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# WAITING FOR CHOICE

Charter Schools, Waiting Lists and Obstacles to Expanding Educational Opportunities for Oregon's Kids

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## Executive Summary

Oregon's charter schools, which are public schools run by private non-profit organizations, are popular with parents. Over 4,700 children were on waiting lists this summer to attend one of Oregon's charter schools during the 2010-11 school year. Once school starts in the fall, waiting lists usually shrink since many parents do not want to disrupt their children's school year with a transfer. Still, in late October, more than 3,600 kids were on waiting lists.

Many districts impose enrollment caps on charter schools. Districts frequently will not allow these innovative public schools to grow beyond the cap because they fear that many students would leave their regular district schools, taking state funding with them, to attend a charter school. For this same reason, it is also very difficult to get a new charter school approved.

In spite of hurdles, about 10-12 new charter schools open each year. However, this has not been enough to meet the educational demands of all parents. Older charter schools are more likely to have waiting lists. One reason for this is that they have had more time to gain a strong reputation among parents. Another reason is that districts often decide to permit new charter schools to offer only a few grades, making such a school less attractive.

Many families do not know about the educational options available for their children. Yet, districts like Portland Public Schools do not allow charter schools to educate the community about their options. Frequently, those who most need educational options like charter schools will never know about their opportunities, because charter schools cannot reach out and educate the community about their existence.

Instead of barring access to educational opportunities like charter schools by imposing enrollment caps and wrongly denying strong applications to start charter schools, districts should embrace increasing options for children.



# WAITING FOR CHOICE

Charter schools, waiting lists and obstacles to expanding educational opportunities for Oregon's kids

## Introduction

Charter schools are increasing in popularity among parents. Waiting lists in Oregon grow each year. Yet, many districts stunt charter school growth, limiting these innovative schools' ability to improve education. This report documents charter school demand across Oregon and some of the obstacles to starting or expanding charter schools in Oregon.

## What is a Charter School?

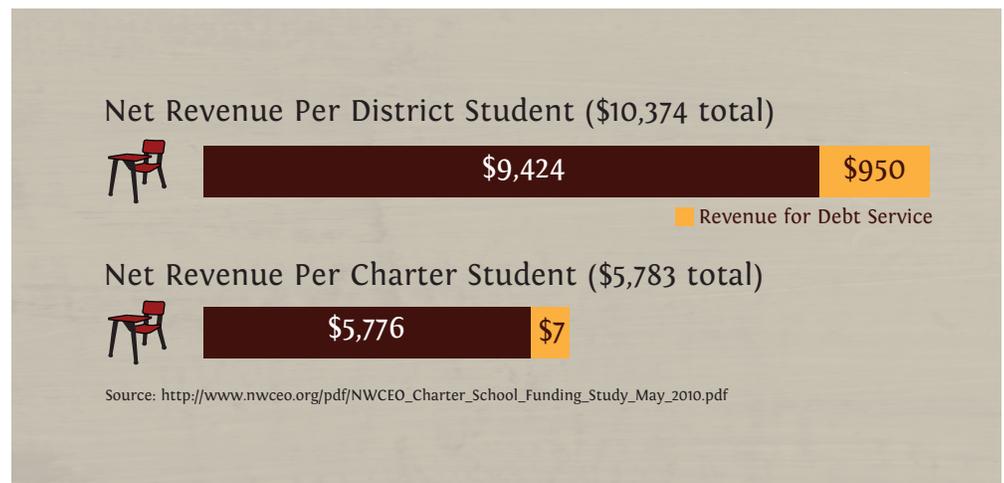
The state legislature established Oregon's charter school law in 1999.<sup>1</sup> Charter schools are public schools operated by non-profit organizations. They receive public education funds and operate under a contract (or charter) with a local school district.<sup>2</sup> Charters must be approved by the local school district but, if denied, may be sponsored by the Oregon Department of Education.<sup>3</sup>

Like traditional public schools, charter schools cannot be religion-based or discriminate by race or student performance. They also must meet state academic standards and assessment requirements. In Oregon, a charter school must offer a comprehensive educational program, not just electives or partial programs.

The Oregon legislature passed the charter school law to create an “avenue for parents, educators and community members to take responsible risks to create new, innovative and more flexible ways of educating children within the public school system.”<sup>4</sup> Charter schools have more flexibility about how they educate kids, but they are held accountable for their results by their sponsors and by parents who can choose to attend another school. Districts can choose not to renew a school’s charter if it fails to provide a good education. In the last several years, some charter schools closed because reportedly they were not achieving strong enough results or were failing to meet financial obligations.

