Replicating Quality
Policy Recommendations to Support the Replication and Growth of High-Performing Charter Schools and Networks
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THE CHARTER SCHOOL SECTOR continues to expand as parents seek high-quality public education options. In 2012-2013, the sector served more than 2.3 million students in nearly 6,000 schools.1 If recent growth trends continue, the sector could double in size by 2025, serving 4.6 million children and representing nearly 10% of all public school students.2 Research on charter school quality finds significant variations in performance across the sector.3 Many charter schools achieve outstanding results for students. Most perform on par with traditional public schools, although a number do continue to underperform. The question is: will growth in the charter sector reflect today’s pattern of mixed quality? Or could adoption of judicious policies and practices create conditions that allow us to double the percentage of charter schools that provide an excellent education for students?

We believe that there should be many more great schools for children. Very simply, this means that the best performers should be able to grow more schools and the poorest performers should close down, thereby creating the potential for a dramatic shift in the quality of our K-12 schools over time. This shift could create excellent opportunities for a million more students over the next decade.

The charter sector must act now to identify and implement the policies and practices needed to seize this opportunity. Drawing on deep expertise and diverse experiences in the sector, the National Association of Charter School Authorizers (NACSA) and the Charter School Growth Fund (CSGF) have collaborated to identify a set of key policies and practices that could dramatically accelerate the replication and growth of high-performing charter schools and charter networks. The work has generated a set of detailed recommendations that legislators, authorizers, and state education agencies (SEAs) can use to build a policy environment that will substantially increase the prevalence and impact of high-quality charter schools.

The policy recommendations in this report articulate a strategy of modifying charter laws and authorizer practices that specifically benefit and support high-performing schools. While our organizations continue to advocate for operational autonomy and equal access to resources for ALL public charter schools, it is our position that the most effective way to expand quality school options for more communities is to quickly replace existing failing schools, and to establish new schools that are likely to succeed or that are already demonstrating outstanding performance. Lessons from the field and a growing body of research show that school and network academic performance tend to be relatively stable over time – i.e., schools that start strong tend to stay strong and vice versa4 – thus justifying the proactive replication of high performers and early intervention for low performers.

Setting Expectations for Excellence

Authorizers set expectations for excellence, beginning with charter contracts tied to clearly defined performance frameworks. NACSA’s Core Performance Framework and Guidance establishes criteria for objective, transparent, and consistent frameworks that address the academic, financial, and organizational dimensions of performance.5 Authorizers should create a strong process for assessing performance and setting a high bar for excellence. Schools in the top performance tier should significantly surpass local schools serving similar student populations, for multiple years, on key measures of student achievement, growth, and college and career readiness.

Academic Performance. Authorizers may use academic indicators to identify performance tiers that support efforts to differentiate among schools in their portfolios. A robust set of measures should be developed to assess academic performance using multiple indicators that include student progress over time, student achievement, and post-secondary readiness.

Financial and Organizational Performance. Although authorizers should hold schools accountable for academic performance first and foremost, it is also critical that they assess financial and organizational health in evaluating the capacity of schools to operate and replicate successfully. Charter schools that fail often do so for financial or organizational reasons. Authorizers should develop specific and measurable metrics for evaluating financial and organizational capacity and viability.
Charter sector leaders are gravitating toward policies and practices that differentiate among charter schools based on performance levels—facilitating the growth of high performers, halting the growth of low performers, and expediting the closure of failing charters. These strategies are needed to accelerate high-quality charter sector growth and demonstrate ways to build a higher-performing public school system that serves students better.

The policy proposals in this report are organized around four interconnected sector strategies:

1. Differentiate among charter operators based on performance levels
2. Build system capacity to cultivate and support high-performing individual schools and networks
3. Facilitate replication of high performers by reducing obstacles and adding supports
4. Accelerate closure of low performers

The first addresses performance-based differentiation and is a necessary precondition for many of the subsequent policy recommendations.

Differentiate among charter operators based on performance levels

For the last several years, leading authorizers and state policymakers have established stronger accountability and performance management systems that are primarily used to close or otherwise intervene in low-performing charter schools. An emerging and important practice is to use these same systems to identify the highest-performing schools, and to guide policies and practices that increase the proportion of excellent charter schools within authorizers’ portfolios. This strategy requires that the charter market be “differentiated” based on the relative performance of schools and networks in a manner that provides a clear and defensible rationale for differentiated authorizer actions and state policies.

**POLICY #1: Adopt authorization policies that differentiate among charter school operators by performance.**

Effective performance-based differentiation of charter operators can be supported through legislative efforts, adoption of strong accountability frameworks, and cultivation of authorizer capacity. *Differentiation is a necessary precondition for many of the remaining policy recommendations.*

**Adopt rigorous charter school accountability frameworks to support differentiation.** Authorizers must establish accountability systems that place schools into performance tiers based on clearly articulated metrics, including rigorous measures for student academic growth. NACSA’s Core Performance Framework was developed to guide the design and implementation of accountability systems focused on academic excellence, financial stability, and organizational strength (see BOX, “Defining Performance Tiers to Differentiate Among Levels of School Quality” for guidance on academic, financial, and organizational performance criteria). Adoption of such frameworks in legislation or authorizer policy provides the foundation for successful differentiation.

Denver Public Schools, with 34 charter campuses operating in the 2013-14 school year, created a charter school performance framework that served as an early model for NACSA, and differentiates its protocols for renewal based on the performance levels of charter schools and networks in its portfolio.

