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**Statement of Deborah McGriff**  
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**Managing Director, New Schools Venture Fund**  
**Before the House Committee on Education and the Workforce**  
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Mr. Chairman and Members of the Committee, thank you for the opportunity to appear before you today, on behalf of the National Alliance for Public Charter Schools (National Alliance). My name is Deborah McGriff, and I am Managing Director of the New Schools Venture Fund, a nonprofit firm that raises philanthropic capital and uses it to support entrepreneurs who are transforming public education. Many of the entrepreneurs we invest in are launching, replicating, and expanding networks of high-performing public charter schools. I came to New Schools after a long career as a teacher, school and district administrator, school superintendent, and leader in the private and nonprofit sectors. I am currently the Board Chair of the National Alliance for Public Charter Schools, a founder and national board member of the Black Alliance for Educational Options, and serve on the advisory board of the Program on Education Policy and Governance at Harvard's John F. Kennedy School of Government.

The National Alliance very much appreciates the leadership and commitment that Chairman Kline and Senior Democrat Miller have provided to the public charter school community over the years. As we all know, the first public charter school opened in Minnesota, and its state law is the best in the country for ensuring quality, accountability and pro-charter policies. The state of California hosts the largest number of public charter schools and students in the country, and also has one of the top laws in the country. The charter school community thanks both of you for your support.

Today, I will discuss with you the growth of charter schools, the important role that they play in American public education, and the importance of the Federal Charter Schools Program (CSP) to the growth and success of our nation's public charter schools.

**The Growth and Impact of Public Charter Schools**

In this 2013-14 school year, there are more than 6,400 public charter schools enrolling over 2.5 million students. This is an amazing development, as the charter movement began in 1992 with a single school enrolling a few hundred students. Forty-two states and the District of Columbia have now passed charter school laws, and public charter schools have become a significant presence in a growing number of communities. In fact, in 135 communities, more than 10 percent of students attend public charter schools, and in seven cities (New Orleans, Louisiana; Washington, DC; Gary, Indiana; Detroit and Flint

in Michigan, and St. Louis and Kansas City in Missouri) charter school enrollment exceeds 30 percent.

One of the original tenets of the charter school movement is to ensure the transfer of knowledge and best practices between traditional public schools and public charter schools so that everyone in public education can benefit. In the past several years, we've seen increased collaboration between public charter schools and traditional public schools that empowers teachers, parents, students, and communities. Collaboration can take shape in many forms, such as joint professional development opportunities, or a universal enrollment system.

Since 2010, these collaborations have become more formalized through grants provided by the Bill & Melinda Gates Foundation as part of its goal to foster bold collaboration between public charter and district schools. In the 20 District-Charter Collaboration Compacts cities throughout the U.S., public charter and district school leaders, teachers, superintendents, and other community partners, such as mayors, local teachers' unions, and school board members are working together to ensure all students in their communities receive a high-quality education that prepares them for college and career.

The National Alliance also works to encourage collaboration, including its co-hosting of the second National Best Cooperative Practices between Charter & Traditional Public Schools Conference (NBCP Conference). The NBCP Conference was designed to showcase examples of cooperative practices that serve as models for replications and spark ideas for how all sectors of public education can work together.

Public charter schools are also playing a significant role in transforming the education landscape in communities that previously had some of the lowest-performing schools in the nation. In the wake of Hurricane Katrina, New Orleans rebuilt by opening many public charter schools, and now a national high of 79 percent of all students attend public charter schools there. Student achievement in this large, urban district went from greatly below to on par with the statewide performance level during the five school years immediately following Hurricane Katrina. In Tennessee, public charter schools are a central component of the state's improvement plan under the Achievement School District, a turnaround effort which includes the lowest-performing schools in Memphis and Nashville.

### Student Achievement in Public Charter Schools

When the Congress first created the Charter Schools Program in 1994, public charter schools were an emerging reform effort. States and the federal government gave seed money to test the notion that student outcomes could be improved if you gave schools freedom to make school-level decisions, in exchange for greater accountability. Today, 15 of 16 "gold standard" research studies conducted on public charter school student achievement since 2010 have found that public charter schools are succeeding in their missions. The research shows that CSP investments are paying off.

Not only is the investment paying off, it is helping students who need it most. A 2013 study conducted by Stanford University's Center for Research on Educational Outcomes

(CREDO) on public charter school performance in 27 States found that charter school students are outperforming their peers in traditional public schools and closing the achievement gap between student subgroups. The study's findings were particularly impressive for students from specific demographic backgrounds: low-income students enrolled in public charter schools, regardless of race, gained 14 additional days of learning in reading and 22 days of learning in math compared to traditional school peers; English learners (ELs), regardless of race, gained 36 days of learning in reading and 36 days of learning in math by attending a public charter school.

I should point out that public charter schools are not just outperforming peers, but are top ranked on national lists of the best schools. For example, public charter schools are 28 of the 100 best American high schools as identified by the 2013 *U.S. News and World Report*, and 16 of the 25 schools on *Newsweek's* Transformative High Schools list—which looks at student achievement and socioeconomic background to identify schools that are really changing their students' lives.

