management practices of Colorado charter schools and their districts through a network that creates and shares knowledge about effective practices.
4. Create and disseminate knowledge related to performance management, including strengths and weaknesses of different value-added, data management, and benchmark assessment strategies.

SOURCE: Colorado League of Charter Schools, [http://www.coloradoleague.org/accountability\\_programsCEPN.htm](http://www.coloradoleague.org/accountability_programsCEPN.htm).

their charters for a limited term with specific measurable outcomes to meet for their next renewal.

### ***Strengthening Political Support at the Statehouse***

Colorado's charters enjoyed bipartisan support at the outset. From 1998 to 2004, though, Republicans controlled the governor's office and one or both houses in the Legislature. As a result, charter schools came to be viewed as more of a Republican issue than a bipartisan one.

That changed in 2004, however, when two Democrats cosponsored the legislation to create the Colorado Charter School Institute (CSI). While some Democrats supported the bill, others strongly opposed it. On the other side of the aisle, most Republicans, who controlled the House and the Senate, supported the bill, as did Republican Gov. Owens.

The state's political dynamics changed significantly in November 2004 when Democrats seized control of the House and Senate for the first time in 30 years. Flush with victory, several Democratic opponents of CSI went gunning for it during the 2005 legislative session. For example, Rep. Jack Pommer from Boulder introduced a bill that would have given districts "final and unappealable" authority to approve or disapprove

contracts between CSI and its schools. Rep. Terrance Carroll, the Denver Democrat who cosponsored the bill that created CSI, led its defense, arguing that bills such as Pommer's would have given districts free reign to restrict charter schools and put the interests of districts ahead of parents and teachers. The bill died on the House floor.<sup>40</sup>

The battles in 2004 and 2005 exposed the growing rift in the Colorado Democratic Party about charter schools—a split that is not unique to Colorado. The rift exposes issues of race and geography that are near the surface, but often unacknowledged in debates about how to improve public schools. In Colorado, Democratic supporters of CSI have been whites, Hispanics, and African-Americans from predominantly urban areas. Democratic opponents primarily have been white legislators from middle-class suburbs. However, not all white, suburban Democrats oppose charter schools—for example, Colorado Board of Education member Jared Polis, a Boulder Democrat, has been involved in the creation of two charter schools serving at-risk students. Yet, opposition to charter schools is more common among suburban elected officials.

While some Democrats remain opposed to charter schools, others are more open to the reform. Charter school advocates need to reach out to these legislators.

In particular, they need to invite legislators to visit their schools as a way to expand their awareness and knowledge of the charter sector.

### ***Improving District-Charter School Relations***

Even if CSI's authorizing power remains limited, its very existence may help change how districts treat existing charter schools and future charter school applicants. Following passage of CSI legislation, some districts lifted moratoriums and enrollment caps on charters. To maintain exclusive chartering authority in the future, districts will have to abide by several criteria included in the legislation—for example, compliance with full and accurate accounting practices and charges for central administrative overhead costs.

Funding remains the biggest barrier to improved school district-charter relations. Some state policy-makers believe per-pupil dollars should follow students from one school to the next—whether it is from a non-charter school to a charter school, or vice versa. Many districts, however, believe that although they may lose students to charters, they do not lose all of the cost of educating them.

To be fair, it is hard for districts to absorb per-pupil revenue losses after they have prepared budgets and hired staff for the school year. To account for such losses, the state should consider providing districts with some form of “impact aid.”

Illinois, for example, provides such aid to districts that open new charters themselves or when the

Colorado Board of Education opens charters within their boundaries. The districts get an amount equal to 90 percent of the per-capita funding paid to the charter school during its first year of operation, 65 percent during its second year, and 35 percent during its third year.

State leaders and charter advocates can also improve relations between charters and districts by encouraging them to work together and share lessons between charter and non-charter public schools about practices that work to address common problems. High school reform is a prime example.

### ***Developing a Broader Set of Indicators About Charter School Performance***

Information about how charter schools perform on state tests is readily accessible, as is each charter school's rating on the state accountability reports. Still, more information on charter school performance is needed. Richer information on student achievement would be particularly helpful—for example, comparisons between charter and non-charter performance along several dimensions, including district location, student body, and school reform model. Such analyses should make use of value-added methods whenever possible.

Researchers should also begin tracking charter high school students' graduation and college-going rates, as well as perhaps conducting biannual surveys of charter students, parents, and staff members to measure their satisfaction with their schools.



## Lessons Learned

Colorado's experience with charters holds valuable lessons both for states that want to fine-tune their charter laws and for others considering adopting the reform.

### ***District Authorizers With a State Board Appeals Process Works, Up to a Point***

Most charter supporters agree that the best state laws permit multiple entities to authorize schools. Passing such laws is not always politically feasible, however. Colorado got around this problem by including a robust appeals process in its authorizing system. That process contributed to the creation of nearly 100 schools during the state charter movement's first decade. That figure might not be as high as in other states, but it is respectable nonetheless.