## Charter School Funding

Funding for charter schools flows from the state through the district to the school. Typically, Oregon charter schools operate with about half the public funding, per student, of traditional public schools. According to the Northwest Center for Educational Options, charter schools receive substantially less funding per student: While Oregon’s traditional public schools spend more than \$10,300 per student, Oregon’s charter schools receive on average only about \$5,700 per student.<sup>5</sup>



This is because traditional district schools receive state, local and federal money to which charter schools are not legally entitled. Charter schools typically only receive State School Funding, and that is at a lower rate than the state gives to ordinary public schools. Depending on the district and the grade level, charters usually receive 80-95 % of per-student state funding. The other 5-20% is split by the charter's sponsoring district and the district where the child lives.

Per-student state funding varies depending on the district and the child.<sup>6</sup> Typically, a child who has an Individualized Education Program (IEP) because of a learning disability will bring the district twice the funding. This extra funding normally does not follow the child to a charter school because most districts provide IEP services themselves. However, many charter school directors report that their special education students often are not actually receiving services.

A child who is labeled as learning English as a second language, or who is from the foster system, for example, theoretically also should bring in more funding to the district and the charter school. Some charter schools have reported that this funding is frequently not passed on to their charter schools by many districts, either.<sup>7</sup>

## Demand

Oregon has 108 charter schools.<sup>8</sup> They operate in 28 counties and are sponsored by 66 school districts and the State Board of Education.<sup>9</sup> The average charter school enrollment in 2008 was 142, with ten charter schools having fewer than 50 students<sup>10</sup> and a few with over 500.<sup>11</sup> In the 2008-2009 school year<sup>12</sup> over 14,560 Oregon students were enrolled in a charter school.<sup>13</sup> This accounts for about 2.6% of public school students, or 2.3% of the total student population in Oregon.<sup>14</sup> While official numbers are pending, our research indicates that this year nearly 20,000 students attend charter schools.<sup>15</sup>

Approximately 10-12 charter schools open each year, but that has not been enough to meet demand in a state of more than half a million students.<sup>16</sup> To gauge demand, we surveyed Oregon's charter schools,

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## EXISTING CHARTER SCHOOLS (BY YEAR OPENED)



## PERCENT OF STUDENTS ATTENDING



asking them to report waiting lists for the 2010-2011 school year. We asked how long the waiting lists were at each school at the beginning of the school year. In addition, in October 2010, we asked for their current waiting list data. Ninety-two schools responded as of November 11, 2010. In our survey, we found that around 4,700 children were on waiting lists before school started, out of the 90 charter schools that could provide data for that period. In October, more than 3,600 children were on waiting lists at these same schools.

Several charter schools had waiting lists of hundreds of students. Most schools saw a decline in the number of kids on waiting lists once school started since many families do not want to disrupt their children's current school year with a transfer. Also, some families get on waiting lists for several charter schools, hoping to win the lottery and get out of their local neighborhood school. This has the affect of inflating the overall number of kids on waiting lists. In other cases, some schools saw their waiting lists grow once school started. School representatives said that this happened because families would try their local public school and find that it was not serving their children's needs.

When charter schools do not have enough slots for all the students who want to enroll, they must use a random lottery system to allocate open spots each year. This alone is enough to dissuade many families from trying to enroll their children, as many charter school operators know.

Most charter schools are relatively young. Nonetheless, most of the schools have waiting lists. Not surprisingly, the newest charter schools are less likely to have waiting lists. Excluding "one-school districts" (explained below), 100% of responding schools that started before 2003 had waiting lists. (Eighteen out of the 19 schools that started before 2003 responded.) Of the responding schools that were 5-7 years old, 87% had waiting lists (23 out of 31 responded). Of the responding schools that were 2-4 years old, 78% had waiting lists (23 out of 27 responded). The newest schools were the least likely to have waiting lists. Only 41% of schools started since 2009 had waiting lists.

