

CREATING HIGHER EDUCATION INSTITUTION AUTHORIZERS

WHY AUTHORIZING MATTERS

Good charter school policy must be part of the solution to address our public education system's greatest problem: too many children lack access to a transformative education. Getting authorizing policy right is critical because good authorizing has the power to transform the lives of not just a few children, but millions.

When done well, authorizing is a catalyst for charter school quality and growth. Unfortunately, the quality of charter laws and authorizing institutions varies across the country, leading to uneven charter availability and quality.

NACSA's policy resources provide information that helps stakeholders understand common authorizing issues and increase the number of high-quality schools available to their students.

THE ISSUE IN BRIEF

Quality authorizing is the backbone of successful charter schools. Good authorizers—those with strong portfolios of charter schools—are creating better educational opportunities for students across the country.

While the quality of authorizing is more important than the quantity, the number of authorizers in a given jurisdiction or state matters: experience shows that the presence of multiple authorizers can strengthen a state's charter school sector. While NACSA strongly recommends the presence of multiple authorizers, an authorizing structure only works if it creates a quality chartering ecosystem that produces more good schools for children.

As an alternative to local school districts or the state education agency, state policymakers often consider creating Higher Education Institution (HEI) authorizers. Some of the nation's best authorizers are colleges or universities, but some state policies have unintentionally allowed low-quality HEI authorizers to enter and negatively impact a state's charter sector. Higher education institutions can, under well-designed policies, become part of a state strategy to give more students access to quality charter schools.

NACSA RECOMMENDS

Policymakers and higher education leadership considering creating Higher Education Institution authorizers in their state should:

1. Determine if there is at least one college or university interested in becoming a high-quality charter school authorizer;
2. Have a rigorous process for identifying and selecting authorizers that includes an authorizer application;
3. Articulate standards and requirements for all authorizers, including HEIs;
4. Build in oversight and accountability;
5. Ensure there is sufficient funding to execute authorizing functions.

OVERVIEW: HEI AUTHORIZERS

The HEI authorizing sector varies significantly from state to state. As of 2018, higher education institutions authorize charter schools in a dozen states, and they have statutory authority to authorize charter schools in five additional states but are not actively doing so.

Nationally, HEI authorizers differ considerably in structure, size, and quality. Structurally, state laws differ in the types of HEIs they permit to authorize schools. Of the 12 states with active HEI authorizers, all allow public universities to serve as authorizers, while only a handful of states allow private universities or community colleges. Several states also limit HEI authorizing to certain geographical areas or school models, such as lab schools. A couple of states restrict HEI authorizing to schools with accredited teacher education programs.

The performance of college and university authorizers is mixed. Anecdotally, some smaller HEI authorizers have focused more on compliance than outcomes or have been reluctant to close low-performing schools. Others have facilitated authorizer shopping by granting charters to schools after other authorizers revoked their charters.

The value of higher education authorizers

- **HEIs offer an alternative, independent option for authorizing in a state:** Because of their education focus and credibility, HEIs can be an option for creating an alternative authorizer to school districts when other approaches—such as Independent Chartering Boards or State Education Agency authorizers—are not politically viable. HEI authorizers can be an important option in states where local districts are unwilling to authorize charter schools or lack capacity to do so effectively.
- **HEIs have an aligned mission:** Many HEIs have education-related missions that are aligned with the goals of high-quality authorizing, such as increasing college attainment for underrepresented students or advancing an educated populace. In Minnesota, for example, applicants to become charter authorizers,

including HEIs, must describe how chartering schools helps the organization carry out its mission.

- **HEIs contribute leadership in public education and institutional legitimacy:** HEIs are often well-known, respected organizations whose “seal of approval” may help a charter school gain community support.

Potential pitfalls of HEI authorizers, if good policies are not in place

- **There may be a lack of willing higher education authorizers.** Legislation to introduce HEI authorizers can only be successful if colleges and universities are genuinely interested in becoming authorizers. Established interests within an HEI, such as departments with ties to the state’s traditional K-12 education system or leadership or faculty with ideological opposition, may also scuttle efforts to become an authorizer.
- **HEIs may have misconceptions about the role of an authorizer.** Some HEI authorizers do not fully understand their authorizer role as distinct from other education-related functions and, as a result, become too involved in the day-to-day management of schools, particularly those that are struggling. Faculty that is focused on teacher preparation, research, or the promotion of certain educational philosophies may not be committed to quality authorizing; these concerns can be addressed by establishing an independent charter office separate from the school of education.
- **There may be financial concerns.** Colleges or universities can incorrectly perceive authorizing as a source of revenue for the institution, whether through fees or supplementary service contracts. Any fee should cover only the actual expense of authorizing; it should not generate a profit for the authorizer. In addition, separate service contracts should be transparent and executed completely separately from any agreements to charter a school.
- **A state may have too many authorizers.** Historically, in several states, the legislation that enabled the creation of HEI authorizers placed few limits on the number created. While having one or two HEI authorizers may benefit the state, the presence of too many authorizers—especially those overseeing few schools—can lead to wide variations in authorizing standards and poor achievement results for schools. Too many authorizers also creates opportunities for weak applicants or schools facing closure to “shop” until they find a lax authorizer willing to accept them. Small authorizers—those that oversee only one or two schools—often lack capacity to carry out their work effectively.
- **HEIs may have limited public oversight structures.** Once colleges or universities become authorizers, there is often limited accountability, or opportunity for public input on their authorizing, due in part to their independent governance structures. Appropriate oversight mechanisms must preserve authorizer independence and ensure HEI authorizers fulfill their obligations to the public for the schools they oversee.