Colorado leaders recognized, however, that the movement needed to expand in districts resistant to the reform if it was to have any chance of reaching its full potential. They created Colorado Charter School Institute (CSI) as a result. The lesson for other states is that Colorado's original model, featuring local authorizers and a strong state-level appeals process, can take a movement only so far. Non-district authorizers have to be added at some point if charters are to become a larger presence in public education.

### ***Even Modest Growth Can Lead to a Viable Movement***

After the passage of charter laws in several states, their advocates focused on opening as many new charter schools as possible in order to take advantage of political support and momentum. Unfortunately, far too many schools that never should have been allowed to open obtained charters nonetheless. Some failed in high-profile fashion while others dragged down overall charter performance. And as a result, the movements in these states lost some of their luster.

In contrast, charter growth in Colorado has been much more gradual. The highest number of charters

to open in a single year occurred in 1997-1998, when 19 charter schools opened their doors. Over the life of the movement in Colorado, the number of new charter schools opened each year has been fairly steady—averaging about nine schools per year. The state has avoided the high-profile meltdowns that have occurred in other states and charter performance has been consistently strong.

### ***Suburban Parents Want Choices, Too***

Charters nationwide have focused on urban, low-income, minority students, and rightly so. The Colorado experience clearly shows, however, that suburban, middle-class parents also want better options for their children.

Charters' strong presence in Colorado suburbs has been a mixed blessing. On the one hand, they have strengthened overall charter school performance in the state and rallied grass-roots support in communities that are usually ambivalent about charters in other states. On the other hand, suburban grassroots support has not always translated into suburban legislative support. In addition, charter skeptics attribute these schools' success to their suburban student population. While that is obviously a contributing factor, it is important to note that several of these suburban charters outperform other suburban schools with similar student populations.

### ***Charter School Laws Are Works-in-Progress***

Colorado's current charter law is dramatically stronger than its original one. The sunset provision is gone, the caps have vanished, funding of charters is more equitable, automatic waivers now exist, and a non-district authorizer is open for business. The lesson for other states is that charter advocates must sometimes accept less-than-ideal compromises to get a law passed and then work constantly to improve them.

### ***A Strong Charter Advocacy Group Is Critical***

Colorado's movement owes much of its success to the Colorado League of Charter Schools. It has been a powerful advocate in the state capital and has provided its members with valuable services. Advocates in other states getting ready

to launch charters should do as the League did in its early days: immerse themselves in new school development work in order to get a firm grasp on the challenges and issues charters face. They should also connect charters in ways that make them feel they are part of something bigger and that allows the movement to speak on policy matters with a unified voice.

## Conclusion

In 12 years, Colorado's charter school movement has created dozens of new school options for students, parents, and teachers. Some schools have created particular programs needed by individual communities, while others have concentrated on serving specific groups of students. There also are signs that, at least in some places, charter schools have influenced districts to change their practices.

Notwithstanding these successes, charters and their supporters face several challenges in the years ahead if they are to maintain and enhance their achievements. First and foremost, they must continue their progress in serving at-risk students. At the same time, they must meet increasingly tough federal and state accountability requirements for improved student achievement. The charter community must also strengthen its political

support at the statehouse if it is to withstand continued efforts to weaken the state's charter school law and movement.

Colorado's approach during its first 10 years of charter schooling led to a viable but relatively small movement in urban, suburban, and rural parts of the state. With the increasing numbers of poor and minority students in charter schools along with the recent creation of the Colorado Charter School Institute, the second decade of charter schooling in Colorado is likely to look different than the first. The ambitious and necessary task ahead is to take the movement to a larger scale without sacrificing its commitment to create high-quality public school options focused on raising the achievement levels of all students.



## Endnotes

<sup>1</sup> Mirga, Tom, "Rebels With a Cause: Freedom Is the Byword in Colorado's First Charter School," *The New Democrat*, April/May 1994; Perez, Gayle, "Pueblo elementary schools show well in CSAP testing," *The Pueblo Chieftain*, August 3, 2004, [http://carecolorado.org/archived\\_news.php?year=2004&sem=3&art=207&PHPSESSID=64191a2d1c6e09219f88b331217de3bf](http://carecolorado.org/archived_news.php?year=2004&sem=3&art=207&PHPSESSID=64191a2d1c6e09219f88b331217de3bf).

<sup>2</sup> Walsh, Mark, "Colo. Lawmakers Mandate Open Enrollment Within Districts," *Education Week*, May 23, 1990.

<sup>3</sup> Walsh, Mark, "Romer Signs Standards, Charter-Schools Bill in Colorado," *Education Week*, June 16, 1993.

<sup>4</sup> Hirsch, Eric, "Colorado Charter Schools: Becoming an Enduring Feature of the Reform Landscape," chap. in *The Charter School Landscape*, Vergari, Sandra, ed., University of Pittsburgh Press, 2002.

<sup>5</sup> *Ibid.* Hirsch provides an excellent overview of the original act as well as the major changes that were made to it until 2002. My discussion of how the key provisions of the law have evolved draws from it in several places.