## WAITING LISTS

AT OREGON'S CHARTER SCHOOLS (BY AGE OF SCHOOL)



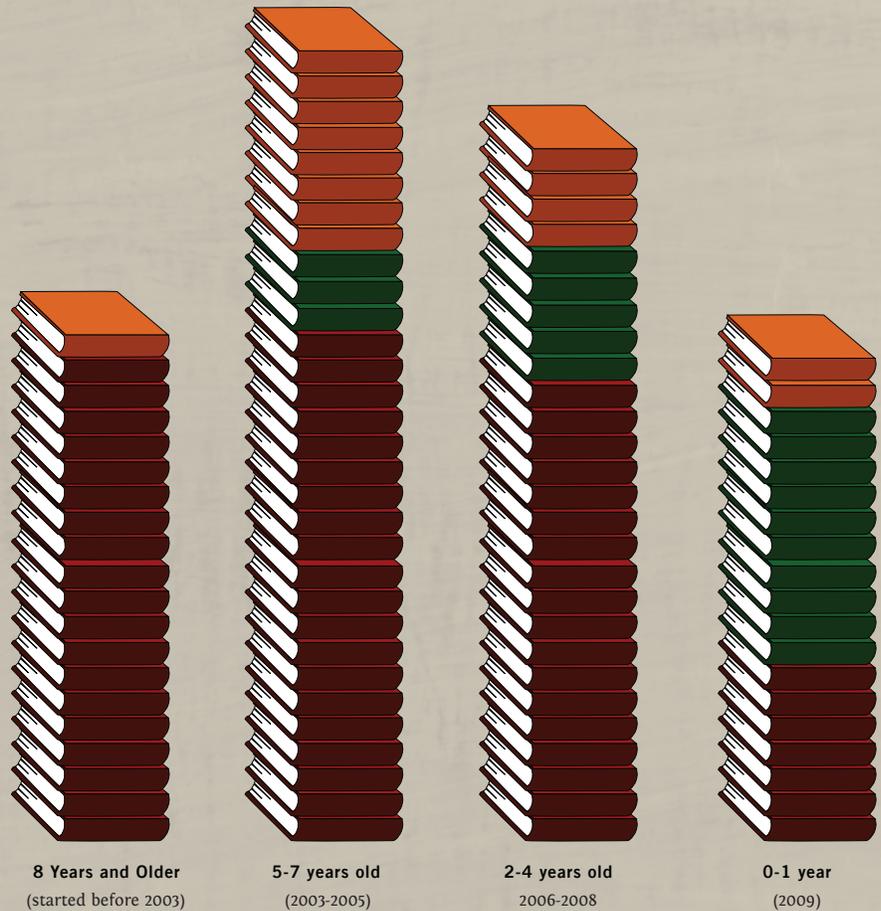
Schools with No Waiting List



Schools With Waiting List



Schools That Didn't Respond



Several one-school districts have changed their public school into a charter school. These districts chose this approach for a variety of reasons. One district reported that turning its school into a charter freed it from some oppressive state regulations and allowed it to try more innovative approaches, like partnering with community professionals and allowing kids to get more real-world and hands-on job experience in the community. Another reason is that converting to a charter allows students in neighboring districts to enroll without their resident district's permission.

One-school districts were less likely to have waiting lists than other charter schools. Only four of the state's 12 one-school district charter schools had waiting lists. This is probably because there are limitations on their ability to turn local students away since there is no other local public school to attend. These one-school districts also typically have full district funding, unlike most charter schools.

## LONGEST WAITING LISTS

According to our survey, the charter schools with the three longest waiting lists were Cascade Heights Public Charter School, Multi-sensory Instruction Teach Children Hands-on (MITCH) Charter School and Emerson Charter School.

*Cascade Heights Public Charter School*, located in the North Clackamas School District, has had around 500 students on its waiting list every year since opening in the fall of 2006. In October 2010, the waiting list was 426 and was expected to grow during the year. This waiting list is about double the school's enrollment cap.

*The MITCH Charter School*, established in 2002 in the Tigard-Tualatin School District, is one of the oldest charter schools in Oregon. Its unique, hands-on educational approach has made it extremely popular, with about 500 children on its waiting list for the 2010-2011 school year. Like Cascade Heights, this is more than double their district-imposed enrollment cap.

*Emerson Charter School* started in 2003 in Northwest Portland, sponsored by Portland Public Schools. Emerson has multi-age classrooms

and incorporates community service programs into its curriculum to help kids learn “real-world problem solving.” Emerson had about 307 kids on its waiting list prior to school starting. In October, its waiting list had shrunk to around 250, as many families leave the list once school starts. Emerson is capped by its district to 150 but would like to expand to around 225.

