

CHARTER SCHOOL ACCOUNTABILITY & OVERSIGHT



Prepared by the New York City Charter School Center

Originally proposed by then UFT President Al Shanker, charter schools were expressly designed to operate independently of local school districts. The expectation was that - free from centralized authority, employment contracts and uniform curriculums - educators in charter schools would be able to explore and implement different and innovative teaching methods in order to improve student learning and achievement. In exchange for this autonomy, charter schools are held accountable for the success of their students. Charter schools receive provisional contracts that typically must be renewed every five years, during which time they are rigorously monitored and evaluated for student performance and legal and operational compliance by their Authorizers. At the same time, charter schools are subject to the oversight authority of numerous state and federal agencies and are held accountable by the families who choose to enroll their students.

RIGOROUS APPLICATION PROCESS

Securing a charter to open a school in New York is no simple feat. New York's charter authorizers ("Authorizers") are considered some of the most rigorous and esteemed in the country.¹ The vast majority of teams applying for a charter are rejected as they work their way through a multi-stage review process that has been honed over the last 20 years of the state's charter movement.

60

Charter applications submitted to SUNY undergo approximately 60 hours of review and analysis before receiving a final recommendation.

42

charter schools have been closed in New York over the past 20 years. New York's authorizers are committed to holding charter schools accountable.

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Each full charter application submitted to NYSED is reviewed and evaluated by a minimum of 5 internal and external reviewers.

¹ National Association of Charter School Authorizers has found that New York's authorizers are using practices consistent with NACSA's *Principles & Standards for Quality Charter School Authorizing*. <https://www.qualitycharters.org/policy-research/state-map/new-york/new-york-2016-state-policy-detail/>. SUNY Board of Trustees has also been recognized by NACSA and the US Department of Education for strong authorizing. <https://www.suny.edu/about/leadership/board-of-trustees/meetings/webcastdocs/LegislativeReviewHistoryofSUNYAuthorizing.pdf>

New York’s two state-wide Authorizers, the New York State Board of Regents and the SUNY Board of Trustees,² evaluate each school’s proposal based on statutory criteria as well as their own set of metrics.³ Applicant teams must first submit a Letter of Intent (LOI) that outlines, among other things, the applicant team and Board’s expertise, research supporting the proposed curriculum and plans for financial sustainability. Proposed schools must demonstrate that their school fills a need in the neighborhood by surveying parents with age-appropriate students, meeting with and securing endorsements from community based organizations and local electeds, etc.

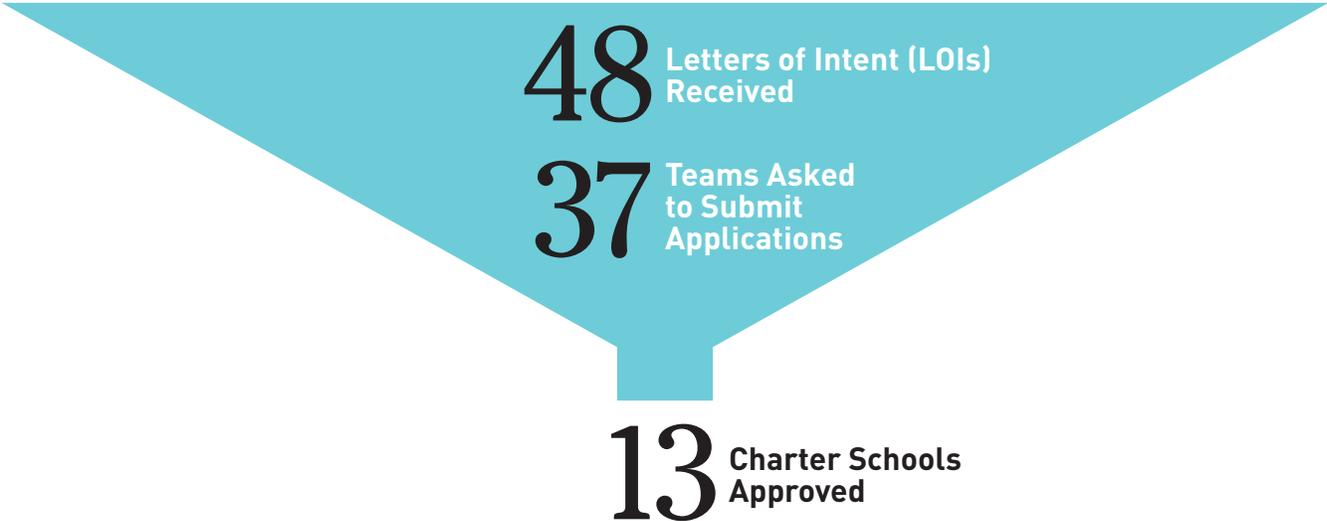
If applicants are able to document this outreach as well as discuss how they plan to incorporate the community’s ideas into their school, they are invited to submit a full application. The applications are typically reviewed by Authorizer staff as well as two to four experts contracted by the Authorizers. Applicants whose proposals demonstrate the school will provide an academic program likely to produce strong academic outcomes for students are next invited back for a capacity interview.