Key factors in developing HEI authorizers

1. **Determine if there is a higher education institution willing to be a high-quality charter school authorizer before pursuing legislation.**
2. **Have a rigorous process for identifying and selecting HEI authorizers that includes an authorizer application.** States should define which types of HEIs are eligible to be authorizers: Public colleges and universities only? Private institutions? Community colleges? These decisions affect both the quantity and quality of HEI authorizers. The identification should be restrictive enough to avoid too many authorizers yet flexible enough to find a willing HEI partner.

States should require interested HEIs to apply to the state education agency or state board of education for approval. The approval process for authorizers should be rigorous, ensuring that prospective HEI authorizers understand their role and have the capacity to be quality authorizers.

A state should require evidence that the highest-level leadership of the HEI—such as the university chancellor or president—supports the authorizing work.

3. **Articulate standards and requirements.** States should require HEI authorizers to adopt a clear mission and standards for their role as authorizers. Although an HEI may want to give back to its community, its mission as an authorizer should focus on creating and monitoring a portfolio of high-quality charter schools.

Additionally, states should adopt national standards for all authorizers, including HEIs. Clear contracts, charter renewal criteria, and strong performance management frameworks can facilitate evidence-based, consistent decision making, regardless of who holds ultimate decision-making authority—all components of NACSA's Principles & Standards for Quality Charter School Authorizing.

4. **Build in strong oversight and accountability.** States should explicitly address HEI authorizer quality and accountability when creating them, as their independent nature makes it difficult to develop accountability structures after the fact. Authorizer quality is reflected in both the quality of their authorizing practices and the quality of the charter schools in their portfolio. A charter school authorizer oversight entity—often the state education agency or another state level agency—should monitor the performance of HEI and other authorizers, issue reports on authorizer performance, and, when necessary, sanction authorizers that fail to provide adequate oversight. Monitoring entities should require regular reporting from their authorizers and enforce standards for renewal and closure. As an added incentive, a state's overarching policies related to authorizer quality and accountability affect the quality of both HEI authorizers and other authorizers in the state.

5. **Ensure there is sufficient funding to execute authorizing functions.** University authorizers are funded in various ways, including through state budget appropriations for public HEIs, budget allocations within the larger college or university budget, or fees collected from their portfolio of charter schools. Each method has benefits and drawbacks. Budget allocations and appropriations give authorizers a set level of funding to work within but can be unreliable and vulnerable to change. Authorizers that receive funds through their larger institution’s budget could also be vulnerable in the event of a change in institutional goals or an economic downturn that reduces the university’s endowment revenues.

Authorizers that receive funding based on the number of schools approved or students served benefit from a more stable source of funding. Minnesota and Michigan, for example, allow HEI authorizers to collect an authorizing fee from the schools they oversee. This can make the role appealing to potential authorizers, but can also create perverse incentives for authorizers to renew low-performing schools or to open too many schools in order to maximize revenues.

These issues can be addressed by putting additional financial transparency mechanisms in place and/or allowing the state to establish a sliding scale for authorizer fees, which declines as the authorizer’s portfolio of schools grows, thus decreasing the financial incentive to retain failing schools. All of these financial vulnerabilities underscore the importance of ensuring that high-level leadership buys in to the authorizing mission before an HEI takes an authorizing role.

CONCLUSION

Higher education authorizers provide one option for states wishing to create a statewide charter school authorizing option when an Independent Chartering Board is not feasible. Lessons from existing, successful, high-quality HEI authorizers can be applied at the policy and implementation level to create the best foundation for success.

For more information on higher education authorizers and authorizing practices, visit the National Association of Charter School Authorizers: www.qualitycharters.org.

NACSA develops quality authorizing environments that lead to a greater number of quality charter schools.

Learn more about NACSA at www.qualitycharters.org.

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