## SURVEY LIMITATIONS

Our survey has obvious limitations. Several charter schools did not respond. Additionally, some of those who responded to our inquiries had to estimate the length of their waiting lists because they did not keep records from the summer or had not updated the list within the few weeks before we called or emailed. Early in the process of examining waiting lists, we expected that those schools with the shortest waiting lists or without anyone on their waiting lists would be the schools that would be least likely to respond to our inquiry.

However, after repeatedly calling and emailing charter school representatives, hoping to catch someone with a few moments to answer our questions, we discovered that this did not appear to be the case. Most charter schools are very busy and small programs, which leaves directors little time to answer research-oriented questions like those presented by our survey. Their higher priorities are serving parents and families.

Accordingly, the total number of children on waiting lists was likely significantly higher than reported by the 92 schools that were able to respond to our inquiry. Furthermore, while some school representatives could answer that they had a waiting list, often the individuals who had the exact waiting list count did not have time to look up their records and report numbers. Accordingly, our numbers are probably smaller than the real count. This may help offset those families that enroll in more than one charter school in hopes of winning any charter school lottery, to reflect a more accurate number of kids who are actually on waiting lists.

Some evidence suggests that our approach of looking at waiting lists fails to capture fully the statewide interest in charter schools. According to a scientific poll of 1,200 Oregonians conducted last year,

24 percent of likely voters would choose a generic charter school for their child over any other school, if they could select any kind of school.<sup>17</sup> (Regular public schools were only chosen by 13% of those surveyed, while 44% chose private school, 13% chose home school, and 5% chose virtual school.) Interestingly, only 69% of respondents were familiar with charter schools, and yet 70% favored them. Only 19% of those polled were “very familiar” with charter schools.

Yet, even with those concerns, this survey is a good indicator of demand for alternatives to regular local district schools. Sadly, many districts focus on putting up barriers to school choice to prevent losing students (and accompanying state funding) to transfers, instead of improving district schools to compete with successful charter schools. Districts place enrollment caps on charter schools to avoid having to improve educational quality to retain students. This practice of capturing students in local school districts hinders the transformative power of charter schools and parental choice.

## Obstacles to charter school growth

The biggest obstacles to expanding existing charter schools are district-imposed enrollment caps and limited building space. Additionally, in most districts it is very difficult to get a charter approved at all. As many charter school representatives reported, political tensions are high, and many districts do not want to allow charter schools to grow, since districts frequently want to keep students in order to maintain control of more money.

### POLITICAL TENSIONS AND ENROLLMENT CAPS

Corbett Charter School’s history highlights the excellent educational opportunities that charter schools can open up as well as political tensions that hinder charter school growth in many districts. Corbett’s charter school was inspired by the district’s regular public

school. Newsweek magazine ranks Corbett's public high school as fifth out of 27,000 public high schools nationwide. Corbett's elementary and middle school programs are also acclaimed. For the last several years, parents have been driving across district lines to allow their children to attend the district's K-12 public school (with fewer than 1000 students).<sup>18</sup> As neighboring districts, like Reynolds School District (with more than 10,000 students), felt their budgets squeezed from the slowing economy, they decided to limit the number of students they would allow to transfer out-of-district, in order to keep more funding within the district.

To allow out-of-district students to continue to have access to Corbett's excellent program, Corbett district Superintendent Bob Dunton (outside his official capacity) joined with others to establish Corbett Charter School.<sup>19</sup> Students can enroll in charter schools outside their resident districts without seeking transfer permission from their home districts.<sup>20</sup> Accordingly, the formation of Corbett Charter School allowed students outside the district to receive the excellent education Corbett is known for, without receiving approval. This angered neighboring districts that wanted to keep students and accompanying funds.<sup>21</sup>

Corbett Charter School, which entered its second year in fall 2010, opened with high student demand. For the 2009-2010 school year, 185 children were on the waiting list, 142 of whom were on the waiting list by the previous June. As indicated by the lengthy waiting list, the school's 350-student enrollment cap is too small to meet students' demand. However, unlike many charter schools, Corbett Charter School's enrollment cap was based on legitimate space issues, rather than on district fear of competition. Interestingly, Dunton also applied for a charter in Reynolds School District, where demand had proven strong, but was denied. Many Reynolds school board members claimed that the proposed charter school represented an "identifiable adverse impact" on the school district, since it would attract many public students and accompanying funds.<sup>22</sup> While the proposed charter school may have had an adverse impact on the district, there is no evidence that it would have an adverse impact on students. In fact, the charter school not only would allow more children to receive Corbett-style education, it also

would allow the district to spend more money per student remaining in their traditional public schools.<sup>23</sup>

Enrollment caps, which limit the number of students allowed to enroll in a school, are a large obstacle for Oregon charter schools. There is no statewide cap, except on virtual charter schools, but districts regularly cap charter schools to reduce the “adverse impact” on a district’s other public schools. In other words, enrollment caps protect traditional public schools by limiting the number of students that charter schools can accept. This means public schools do not have to compete with charter schools at a significant level for students.