Public charter schools are also going beyond turnaround efforts to pilot new instructional models and support systems that focus on college readiness and success for students from low-income backgrounds. Many networks, such as KIPP, the Denver School of Science and Technology, and YES Prep have designed college readiness programs that include formal arrangements with colleges and universities to ensure student enrollment and retention in postsecondary education.

#### Students Served by Public Charter Schools

When the charter movement began, a few skeptics forecasted that public charter schools would serve a more advantaged, less diverse student population than traditional public schools. But this has decidedly not been the case. The percentage of public charter school students of color is much higher than in non-charter schools: 56 percent of charter school students are of color, while only 38 percent of non-charter school students are of color. In addition, a higher percentage of charter school students come from low-income families: 51 percent of charter school students come from low-income families, while 48 percent of non-charter school students come from low-income families.

In the past year, there have been policy changes and new initiatives that will further enhance the capabilities of public charter schools to serve chronically underserved students. In late January 2014, the U.S. Department of Education updated its non-regulatory guidance to clarify that public charter schools may use weighted lotteries to provide a slightly better chance of admission to educationally disadvantaged students. As many research studies have found, low-income and English learning students in particular have benefitted from charter schools, and we are hopeful that public charter schools will be able to serve more of these students due to the changes in this guidance.

I would note that the public charter school sector is very diverse—in schools' instructional focus curricula, operations, missions, and across many other spectra—and performance, of course, shows variations as well. That is why it is important for States to enact and fully implement laws that truly hold charter schools accountable for performance—including closing schools that do not produce results over time. We also

need to continue efforts to identify public charter school models that enhance college readiness and completion and then support the replication and expansion of those models. This effort must include continued high-quality public charter school research and evaluation. And the charter sector will continue to take action responding to findings that we must do more to ensure that our schools are fully accessible to, and effective in serving, all students' needs, including English learners and students with disabilities.

While public charter schools have been at the forefront of serving disadvantaged populations since the movement began, the National Alliance has worked to build on these efforts with regard to English learners. The National Alliance recently issued guidance to the charter school community on their legal obligations to serve EL and provided a toolkit to guide their efforts. Furthermore, later this month, we are teaming up with the National Association of Charter School Authorizers (NACSA) to cosponsor a webinar on EL issues, focusing on the legal responsibilities of charter authorizers and operators under civil rights laws.

In addition, the National Alliance partnered with the newly-formed National Center for Special Education in Charter Schools last October to issue a report on strengthening the recruitment of and services provided to students with disabilities. This report outlines State, and local laws that govern special education in all public schools, and makes key recommendations for how public charter schools can leverage current programs to best serve students' needs. The National Center for Special Education in Charter Schools will strengthen the ties between the charter school and the special education communities by working with States to ensure that they provide support to charter schools and charter authorizers in meeting their legal responsibilities. The National Alliance is enthusiastic about the Center, and looks forward to working with it.

### The Federal Charter Schools Program

When the CSP was created and initially funded with \$6 million, there were only a handful of public charter schools. Since then, public charter schools have grown an average of 500 to 600 schools annually since the late 1990s. CSP funding now stands at \$248 million, although the growth in funding has stalled in recent years.

The CSP, through the State Educational Agency (SEA) grants program, provides the startup capital needed to design a school, hire a school leader, recruit students and staff, prepare curricula and programs, and make initial purchases of materials and equipment, until regular State and local funding becomes available. CSP funding has been indispensable to the growth of public charter schools, since charters start at a disadvantage compared to district schools, since they do not have access to district or state funds to plan and implement their educational program. Over the course of two decades, the SEA grants program has received the great majority of CSP funds, and it has been the primary engine supporting public charter school growth.

Moreover, the standards laid out in Federal legislation, particularly the definition of a charter school, have served as useful templates for States creating charter school laws. Recently, two States have enacted new charter school laws: Washington and Maine. Several other states, such as Georgia, Mississippi and North Carolina, have lifted the caps

on public charter school growth, or have made other changes that will enable significant increases in schools and enrollment. All of these changes are being made to meet the growing demand for public charter schools. In fact, more than 500,000 individual students were on waiting lists to attend public charter schools across the country before the start of the 2012-2013 school year. CSP funding, if it grows, will help us reduce the length of those waiting lists by serving more students.

The State Grants have also been a force for innovation, seeding the creation of pioneering public charter schools such as the Unidos Dual Language Charter School in Clayton County, Georgia (which teaches in Spanish and English to produce bilingual students by the third grade); the Walton Rural Life Center in Walton, Kansas (whose program focuses on agriculture); and Rocketship Education, which began in California's Silicon Valley and is expanding its high-impact blended-learning model into communities throughout the country. State grants have also helped launch schools that have evolved into some of the most successful charter school management organizations. The program has broad geographic reach, supporting efforts in urban, rural, and suburban communities across the country.