The State University of New York (SUNY) has authorized more than 100 charters and has developed a policy framework that differentiates replication protocols based on performance. SUNY offers a streamlined application process for replication applicants who demonstrate attainment of specific academic performance criteria, though meeting such criteria does not alone qualify an application for approval.
In both of these examples, the starting point for effective differentiation is the adoption of robust performance accountability systems that provide credible criteria for identifying high-performing charter schools and networks.

Amend charter laws to allow or require authorizers to differentiate practices. Charter laws should unambiguously allow authorizers to tailor their actions and protocols based on demonstrated charter school and network performance. Existing laws may need to be amended to remove legislative language that prevents differentiation based on performance – or to explicitly require differentiated actions and protocols. Legislators will have to choose between “allowing” and “requiring” differentiation based on political and statutory constraints in their states and carefully consider the possible consequences of each approach. For example, simply allowing differentiation may enable low-quality authorizers to avoid adopting practices that would force closure of low-performing schools.

Differentiation policies should be designed to promote excellence, and carefully constructed to facilitate the growth of effective schools and the closure of ineffective ones, while continuing to promote innovation and entrepreneurism through the approval of promising new school models. Differentiation should not be used to justify exclusively limiting authorization to the replication of high performers, thereby denying charters to well-qualified start-up applicants. Instead, it should be used as an additional tool to promote the scaling up of quality charter school opportunities.

Some states have adopted charter law provisions that explicitly require authorizers to differentiate policies based on school performance. Delaware provides longer renewal terms (10 years) and additional funding opportunities. Texas allows charters to operate multiple campuses based on their performance on the state’s accountability system. In 2013, Texas adopted legislation that limits replication to charters that were rated in the top two categories for three of the preceding five years, had at least 75% of campuses also in the top two categories, and did not have any campuses in the lowest category in the most recent accountability rating. The legislation also mandates the closure of charter schools that consistently fail to meet standards.

In contrast, many state charter laws establish explicit requirements for charter school applications that do not

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**DEFINING PERFORMANCE TIERS TO DIFFERENTIATE AMONG LEVELS OF SCHOOL QUALITY**

NACSA’s Core Performance Framework and Guidance (pages 36-40) thoroughly describes how authorizers could develop performance tiers based on academic performance aggregated across five indicators:

1. **State and Federal Accountability.** The framework includes references to existing state and federal accountability measures and targets.

2. **Student Progress Over Time (Academic Growth).** Growth models measure how much students learn and improve over the course of a school year or multiple years.

3. **Student Achievement (Academic Status).** The student achievement indicator focuses on the percentage of students meeting absolute standards for proficiency on state assessments.

4. **Post-Secondary Readiness (for High Schools).** This indicator examines how well a school’s students are prepared for college or employment after graduation.

5. **Mission-Specific Goals.** The framework allows for inclusion of school-specific measures of academic outcomes that are agreed upon by individual schools and authorizers.

NACSA suggests four categories of academic performance: Exceeds Standard, Meets Standard, Does Not Meet Standard, and Falls Far Below Standard. Authorizers in several states have adopted comparable performance tier methodologies that provide the foundation for performance-based differentiation of policies and practices.
include consideration of existing charter operators’ past performance, which deters authorizers from seeking and considering such data in deciding whether to approve more schools for an existing operator. A better approach would be to explicitly direct authorizers to consider past performance in school replication decision making, and encourage differentiated practices based on demonstrated performance (i.e., make it one of the explicit application requirements).

**Develop authorizer capacity to differentiate.**

Authorizers need to be properly equipped with analytic tools and human capital to gather relevant data, rigorously assess charters, and identify high performers.

- **Standardize Data Collection:** Gathering sufficient, relevant data for differentiation starts with tools used in the application process. Authorizers could develop similar or comparable application procedures and materials across jurisdictions (both within and across states) to enable the collection of consistent, relevant data and inform performance-based authorizing decisions. NACSA's Core Replication Resources incorporate criteria for comparisons across jurisdictions and states, and are designed to help authorizers anywhere develop application procedures and requirements that meet NACSA’s quality standards for authorizing.

- **Build Analytic Capacity:** It is important for authorizers to possess sufficient capacity and expertise to gather and analyze data to differentiate among school performance levels. Authorizers should be prepared to evaluate performance data from other states in assessing a charter operator’s performance record and capacity to replicate schools successfully.

States should also recognize that conducting strong due diligence and building advanced analytic capacity can be particularly challenging for small authorizers. State education agencies can provide technical assistance and pool resources to build shared capacity for evaluating schools and networks from both within and outside the state.

**Build system capacity to cultivate and support high-performing individual schools and networks**

Policymakers help high-performing operators serve more children by strengthening authorizer quality, minimizing the impact of charter caps, and encouraging targeted investments that build the sector’s overall capacity to grow and support high-performing schools.

**POLICY #2: Build a statewide community of authorizers committed to scaling quality.**

To scale up a sector of high-quality charter schools, states need strong authorizers who are committed to replicating successful charter schools and networks and rapidly replacing schools that chronically underperform.

- **Establish state standards for charter authorizer quality that incorporate replication policies and practices that differentiate based on performance.** NACSA's Principles & Standards for Quality Charter School Authorizing provides essential guidance for quality authorizer practices regarding school replication. Eleven states have formally adopted NACSA standards on quality replication within their charter law. States should also establish mechanisms to evaluate authorizer adherence to quality practices, and in states with multiple authorizers, to apply sanctions to authorizers that fail to meet standards.