To get an idea of the barriers for new charter school start-ups, we examined the application process in Oregon’s largest school district, Portland Public Schools.

## PORTLAND PUBLIC SCHOOLS CHARTER APPLICATION

The Portland Public Schools (PPS) charter school application reveals bias against charter schools. It requires the applicant to list the number of students from each school in the district expected to enroll in the new charter school.<sup>24</sup> An applicant also must estimate the number of private or homeschooled students who would enroll as well. The district then uses these numbers to determine if the charter school would have an adverse impact on the district by drawing “too many” students away from regular public schools.

Interestingly, the district typically benefits financially when the charter attracts private or homeschool students, since the increased district enrollment will increase state funding.<sup>25</sup> This creates an incentive for school districts to approve schools that attract students from home school or private schools, but not from traditional public school. This may cause districts to seek to approve schools that would compete with private school enrollment, but not to attract kids who do not already have those options. This may help explain why Oregon’s charter schools attract a disproportionate number of white students, unlike most states’ charter school programs, which are typically more diverse than traditional public schools.

There is no set number or percentage defining how many student transfers to a charter school constitutes an “adverse impact” on the education of the students who remain in district schools. Instead, the school board arbitrarily determines if a charter school would impact other public schools adversely and, if approved, what the appropriate enrollment cap should be.

When applying for a charter, the school must indicate what its preferred enrollment is—usually around 25 students per grade.<sup>26</sup> Most elementary charter schools start out small, offering kindergarten through the third grade. If a charter school meets its enrollment goals then the charter may permit it to add one grade per year. If a charter school wishes to increase its enrollment cap, it must appeal to the district each year or whenever its charter is up for renewal.

While a charter school may be approved to increase its enrollment cap by a grade level each year, this does not allow many more students to enroll. Usually the only open places are in the kindergarten class, as most students stay with their charter schools through each grade. Then, if a charter is not permitted to add additional grade levels, students must leave the school after they reach the highest grade offered. This type of disruption can slow students’ progress.

While Oregon’s charter school law does not mention using enrollment caps for regular charter schools, districts like Portland Public Schools have used enrollment caps to keep charter schools small, often too small to reach efficiencies of scale.

The unpredictability of a new charter’s future appears to have a negative effect on demand. Parents are sometimes more hesitant to enroll their students in a school that does not provide many grade levels, since they will be more likely to have their student’s education disrupted with a future transfer.

Another concern is that districts may damage a charter school’s motivation to improve its current program as long as it reaches its cap each year. Likewise, a charter school will have less motivation to reach out and inform district parents about their options when it is already at capacity. In fact, this already occurs, since some districts forbid charter schools from advertising. Consequently, many of the neediest families

do not know that they have options beyond their local district school. Some schools want to reach out specifically to needy families to educate them about their options and should be allowed to bring this information to parents. Furthermore, if a school were allowed to grow as large as it wanted, then ambitious schools would have an incentive to continually attract more students by improving their programs and performance. Likewise, some charter school representatives stated that while they preferred to keep their current schools small, they would like to open additional schools, but the barriers to starting new schools (the cost of the application process and the high political tensions) were formidable.

Oregon Connections Academy (ORCA), an online charter school started in 2005, has demonstrated how quickly a charter school can grow when it is not limited by spatial constraints or a district cap. ORCA grew to more than 2,000 students within its first four years of operation. While traditional brick-and-mortar schools have more physical limitations (e.g., space and travel concerns for parents), they generally have not had the opportunity for rapid growth because of charter limitations, like enrollment caps and the challenges of securing sufficient facilities. ORCA should serve as a reminder that parents around the state are hungry for effective educational options for their kids.