Beginning in fiscal year 2010, Congress continued its work seeding quality charter networks and began providing funding to enable high-performing public charter schools with a track record of success through the CSP Grants for the Replication and Expansion of High-Quality Schools. We see this competition as a symbol of the growing maturation and success of the charter movement. These networks of schools demonstrate very strong results, especially in educating underserved student populations. They include the schools operated or managed by non-profit charter management organizations (CMOs) like Aspire, KIPP, IDEA, and Breakthrough. Money from the CSP Replication and Expansion competitions has given those CMOs the wherewithal to really take off, bringing their successful models to places that they weren't able to before—with extremely enthusiastic reception from parents in these communities. Support for this relatively new category of grant must continue and grow.

The other major piece of the CSP is the two programs that help ensure the availability of adequate public charter school facilities. As you may know, State charter school laws ensure that each school receives annual funding for operations (although typically not at 100 percent of the level received by traditional schools) but generally do not provide charter schools with facilities funding. Public charter school operators have thus had to devote scarce resources to leasing often-substandard storefront or other space for those schools. Raising money through bonds or other debt instruments, which regular school districts are able to do, is also more difficult for charter schools, because of their typically small size and lack of a credit history. The Credit Enhancement for Charter Schools program (which supports efforts to provide better access to bonds and other credit instruments) and the State Facilities Incentive Grants program (which provides matching funds to States that elect to create or augment State charter school facilities financing) help redress this imbalance and ensure that our public charter schools have the facilities they need. At this time, the challenges faced by charter operators in securing facilities have not gone away; the need for Federal assistance continues.

I don't believe the public charter school sector's growth to meet parental demand for educational options would have occurred the way it has without the presence of dedicated Federal funding. Let me say that again to be perfectly clear: while public charter schools are inherently local, the movement would not have achieved its current success had it not been for the Federal Charter Schools Program. So thank you, Congress, and thank you to all of the Presidents who have supported this program since its creation.

As the Congress continues its work on reauthorization of the *Elementary and Secondary Education Act (ESEA)*, including the CSP, the number one message that I bring you today is that the CSP program is working and that both the Congress and the Administration should prioritize funding for the program to help us to meet the demands of parents and ensure funding equity for students who attend public charter schools. Thank you for the opportunity to provide testimony on the important role charter schools play in American public education. I am happy to answer any questions you may have.

## **RECOMMENDATIONS TO IMPROVE THE CHARTER SCHOOLS PROGRAM**

There are a number of ways in which the CSP should be strengthened, which the National Alliance laid out last year in our document, *Free to Succeed: Public Charter Schools and the Reauthorization of the Elementary and Secondary Education Act*.

We believe it is important that the reauthorized ESEA supports charter school autonomy so that they have the freedom to produce results for their students. In the report, we call for expanding the pool of entities that can receive the SEA Grants so that the statewide entity that has the greatest capacity to administer the grant can be its recipient and for amending the federal priorities for State grants in order to drive funds to states with charter school laws and policies that are mostly likely to result in the creation and spread of high-quality charter schools.

We also believe that the CSP should be more flexible; the current limitations on the amount of time that may be spent on school planning and on initial operations do not always mesh with a school's needs. We also would like States to be able to use a portion of their grants for activities that improve the quality of authorizers. And while the legal requirement that public charter schools facing excess demand conduct admissions lotteries has generally worked well, we would like there to be some flexibility that allows public charter school networks to allow students to move from a school serving one grade span (say, an elementary school) to a school serving the next grade span (a middle school) that is part of the same network, without having to participate in a lottery. This change would allow for greater continuity in a child's education and a greater likelihood that the educational gains achieved at one level will be sustained.

Outside of the SEA grants program, the National Alliance believes that the Replication and Expansion program, which currently is authorized only through appropriations language, should be codified in the authorizing statute and given an appropriate authorization of appropriations. And we support the continuation, with some minor improvements, of the authorizations for the programs that provide facilities funding.

We believe that our ESEA recommendations will strengthen quality by directing funds to states with strong policies in place that will ensure quality. Public charter schools do not need new accountability or metrics requirements from the federal government to succeed: In accordance with the fundamental premise of charter schools, poorly performing charter schools must be closed. From 1992 to 2011, authorizers closed 15 percent of the public charter schools that were approved to open. In 2012 alone, authorizers closed 150 schools for failing to meet enrollment, financial, and/or academic goals.

Federal efforts to dictate how ESEA accountability provisions apply to public charter schools, rather than deferring to state law and the schools' authorizers, could actually have the unintended effect of preventing or delaying the closure of low-performing charter schools. Congress should ensure that any changes to ESEA accountability provisions preserve deference to state charter school laws and the ability of authorizers enforce their schools' performance agreements.

The National Alliance is pleased that H.R. 5, the Elementary and Secondary Education Act reauthorization bill passed by the House last year, incorporates many of these principles. We look forward to working with the Members of this Committee on further refinements to the bill as the process continues.