- **Establish statewide Independent Charter Boards (ICBs) and at least one other authorizing entity.** The Model Law created by the National Alliance for Public Charter Schools (NAPCS) and NACSA policy guides recommend that at least one statewide authorizer operate in addition to local authorizing agencies. By establishing an effective, statewide authorizing entity, charter schools replicating within a state have an alternative to local authorizing districts, and a mechanism to efficiently plan and implement school growth plans that cross district authorizing jurisdictions. NACSA’s guidance on Statewide Alternative Authorizers provides a framework for ensuring that charter applicants in all jurisdictions have access to a high-quality authorizer.

- **Encourage the ICB, or other statewide authorizing entity, to establish authorization policies that promote replication of high-quality charters and promote these practices as a model for other authorizers in the state.** Independent charter boards can collect and disseminate best practices regarding replication of high performers along with other policies geared toward building and maintaining a robust charter sector. The Colorado Department of Education has actively promoted best practices among the state's authorizers by developing a common set of charter application resources, including an application review rubric and a sample charter contract template. Tennessee provides similar
POLICY #3: Remove or modify charter caps that limit replication of high-performing charter schools within a state or locality.

Charter caps are an obstacle to replicating high-quality charter schools. Charter schools in Boston, Massachusetts represent one of the highest-performing charter sectors in the nation, but statutory caps and spending limits restrict growth of the sector to meet demand.

In states where removing the charter cap is not politically feasible, policymakers should work to modify existing caps so they permit growth based on quality. Examples of modified charter caps include:

» Connecticut: State law allows the state board to waive cap restrictions for charters with a demonstrated record of achievement.

» Texas: Existing charter holders are allowed to create new schools that do not count against the cap if their existing schools meet certain performance standards.

» Massachusetts: While the state does impose caps, there are exceptions to allow additional growth in districts performing in the lowest 10% statewide, spots that are reserved for the replication of high-performing schools. These exceptions, however, do not permit enough growth to accommodate the thousands of students on charter school waiting lists, thus limiting the expansion of many high-performing charter networks that are prepared to serve more students within the state.

» Arkansas: State law allows high-performing open-enrollment charter schools to petition the state board of education for additional sites that do not count against the cap.

POLICY #4: Invest in charter network incubation and accelerator funds to promote the creation and replication of high-performing charter schools and networks.

High-performing charter schools must make significant investments in organizational systems and infrastructure to effectively develop and implement growth plans. Policymakers can promote the growth of local high-performing charter schools and attract high-performing national and regional charter networks by providing growth capital for charter school replication.
Facilitate replication of high performers by reducing obstacles and adding supports

States can accelerate high-quality growth by reducing barriers to expansion and prioritizing resources, such as facilities, for the highest-performing schools and networks. The following policy recommendations highlight differentiated authorization practices that, if applied to high-performing charter operators, would accelerate the shift toward excellence. These policies should be implemented in a manner that does not delay or discourage the approval of strong applications for non-networked start-up schools that are likely to succeed.

POLICY #5: Differentiate and streamline application, renewal, and replication processes for high-quality charter schools and networks.

Initial charter application, renewal, and replication are all separate decision points that require distinct criteria and distinct processes. Policymakers and authorizers should establish differentiated criteria and processes for the renewal and replication of high-performing charter schools that focus on the unique considerations associated with different types of schools and operators with diverse histories and goals. The primary objectives of these differentiated processes should be to maintain high standards while evaluating information that is appropriate and important for each type of decision. For replication decisions, for example, this means focusing on evaluating the operator’s performance record, growth plan, and capacity to replicate schools successfully.

Modify charter laws and authorize practices to differentiate renewal processes based on performance. State legislators should modify their charter law to differentiate renewal processes for high performers. For example, state policy should offer a strong presumption of renewal for top-tier operators, assuming these operators have been identified by a strong performance framework and robust performance evaluation system. This places a high burden of proof for non-renewal on the authorizer and reduces the politicization of renewal decisions. Renewal decisions should still require an affirmative decision by the authorizer that articulates why the school merits renewal – i.e., renewal should not occur by default or authorizer inaction.

Texas's charter law empowers the state education commissioner to implement a three-tiered renewal system. Expedited renewals are offered to charters that, in the three preceding years, earned academic ratings in the top two categories, closed any campuses receiving the lowest academic rating, and received acceptable financial ratings. Charters not meeting these criteria are eligible for discretionary renewal based on performance framework evaluations. Renewals are automatically denied without appeal for charters with
the lowest academic performance rating or unsatisfactory financial ratings, or those that open campuses with the lowest performance rating.\textsuperscript{28}

Delaware’s charter law is less specific than Texas, but allows authorizers to grant extended, ten-year renewals for charter schools that have “demonstrated an outstanding record of performance,” while preserving authorizer authority to review performance at the five-year mid-point to validate alignment with renewal standards.\textsuperscript{29}

New York’s charter law is silent on the issue of differentiated renewal, but the State University of New York (SUNY), the largest authorizer in the state, differentiates renewal terms based on the school’s track record in meeting its academic accountability plan goals and the effectiveness of its educational program. In the initial renewal decision, SUNY may offer a full-term renewal of five years, a short-term renewal of three years, a renewal with conditions, or a non-renewal. In subsequent renewal decisions, SUNY places greater emphasis on academic outcomes, in keeping with the increased quantity and quality of student achievement data available for the school.\textsuperscript{30}

The Colorado Charter School Institute (CSI) offers a renewal application\textsuperscript{31} that is differentiated based on a charter’s rating on the state’s accountability system. CSI also permits “Distinction Schools” (those performing in the top third of all schools in the state) to respond to a simple one-page application, while requiring lower-performing schools to submit an extensive range of supplemental materials that address academic, operational, and financial performance.