<sup>6</sup> *Ibid.*

<sup>7</sup> *Ibid.*

<sup>8</sup> "Waivers Granted to Colorado Charter Schools," part 10 of *Charter School Guide Book*, Colorado Department of Education, April 2002, <http://www.cde.state.co.us/cdechart/download/chsurv02-10.pdf>.

<sup>9</sup> Vanourek, Gregg, "The State of the Charter Movement in 2005: Trends, Issues, & Indicators," Charter School Leadership Council, May 2005, <http://www.charterschoolleadershipcouncil.org/pdf/sotm2005.pdf>.

<sup>10</sup> "Pupil Counts by Race/Ethnicity Comparisons (1984-1994-2004)," Colorado Department of Education, October 2004, <http://www.cde.state.co.us/cdereval/rv2004pmlinks.htm>.

<sup>11</sup> According to the Colorado Department of Education, there is reason to believe that free or reduced-price lunch data are underreported by charter schools. For example, in October 2001, 15 charter schools reported 0% for free or reduced-price lunch eligibility. According to the department, it is likely that in a majority of these 15 schools, the 0% figure resulted from the schools not collecting data, rather than from a determination that none of the students served in the schools would have been eligible for the free/reduced-price lunch program. Not all charter schools offer school lunch programs, which exacerbates data collection issues. ("The State of Charter Schools in Colorado: 2001-2002," Colorado Department of Education, April 2002, <http://www.cde.state.co.us/cdechart/download/01charterevalfinalEXSUM.pdf>.)

<sup>12</sup> The source for the charter school data is the Colorado Department of Education, <http://www.cde.state.co.us>. The source of the data for all public schools is the National Center for Education Statistics, <http://nces.ed.gov/>.

<sup>13</sup> Vanourek, *op. cit.*; Roll Press Pack (RPP) International, *The State of Charter Schools 2000—Fourth-Year Report*, U.S. Department of Education, 2000, <http://www.rppinternational.com/>.

<sup>14</sup> RPP International, *op. cit.*

<sup>15</sup> Colorado General Assembly, Charter Schools Act, C.R.S. SS 22-30.5-102.

<sup>16</sup> Jain, Pushpam, "The Approval Barrier to Suburban Charter Schools," Thomas B. Fordham Foundation, September 2002.

<sup>17</sup> "The State of Charter Schools in Colorado 2001-2002: The Characteristics, Status and Performance Record of Colorado Charter Schools," Colorado Department of Education, March 2003, <http://www.cde.state.co.us/cdechart/download/ch99eall.pdf>.

<sup>18</sup> Jain, *op. cit.*

<sup>19</sup> Hirsch, *op. cit.*

<sup>20</sup> Hirsch, *op. cit.*

<sup>21</sup> Jain, *op. cit.*

<sup>22</sup> Colorado Department of Education, March 2003, *op. cit.*

<sup>23</sup> *Ibid.*

<sup>24</sup> *Ibid.*

<sup>25</sup> *Ibid.*

<sup>26</sup> Slevin, Colleen, "Tension Between Charter Schools and School Districts May Lead to Changes," *The Fort Collins Coloradoan*, February 1, 2004.

<sup>27</sup> Hudak, Evie, "Choice—For Whose Sake," State Board of Education, 2nd Congressional District, February 2004, <http://www.hudak.org/Articles/Choice02-2004.htm>.

<sup>28</sup> "Summary of HB 1362 by Rep. Terrance Carroll/Sen. Peter Groff," Colorado League of Charter Schools, [http://www.coloradoleague.org/advocacy\\_HB1362.htm](http://www.coloradoleague.org/advocacy_HB1362.htm).

<sup>29</sup> Colorado General Assembly, Charter Schools Act, C.R.S. SS 22-30.5-505.

<sup>30</sup> The Colorado Children's Campaign (CCC) produced the information and the charts that serve as the basis of the analysis of student performance. As a statewide nonprofit organization, CCC champions the full development of all children in Colorado.

<sup>31</sup> The numbers in this section refer to the average score across schools, rather than the average computed across students.

<sup>32</sup> Loveless, Tom, "The Brown Center Report on American Education," The Brookings Institution, 2002.

<sup>33</sup> Hoxby, *op cit*.

<sup>34</sup> Colorado Department of Education, March 2003, *op. cit*.

<sup>35</sup> Rouse, Karen, "State's charter schools buck trend," *The Denver Post*, December 22, 2004.

<sup>36</sup> *Ibid*.

<sup>37</sup> Vanourek, *op. cit*.

<sup>38</sup> The options in No Child Left Behind Act are to reopen the school as a public charter school; replace all or most of the school staff, which may include the principal, who are relevant to the school's failure to make adequate yearly progress; enter into a contract with an entity, such as a private management company, with a demonstrated record of effectiveness to operate the school as a public school; turn the operation of the school over to the state education agency, if permitted under state law and agreed to by the state; or any other major restructuring of a school's governance arrangement.

<sup>39</sup> "Policy Principles for Creating New High Quality Schools Under NCLB's Restructuring Requirements," National Alliance for Public Charter Schools, September 2005, <http://www.publiccharters.org/>.

<sup>40</sup> "Charter school changes pit Dems vs. Dems," *Associated Press*, February 1, 2005.

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