At the capacity interview, the lead applicant and potential board members are questioned by the Authorizer about all aspects of the proposal so as to gauge the capacity of the group to launch and operate the school. Additionally, each district where the charter is proposed to open holds a public hearing to solicit community feedback on the proposal.⁴ Finally, Authorizer staff prepare a comprehensive report analyzing all aspects of the school which, along with the charter application, is brought to a public meeting with the Authorizer and voted on publicly.

A majority of planning teams that apply for a charter do not receive one. Between 2016 and 2019, New York’s authorizers received 232 LOIs to open a charter school. Ultimately, only 66 schools were authorized, an average approval percentage of 27%.⁵

Once chartered, schools must sign a contract – the charter agreement – which holds them to an extensive set of benchmarks that the school must meet in order to be considered for a renewal term in five years.⁶ This contract includes metrics for student achievement, governance, and financial management as well as numerous reporting requirements. The charter authorization process ensures not only that new charter schools have a high chance of being academically, fiscally, and legally sound, but that they satisfy community demand and increase quality educational options for some of New York City’s most vulnerable students.

NEW YORK STATE EDUCATION DEPARTMENT 2018 CHARTER SCHOOL APPLICATION DETERMINATIONS



48 Letters of Intent (LOIs)
Received

37 Teams Asked
to Submit
Applications

13 Charter Schools
Approved

² Prior to 2010, any New York state school district could authorize new charters, but now they can only convert existing district schools into charter schools.

³ Education Law Section 2851(2), *see also* <http://www.newyorkcharters.org/request-for-proposals/> and <http://www.p12.nysed.gov/psc/startcharter/startcharter2019.html>.

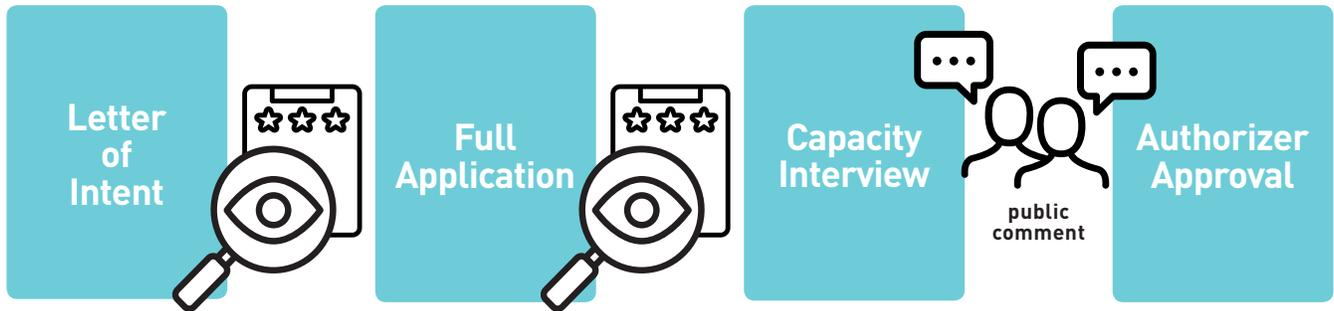
⁴ Education Law Section 2857(1).

⁵ Calculation based on data from authorizers available at <http://www.p12.nysed.gov/psc/startcharter/startcharter2019.html> and <http://www.newyorkcharters.org/category/news/>

⁶ Education Law Section 2852(5)

NEW YORK CHARTER SCHOOL AUTHORIZATION PROCESS

Authorizers release a request for proposals annually. Those interested in starting a charter must engage in a multi-step evaluation process:



ANNUAL OVERSIGHT

After a charter school opens, it is subject to regular oversight by its Authorizer. Charters are required to submit comprehensive annual reports, receive periodic site visits, and must provide various records to their Authorizer throughout the year.

In addition, each year, charter schools are required to submit an annual report in which the school details everything from its progress toward its academic goals to its enrollment and retention of high needs students to teacher and administrator attrition.⁷ Charter schools are also required to hire an independent accountant to conduct annual audits and must submit an audited financial statement detailing the revenues and expenditures of the preceding school year.⁸

Site visits can happen as often as every year, but always during the first, third and fifth year of the charter. Authorizers have the right and do conduct surprise, unannounced visits as well.⁹ Formal visits generally take place over several days and include required reporting, classroom observations and, staff, parent and board member interviews. Following the visit, the Authorizer produces a report assessing the school, noting areas that need improvement, the school's progress toward achievement of goals outlined in the charter, and whether the school is in compliance with applicable laws and regulations.