**Synchronize renewal cycles.** Charter networks that operate multiple schools under separate charter contracts must often participate in an annual cycle of renewal applications as one or more charters reach their renewal time each year. To reduce the administrative burden on the charter network and authorizer, state charter laws and authorizer policies should provide mechanisms for authorizers to place schools within a charter network on the same renewal cycle. States have accomplished this result through different policy approaches, ranging from charter consolidation to group or “umbrella” charters. New York and Texas charter laws allow consolidation of multiple contracts under a single charter for multiple schools, while maintaining mechanisms for school-level accountability.\textsuperscript{32} In Georgia, six KIPP Atlanta schools were recently allowed to organize as a cluster to enable more efficient operations, including the synchronization of their renewal cycles.\textsuperscript{33}

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**NACSA’S CORE REPLICATION APPLICATION ADDENDUM**

**NACSA’s Core Replication Application Addendum** recommends that authorizers require additional information about the replication applicant’s:

- Vision, growth plan, and financial and organizational capacity to open and operate high-quality schools
- Approach to network management, including the composition of the leadership team
- Plan for providing centralized support services and making decisions with respect to key functions, including curriculum, professional development, culture, and staffing
- Network governance and legal status, including compliance with applicable statutory and authorizer requirements for composition of charter school governing boards
- Leadership pipeline, network-wide staffing needs, and school staff structure
- Network’s performance management approach and procedures for managing underperforming schools

*Source: NACSA Core Replication Application Addendum: [http://nacsa.mycrowdwisdom.com/idweb/catalog/item/id/77026/q/n=1&c=82&t=2209]*

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Develop differentiated charter application processes for replicating charter schools and networks. Authorizers must consider a different set of factors in evaluating applications from high-performing operators to replicate schools. Unlike charter start-up application evaluations that are designed to assess a new organization’s ability to design, open, and operate a new school model, replication evaluations need to analyze the financial and organizational capacity of an existing organization to operate proven academic models in new settings and with different or expanded student populations, and to manage proposed growth while maintaining quality in existing schools. As articulated in its Principles & Standards for Quality Charter School Authorizing and other publications, NACSA highlights the importance of differentiating proposal requirements and evaluation criteria for new versus replicating charter applications and identifies specific criteria for replicators.  

CSGF has developed a rigorous and comprehensive process for assessing network performance and the capacity of new and existing CMOs to replicate. This model can be useful for authorizers in evaluating replication proposals and capacity. In addition to assessing academic, financial, and operational strength, CSGF evaluates the school operator’s ability to replicate success. For example, CSGF considers the organization’s leadership capacity, board depth, ability to develop human capital pipelines, strength of academic model, access to potential facilities over time, and political and financial support for new school growth plans.

POLICY #6: Establish policies that allow authorizers to approve high-performing charter schools and networks to open multiple schools over time.

To accelerate the pace of charter school replication and to allow high-quality charter networks to plan and implement long-term growth plans, charter operators need the ability to apply for and receive authorization to open multiple schools over a multi-year timeframe. Such multi-year, multi-school authorization can be structured as pre-approvals and should be contingent on continued strong academic, organizational, and financial performance of the network and individual schools.

Review the charter law. Authorizers should review their state’s charter school law to assess whether it prohibits the approval of multiple schools over time. Where necessary, legislators should modify the law to allow authorizers to pre-approve multiple school openings through a consolidated application process. Tennessee’s charter law allows a single charter organization to apply to open multiple schools with separate charter agreements, and gives authorizers the authority to approve all or a subset of the proposed new school openings.

Develop a comprehensive application packet and evaluation process specifically for proposals to open multiple schools. Charter laws should explicitly encourage authorizers to develop a comprehensive application process designed to facilitate replication by quality charter networks over time. A thorough replication application (see BOX above, “NACSA’s Core Replication Application Addendum”) should also address criteria for opening multiple schools over time.

In Tennessee, this objective is accomplished through a “Replication Application Supplement” that permits an existing charter school organization to propose opening one or more schools. The replication supplement requires the applicant to provide information about the broader charter network/organization and is designed to “reduce duplication of effort for [applicants] and authorizers, and allows authorizers to see both the school and network capacity of an [applicant] proposing to operate multiple schools.” Louisiana employs a similar process with an addendum to the state charter application, which allows high-performing charter schools to apply for multiple school openings with a single application. Applicants seeking approval for multiple schools must include their growth plan, a scale strategy, and an explanation of the anticipated risks and associated contingency plans.

Ensure that advance authority (or pre-approval) to open additional schools is contingent on strong performance and capacity. Facilitating charter replication and expansion is crucial for reaching more students, but ensuring quality scale-up requires continued scrutiny of student performance and capacity for replication applicants. Replication pre-approvals must include stipulations that operators meet specified performance targets and demonstrate the financial and organizational capacity to open strong new schools while maintaining success in existing schools. Tennessee’s rubric for evaluating replication applications includes an assessment of the applicant’s Performance Management Plan which addresses school and network performance over the charter term, corrective actions if falling short of specified goals, and periodic evaluation of continued growth and replication based on network performance. When approving more than one school to open over multiple years, Denver Public Schools retains the authority to halt the opening of future schools by including performance conditions in its approval resolutions.
**POLICY #7: Facilitate charter school governance structures that can efficiently and effectively operate multiple schools or campuses and fulfill public accountability functions.**

State policymakers and authorizers should permit successful charter operators to establish single governing boards to oversee the operation and expansion of multiple schools in a state. This can be important for replicating and sustaining the success of an expanding charter network because it facilitates consistency of programs across schools, and reduces the complexity and administrative burden of operating a high-performing network of schools. We acknowledge that there is a tension between the benefits of single-board governance and the value of local, school-based governance models that have been an element of the charter sector movement, providing opportunities for parents and community members to participate directly and actively in school governance. The challenge for authorizers and replicating networks is to facilitate single-board governance while preserving the spirit of parental choice, transparency, school-based accountability, and flexibility that are critical principles of charter school public governance.