Also, the Board of Regents and district in which the charter is located can, at any point, visit the school for an inspection of both its facilities and to review its records to ensure compliance with applicable laws, regulations, and charter provisions.¹⁰ All charter school board meetings are subject to the Open Meetings Law, which means these meetings are open to the public, and schools must post when and where the monthly meetings are held.¹¹ Charters are also subject to the Freedom of Information Law, which means that members of the public are able to access most information about the school's operations and finances.¹² Charter board members are also subject to important conflict of interest provisions.¹³

⁷ Education Law Section 2857(2).

⁸ *Id.* and Education Law Section 2851(2)(f).

⁹ Education Law Section 2853(2).

¹⁰ *Id.* and Education Law Section 2853(2-a).

¹¹ Education Law Section 2854(1)(e).

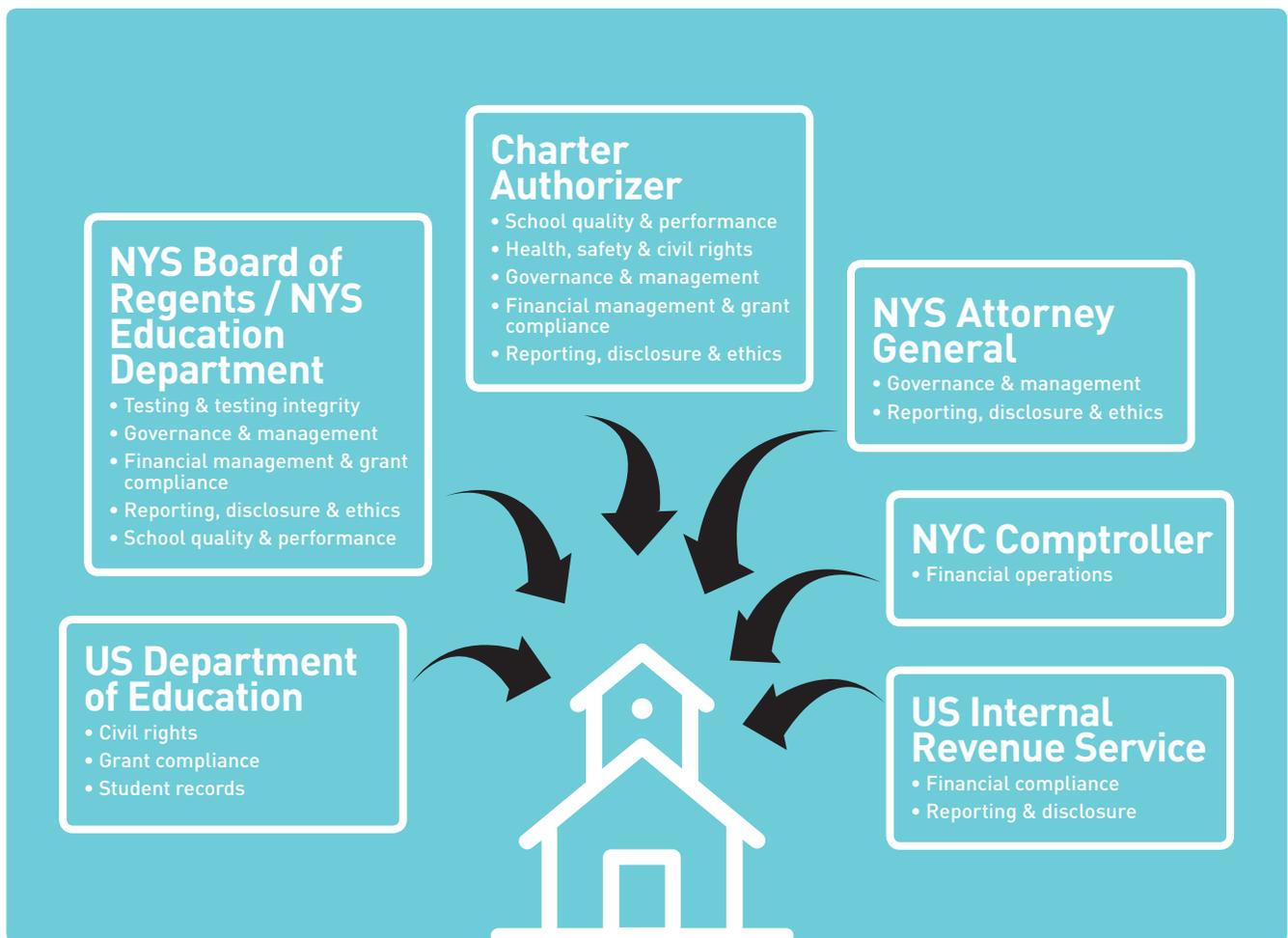
¹² *Id.*

¹³ Education Law Section 2854(1)(f).