Charter school boards play a critical role in overseeing the academic, financial, and operational performance of schools, holding management accountable, ensuring compliance with applicable laws, and establishing and maintaining a steadfast commitment to the vision and mission of the organization. The optimal organizational structure to facilitate single-board governance for multiple schools will vary depending on each state’s charter law and the structure of the particular charter network, but the following principles of public school governance should guide what structures are supported by charter laws and authorizer practices:

- **School-level accountability:** Governing boards should track and be held accountable for the academic, financial, and organizational performance of individual schools. While allowing multiple schools to operate under a single charter is an effective means to promote high-quality growth, the ability of authorizers to close or not renew individual schools (severing them from the network) is essential for maintaining quality standards.

- **Community access and input:** Community access is a two-way street, giving school families and community members opportunities to voice concerns and opinions to the board, while enabling board members to collect input and insights from the communities they serve. Community access facilitates active and informed governance oversight and gives boards a degree of political and social awareness about local community conditions that can be critical to the success and sustainability of a school. Ensuring community access can be more challenging as a charter network expands and the charter board becomes responsible for oversight of multiple schools across different communities. As a charter network expands to a large scale, it may become impractical for the board to include members from every school community. Charter networks must develop governance and management mechanisms that are appropriate for the school and network’s mission and local context, and that facilitate meaningful community access and engagement. Some charter networks have accomplished this by establishing local, school-based advisory groups that may be responsible for evaluating school academic, operational, and financial health and for reviewing and providing feedback on board decisions and policies that affect their school. In all cases, school communities within a charter network should have ready access to information on board membership, meetings, and minutes, including opportunities for in-person or virtual participation in live board meetings, and a clear mechanism to bring concerns to the school’s board and its authorizer.

- **Conflicts of interest:** Governing boards should be free of conflicts of interest in the management of multiple schools, such as conflicts arising from network- or school-level management contracts, and any conflicts that may favor preferential treatment for individual schools within the network.
Single governing boards for multiple schools is a new practice for some states and authorizers, and the practices are likely to evolve as authorizers and charter school networks implement different strategies that fit the context of state charter laws and charter network organizational structures. The challenge for policymakers is to establish policies that allow for single-board governance while upholding these principles. The table below highlights some of the unique challenges posed by common governance structures used to manage multiple schools.

This policy goal is more easily managed for charter networks within a single state or authorizing jurisdiction, where schools are established under a common charter law, receive similar revenue sources, and may operate within similar political and social environments. Policymakers should also consider how to enable high-performing charter networks to expand across states without undue administrative burden or fragmentation of governance structures, while maintaining high standards for effective governance. See BOX on “Cross-State Governance,” opposite page.

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<thead>
<tr>
<th>COMMON GOVERNANCE MODELS FOR CHARTER NETWORKS</th>
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<tr>
<td><strong>Principles for Public School Governance</strong></td>
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<tr>
<td>Single board, multi-campus, single charter</td>
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<td>Single network board, multi-campus, holding multiple charters</td>
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<td>Network board and independent boards for multiple schools / charters</td>
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<th><strong>School-level Accountability</strong></th>
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<td>Requires special reporting to differentiate among performance across schools; authorizers may need special provisions to close campuses within a single charter</td>
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<td>Schools are independent charters/entities with separate reporting requirements; school closure facilitated by non-renewal or revocation of charter</td>
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<tr>
<td>Schools are independent charters/entities with separate reporting requirements; school closure facilitated by non-renewal or revocation of charter; additionally, network-level board plays accountability role for local school boards</td>
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<th><strong>Community Access and Input</strong></th>
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<tr>
<td>Community access to meetings and board members is more challenging with geographic expansion; may require local school council structure as network expands; single charter results in lump sum payment for all students across campuses; need internal network reporting to differentiate among expenditures across schools</td>
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<tr>
<td>Community access to meetings and board members is more challenging with geographic expansion; may require local school council structure as network expands; easier to ensure transparency of finances since schools operate under separate charters; need transparency in how shared services are provided across schools</td>
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<tr>
<td>Local boards facilitate easier access for local school community; requires transparency in fees and service levels if network-level board oversees shared service functions (CMO)</td>
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<tr>
<th><strong>Conflicts of Interest</strong></th>
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<tr>
<td>As network expands from single to multiple schools, board member affiliation with individual schools must be balanced with affiliation with overall network</td>
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<tr>
<td>Network board members must be focused on quality of network/CMO services and policies that promote effective governance across local boards; need clearly defined relationship between network and local boards.</td>
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AS HIGH-PERFORMING CHARTER NETWORKS are increasingly recruited to open new schools and operate across state lines, legislators should evaluate existing statutory provisions that influence the effectiveness and efficiency of cross-state governance. Open-meeting laws and local board membership requirements have significant repercussions for networks managing schools in multiple states. Policies on cross-state governance are evolving, and lessons on the advantages and unintended limitations of different approaches are only beginning to emerge. For this reason, NACSA and CSGF do not endorse a specific approach, but encourage state policymakers and authorizers to consider revisions to charter law provisions and authorizer practices that preserve the important principles of public school governance while creating a policy environment that facilitates expansion of high-quality networks across states. We believe that there may be good models in other sectors where organizations are regulated and run effectively and efficiently across states, such as health care and insurance, that might be informative to policymakers and authorizers.