CHARTER SCHOOL CLOSURES

Unlike low-performing district schools, charter schools that are not meeting their student performance or operational metrics do not languish for years at the expense of students.

For instance, in the 20 years that charters have operated in New York, 42 charter schools have been closed - most because the school failed to meet student achievement goals. The year-long charter school renewal process offers a comprehensive look at the life of the charter and includes an extensive renewal application, multi-day site visits and provides another opportunity for public comment and review. Top performing charters can receive a full renewal of five years; charters that are not meeting their metrics are typically given short-term renewals of two to three years. During this period, the charter school is subject to more oversight and reporting requirements as they seek to improve. Charters that do not improve or are not fiscally responsible or in compliance with the law, can be closed.¹⁴



¹⁴ Education Law Section 2855(1)(a-e).

REGULATORY COMPLIANCE

In addition to the oversight authority of the Authorizers, as public schools, charters are held to many of the same government reporting and oversight requirements as district schools. Numerous government agencies hold charter schools accountable for regulatory compliance and adherence to state and federal law. Charter schools are subject to oversight from, among others:

- The New York City Comptroller who can conduct full and thorough fiscal audits of the school¹⁵;
- The US Department of Education which holds charters to the same standards as district schools in many areas, including civil rights and the maintenance of student records;
- The Internal Revenue Service which ensures compliance in financial matters and disclosure;
- And, the State Attorney General, who regulates charter school governance and management, as well as reporting, disclosure, and ethics.

Many additional agencies also oversee specific aspects of charter school operation from facilities (NYC Department of Buildings) to disability leave (Worker’s Compensation Board). The wide array of government agencies with oversight over charter schools ensures that the sector is held accountable for compliance to both state and federal laws and regulations on top of standards of academic achievement and community engagement.

COMPTROLLER AUDITS

NYC charter schools are subject to audits from the New York City Comptroller. These audits seek to ensure that charter schools are making appropriate use of their public dollars.

Merrick Academy Charter School underwent a Comptroller audit in 2016. The audit took two years to complete, during which time the school was required to produce hundreds of pages of documents, and dozens of staff and representatives were interviewed.

“To say that the Comptroller’s audit was comprehensive is an understatement. Our leadership team spent countless hours over the years working with the audit team,” said Adrian Manuel, Executive Director, Merrick Academy Charter School. “We are all committed to safekeeping public dollars.”

These types of audits, in addition to the required yearly independent audit that each charter must have, ensures accountability and transparency in the financial operations of charter schools across the city and state.

¹⁵ Education Law Section 2854(1)(c).

PARENT VOICE IN CHARTERS

Families play an active roll in charter school accountability. Whether it's choosing to apply, keeping their child enrolled or weighing in on charter renewal applications (both of New York's authorizers require parent satisfaction surveys as part of a charter school's renewal process), parents can make or break a school.

A majority of charter schools actively seek out parent voice and partnership in order to ensure their school's success. DREAM Charter School, for example, established a Family Action Counsel while Brilla Collage Prep Charter School conducts monthly Parent Focus Groups each of which serves as an avenue of communication between families and school administrators. Other charters include parent representation on their Boards and/or have helped create parent associations.

Some charters have found unique approaches to incorporating parent voice into their school, including creating programming for charter parents. Equality Charter School, for instance, provides their charter parents with adult education programming including GED test preparation, financial literacy and career skills workshops. Such programs are in the best interests of both parents and schools as, ultimately, it is parent demand that keeps these schools open.

CONCLUSION

Charter schools are granted autonomy to operate free from district constraints, and in exchange are held accountable to numerous academic and operational benchmarks. In addition to being held to these rigorous standards, New York City's charter schools are overseen by a multitude of state and federal agencies. Ultimately, though, charter schools must prove their worth to the students and families they serve.

Charter schools take their responsibilities seriously and have achieved notable academic results. In the 2017-18 New York State assessments, charter school students outperformed their district counterparts by 16.8% in Math proficiency, and 10.6% in English Language Arts. In addition, charter school students have closed the historic achievement gap, with Black and Hispanic charter students outperforming white students statewide. New York City Black charter students outperformed white students statewide by 5.2 percentage points in ELA and 4.4 percentage points in math. New York City's Hispanic charter students outperformed white students statewide by 2.7 percentage points in both ELA and math. There is no question that the charter model is succeeding in New York City, and that success is possible because of the strong accountability structure that exists in New York.