Aspire Public Schools is a non-profit network of 37 high-performing public charter schools operating in 11 different communities (with separate authorizers) and in two states (California and Tennessee). Based on the most recent California State Academic Performance Index (API), Aspire is the highest-performing network or district in the state serving a majority low-income population. Each Aspire school in both California and Tennessee is governed by Aspire’s national board of directors, but each school establishes an Advisory School Council (ASC) with decision-making authority over site-based decisions, including disciplinary and safety issues, parental concerns, and budget priorities.

The Aspire governance model for its Tennessee expansion was feasible only as a result of recent amendments to Tennessee’s charter law that recognize “charter management organizations,” defined as a “nonprofit entity that operates multiple charter schools, at least one (1) of which is in Tennessee.” The law allows CMOs to satisfy the requirement of parent governance representation by establishing “advisory school councils” that include parent and staff representation.

Uncommon Schools is a high-performing non-profit network of 38 schools operating in three states with a mission to close the achievement gap and prepare low-income students to graduate from college. Most of the schools in the Uncommon network are outperforming state averages on standardized tests by 6th grade, and have reversed the achievement gap with white students in the state. Students who remain with Uncommon through high school dramatically outperform the state on their state assessments as well as close the achievement gap on the SAT.

Uncommon has distinct networks of schools in four separate regions (New York City, Upstate New York, New Jersey, and Massachusetts), with all the schools supported by a central, NY-based office and regional, city-based teams. Uncommon has a management contract with each of the schools that it operates and supports across its network. Uncommon’s CMO board interacts with separate boards within each region, who in turn oversee schools within that region. As of today, there are still some single-school boards in the New York region, but this is increasingly the exception rather than the rule across the network.

The national non-profit network of KIPP charter schools currently includes 141 schools operating in 20 states and the District of Columbia. More than 86 percent of KIPP students are from low-income families. Independent studies have demonstrated that KIPP schools have a positive and statistically significant impact on student achievement, and alumni of KIPP schools are graduating from college at rates that exceed national averages and are approximately four times the rates of their low-income peers. The majority of schools in the KIPP network operate within “regions” – multiple schools supported by a central office, governed by a common local board, and led by a local Executive Director. The regions have independent governing boards and are independent of the national network, but receive the benefits of the KIPP “brand” and national network services by adhering to a core set of operating principles and common standards for school quality. KIPP’s approach does not require a cross-state governance model, but does require significant capacity at the local, regional level to build effective governance and management teams, and results in “looser” control of network growth and operations.
POLICY #8: Prioritize additional resources and reduce administrative burdens for high-performing charter schools and networks.

It is important to preface this policy recommendation with a reiteration of the fundamental requirements for a properly functioning charter sector. First, all charters should be entitled to operate as fiscally and legally autonomous schools with independent charter school boards and automatic exemptions from many state and district laws and regulations. Second, all charters should receive a base level of per-pupil funding that is equivalent to traditional public schools. This policy recommendation relates to incentives or rewards beyond those core entitlements that could encourage the sustainability and growth of high-performing schools and networks.

While existing funding policies for public schools often target resources to improve low performers, research on charter sector quality provides evidence that low-performing schools typically remain low-performing over time, and high performers are more likely to maintain excellence over time and through replication. This trend supports a strategy of prioritizing additional (bonus) funds to support the replication of high performers as the most efficient way to scale up excellent charter schools to serve a dramatically greater number of children.

Establish competitive grant programs that provide additional funding for high-performing charter schools and networks.

State education agencies could set aside funds to subsidize facilities or start-up costs to encourage high performers to replicate or expand. For example, Delaware has created a $5 million “Charter School Performance Fund.” Eligibility is based on the charter’s track record of success as measured by a performance framework established by the charter school’s authorizer, and preference is given to charters seeking to serve greater numbers of high-need students. The legislation was enacted in June 2013, so more time is needed to determine how effective this program is in encouraging replication, but the policy is promising.

Prioritize facilities access and facilities financing for high-performing schools. The NAPCS Model Law focuses on equitable access to capital funding and facilities across charter and traditional public schools, but does not specifically address preferential access for high performers. State policies should improve facility access for high performers, including provisions that prioritize access for operators providing high-quality options for the most underserved student populations. Authorizers should establish a competitive and rigorous process that gives equal opportunities for high-quality start-up, stand-alone, and networked schools alike to participate.

Georgia and Connecticut award facilities funding through competitive grant processes. Georgia provides a per-pupil, needs-based capital funding program that is distributed through a competitive grant process. Connecticut has provided $20 million in bond financing to support charter school facilities, also disbursed through a competitive application process. In addition, Connecticut creates incentives for school districts to enter voluntary agreements with high-performing charter schools to provide material support, including the use of district facilities. Several states offer low- or no-cost facility leases to charters, a policy that could be modified to give preference to high performers.

Identify additional autonomous charter schools. As discussed above, state charter laws should allow ALL charter schools to operate as autonomous schools with broad exemptions from all but essential state and district laws and regulations. However, states that still require charter schools to apply for waivers from district and state laws through the initial charter application process should allow high-performing charter schools to seek additional waivers, as allowed by statutory regulations. For example, in a state where employing uncertified teachers is politically impossible to enact statewide, high-performing schools might be allowed such flexibility. To the extent that charter laws or authorizers do not provide any mechanism for charters to control key functions such as budget, staff, and the use of time, those policies should change to provide the required essential autonomy for all charter schools.

Reduce frequency and intensity of authorizer monitoring and compliance activities. Based on charter performance records, authorizers can adopt protocols for reducing the administrative burden imposed by periodic reporting requirements. The Colorado Charter School Institute (CSI) differentiates among renewal tracks based on the school’s prior-year accreditation level with a streamlined renewal application for “Performance with Distinction” schools, defined as those achieving performance in the top third of all schools statewide. Delaware provides authorizers the option to grant ten-year renewal terms for schools that demonstrate “an outstanding record of performance.” Other authorizers conduct less frequent or less intensive site visits and/or reduce the frequency of financial and other compliance monitoring for proven performers. Some authorizers require less frequent financial or compliance reporting for proven performers, or conduct less frequent or less intensive site visits based on the
school’s performance, while maintaining adequate oversight for all.

**Ensure that state-administered federal charter school start-up funding (CSP) funding is available to replication schools.** Eighteen states and the District of Columbia have received funds under the federal Charter Schools Program state education agency grant program. In 2012, for example, three states were awarded more than $54.8 million through this competitive grant program to distribute to new charter schools to assist them in planning, program design, and initial implementation. However, federal CSP requirements stipulate that eligible schools must open under new, individual charters, thus prohibiting start-up funding for multiple-school openings under a single charter.

Federal law or policy should be changed to support replication of high-performing schools to the same extent as other new schools. The CSP *one school, one charter* grant requirement should be modified to allow states to fund replicating schools, regardless of whether the new school is established under a separate charter. Alternatively, the criteria for distributing CSP “dissemination grants” should be expanded to provide start-up funding for new schools opened under an existing charter.

**Accelerate Closure of Low Performers**

State policymakers and charter authorizers must adopt policies and practices that accelerate the closure of low-performing schools. School closure has the dual effect of improving the overall quality of the sector (by removing the lowest performers), and increasing the sector’s capacity to replicate high-performing schools by reinforcing public trust in charter accountability systems and freeing up resources for the growth of high-performing charter schools. In situations where authorizers are unwilling or unable to close schools, the state education agency or statewide authorizing entity needs the capacity and authority to intervene.

**POLICY #9: Adopt legislation that establishes a process for automatic (default) closure of underperforming charter schools.**

States should adopt legislation that establishes a process for automatic closure or non-renewal of underperforming charter schools. Schools performing below this threshold at the time of renewal, or that remain below this level for a certain amount of time, should automatically face closure, absent authorizer actions to prevent closure in exceptional cases (which the authorizer should be required to justify). NACSA has developed authorizer guidelines for closing failing charter schools. Effective closure policies and processes begin with the identification of the minimum acceptable performance threshold for charter schools. Default closure policies are articulated in NACSA guidelines for school closure, and should include the following:

- How many years of poor performance will trigger closure
- How badly a school must perform to face closure
- What entity should have the discretion to make exceptions and how to structure any waiver process
- What special provisions might apply for “alternative” charters whose success may not be reflected in conventional accountability measures

Some states have already adopted legislation providing for default charter school closure. In Ohio, schools are closed automatically if they fall below certain standards that vary depending on the grades the school serves. In Florida, the authorizer must terminate the charter if the school earns two consecutive grades of “F.” In Indiana, the state must revoke the charter if the school receives an “F” for three consecutive years.

The state charter law should also provide a mechanism to hold authorizers accountable for decisions to renew schools identified for default closure, including sanctions and interventions for authorizers that fail to uphold high accountability standards for renewal and closure. Indiana’s charter law specifies that authorizers may be required to appear at a hearing.
conducted by the state board if the authorizer has renewed or failed to close a charter school that does not meet the minimum standards in the charter agreement. In those cases, the state board retains the authority to transfer the sponsorship of the charter school to the state charter board or order the closure of the charter school.

**POLICY #10: Establish policies and processes that allow high-performing charter schools and networks to replicate as part of a charter “restart” strategy.**

Authorizers can accelerate improvement in the overall quality of the charter sector by “restarting” low-performing charter schools: transitioning the charter – and responsibility for governance and school management – to a high-performing charter school or network, while maintaining the existing population of students. While this strategy is also intended to accelerate the closure of low-performing schools, it simultaneously expands options for high-performing charter schools to replicate within communities. In communities where high-quality charter replication is constrained by access to facilities and charter caps, charter restarts provide a mechanism to transfer the charter and underlying charter assets (facility, equipment, instructional materials, etc.). This may significantly reduce start-up costs typically associated with school replication and minimize disruption to students and communities.

Lack of such a process disadvantages high-performing schools and networks seeking to take over underperforming schools. Restarting a charter school with a high-performing operator may be a challenging strategy that requires the state board to actively manage the restart process and work closely with the charter school to ensure a smooth transition. In this context, states can institute procedures to actively manage restarts by establishing:

- An application process for high-performing charter schools/networks to replicate through charter restarts
- Transparent and rigorous processes that allow authorizers to evaluate and approve restart plans submitted
- A clear and comprehensive process for implementing the restart once a plan is approved
- A clearly articulated legal framework for the transfer of school assets, liabilities, and contracts through the restart process

Louisiana’s charter law has established a distinct pathway and application process for high-performing charter operators to replicate as a “Type 5” charter school in order to take over, or “restart”, a charter school that is authorized by the Recovery School District. Delaware’s charter law allows for expedited review and approval of applications from highly successful charter schools applying to take over a failing charter school that has been identified for non-renewal or whose board has agreed to relinquish its charter. While there are multiple challenges associated with charter restarts vs. new school openings, there are a growing number of successful charter restart examples in multiple states.

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**CHARTER RESTARTS**

**CHARTER SCHOOL RESTARTS** represent a relatively new strategy for intervening in charter schools when performance does not meet expectations—not just as a last-ditch effort to avoid closure, but as a proactive strategy that responsible school governing boards and authorizers can initiate when the conditions are right. In a charter restart, the school’s operator and governance (board) change, while the school continues to serve the same students.

Among their potential benefits, charter school restarts:

- Provide a high-quality school option for all children attending the charter school
- Increase the overall quality and positive impact of the charter sector by replacing weak schools with strong ones
- Honor the commitment charter schools make to public school accountability
- Minimize disruption to students and families attending the school
- Provide an opportunity for successful operators to replicate their success
Conclusion

The policy recommendations in this report provide a roadmap for systematically improving the quality of the charter sector. By differentiating among charter operators based on performance levels, building system capacity to cultivate and support high-performing schools and networks, reducing barriers and adding support to facilitate quality replication, and accelerating the closure of low-performing schools, the charter sector can create excellent educational opportunities for a dramatically greater number of children.

Acknowledgements

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Endnotes


5 http://nces.ed.gov/programs/digest/d12/tables/dt12_036.asp

6 Total enrollment adjusted to exclude approximately 3 million public pre-school enrollees.


8 For more information, see: http://catalog.charterschoolcenter.org/authorizer/denver-

9 Charter and the individual campuses receive accountability ratings.

10 Both the charter and the individual campuses receive accountability ratings.

11 For more information on renewals, see: http://dashboard.publiccharters.org/display/authorizer/Renewals

12 For more information on SUNY, see: http://www.suny.edu/Board_of_Trustees/webcastdocs/LegislativeReviewHistoryofSUNYAuthorizing.pdf

13 The Delaware law states that renewal decisions must be based on the performance framework and that authorizing agencies may choose to adopt the criteria used by the Department of Education. The law goes on to state that “Each approving authority shall develop a rubric based on its criteria for evaluating renewal applications and shall provide this rubric to applicants as part of the renewal application guidance.” Delaware State Law Title 14 § 514A (e) http://delcode.delaware.gov/title14c05/index.shtml

14 For more information on Texas legislation, see: http://legiscan.com/TX/text/SB2/2013


16 For more information, see: http://www.qualitycharters.org/assets/files/images/stories/publications/Principles_Standards_Updated%20111313.pdf

17 AR, CA, DE, FL, HI, MI, MN, OK, TX, UT, WA. For more information see: http://www.qualitycharters.org/assets/files/images/stories/pdfs/policy/Endorse_Apply_Authorizer_Standards_Updated%20111313.pdf

18 The NAPCS Model Law is available online at: http://www.publiccharters.org/law/

19 For more information on Texas legislation, see: http://legiscan.com/TX/text/SB2/2013


23 For more information see: http://www.qualitycharters.org/assets/files/images/Statewide_Authorizers.pdf

24 For more information, see: http://www.publiccharters.org/law/ViewState.aspx?state=CT

25 For more information, see: http://www.publiccharters.org/law/ViewState.aspx?state=MA

26 For more information, see: http://www.publiccharters.org/law/ViewState.aspx?state=AR


28 For more information, see: http://legiscan.com/TX/text/SB2/2013

29 Texas Education Code 12.101 (b-3) states that the commissioner may consolidate charters for an open-enrollment charter school held by multiple charter holders into a single charter holder by a single charter holder with the written consent of each charter holder affected. Both the charter and the individual campuses receive accountability ratings.

For more information, see: http://chartergrowthfund.org/what-we-do/our-investment-approach

For more information, see: http://nacsa.mycrowdwisdom.com/diweb/catalog/item/id/77031/si=n&c=82&q=core*20application*20addendum&t=2009

For more information, see: https://www.tn.gov/education/fedprog/Charter_Schools_FAQs.shtml

For more information, see: https://www.tn.gov/education/fedprog/doc/TN_CS_Replication_Supplement_2014.docx

For more information, see: http://www.louisianabelieves.com/docs/school-choice/charter-school-application.pdf?sfvrsn=6


For more information, see: http://uncommonschools.org/results-for-charter-schools

For more information see: http://www.kipp.org/results/mathematica-study/mathematica-2013-report

For more information see: http://www.kipp.org/about-kipp


Delaware State Law Title 14 § 514A; http://delcode.delaware.gov/title14/c005/index.shtml

AZ, AR, CA, CO, DC, FL, GA, IN, MA, MI, MN, NH, NJ, NY, RI, SC, TN, TX, WI. http://www2.ed.gov/about/offices/list/osfip/charters/index.html

MN ($28.23 million), NJ ($14.47 million), and MA ($12.12 million). For more information, see: http://www2.ed.gov/programs/charter2012/awards.html

For more information, see: http://www2.ed.gov/policy/elsec/guid/cschools/cguidedec2000.pdf


For more information, see: http://www2.ed.gov/programs/charteroffice/charter/replication solicitud.html

Delaware State Law Title 14 § 514A; http://delcode.delaware.gov/title14/c005/index.shtml

For more information, see: http://www2.ed.gov/policy/elsec/guid/cschools/cguidedec.html


For more information, see: http://www2.ed.gov/policy/elsec/guid/cschools/cguidedec2000.pdf