## Application Process

Applicants find it difficult to get a charter application approved. For example, PPS only approved three out of seventeen charter applications (18 percent) since 2004. Five of the seventeen applications were withdrawn before being presented to the school board charter committee. One reason applications were withdrawn is that the school board indicated it did not like the applications and probably would not approve them. It is interesting to note that prior to 2004, eight out of 11 charter applications were approved and none were withdrawn.<sup>27</sup> If the pattern says anything, it is that

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PPS has become increasingly unfriendly to charter schools as they continue to compete with the district's regular schools for students and accompanying funds.

## PORTLAND CHARTER APPLICATION PROCESS

 Applicants that were approved

 Applicants that were denied



Pre-2004



2005-2010

The application process itself wards off many who would start a new charter school. It is time-consuming and costly. Applicants for charters from PPS work for 12 to 18 months on an application. Once it is submitted, it likely will go through several revisions suggested by the school board. Applicants typically hire experts to help with the application. They pay to send out surveys and conduct focus groups to determine student demand. Applicants also must submit a detailed operating budget and curriculum. The Portland Public Schools application itself is 50 pages long, and complete applications (including tables and exhibits) are hundreds of pages long. Reportedly, this is the most involved and cumbersome process in the state.

The expense of creating a charter application is indirectly acknowledged by federal grant funds that help charter applicants with application costs. In Oregon, the grants award \$55,000 for the planning process and, once approved, up to \$250,000 (depending on enrollment) for the first two years of operation.<sup>28</sup> The federal grants doled out in Oregon are reauthorized every three years and are up for renewal in 2011.<sup>29</sup> Without grants some applicants would not have the funding capability to apply for a charter, given the great expense of a typical application.

An applicant first must apply for a charter through the school district and, if denied, may apply to the Oregon Department of Education (ODE). Two schools in the Portland Public School district, The Ivy School and Southwest Charter School, were granted charters through the ODE. Their stories offer insight into the obstacles that even strong applicants face.

*The Ivy School*, the first public Montessori school in Portland, was denied by PPS, and then withdrew its “re-submitted” application from the PPS district after learning of the district’s plans to force a 120-student enrollment cap for grades 1-3 with no assurance that this cap would ever be raised. The Ivy School argued that given Montessori’s unique multi-age classroom model, the enrollment cap was inappropriate.<sup>30</sup> A 120-student cap would have also created financial instability for the school. After withdrawing its application, The Ivy School appealed to the Oregon Department of Education, which agreed to sponsor the

charter with a less restrictive enrollment cap. The ODE would permit the addition of fourth through sixth grades during the second year and seventh and eighth grades during the third year, with a maximum enrollment of 150 students.<sup>31</sup>

Despite a cumbersome application process, The Ivy School had 37 students on its waiting list in 2009-2010, the first year it opened. For the 2010-2011 school year, 94 students were on the waiting list, hoping to start in the fall.<sup>32</sup> As the waiting lists indicate, there is sufficient demand among parents to exceed even the larger enrollment cap.

The Ivy School's application experience demonstrates just how hard it is to receive a district's approval for a charter. While it was clear that sufficient demand existed for The Ivy School's proposed enrollment cap, PPS demanded a slow-growth model, which would subvert the charter's basic learning model and prevent financial stability.<sup>33</sup> The district's concern about potential adverse impact superseded students' needs. Fortunately, The Ivy School was willing and able to apply to the State Board of Education, allowing many students a valuable new opportunity.

*Emerald Charter School* applied for a charter through Portland Public Schools in July 2008. Emerald proposed to open in fall 2009 as a K-8 school in N/NE Portland, using an inquiry-based learning model. After several revisions, PPS denied Emerald a charter for several reasons. The district cited lack of demonstrated financial stability, potential adverse impact and lack of innovation as its reasons for denial.

PPS stated that the "application [does] not provide detail satisfactory to the District that the Applicant will create new, innovative, and more flexible ways of educating children in the public school system, or will encourage the use of different and innovative learning methods."<sup>34</sup> It is also said that Emerald does not offer "an instructional program or options not already available within the District's school system."<sup>35</sup>

In October 31, 2008 public testimony, however, Molly Sims of the Emerald Charter School testified that "no one school in PPS would encompass all Emerald will."<sup>36</sup> While another public school in Southeast Portland, Sunnyside Environmental School, offers a similar curriculum,

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Emerald's much smaller enrollment (180 compared to 540) would provide a much "different learning environment." Additionally, Ms. Sims testified that "Sunnyside works from a storyline perspective which is different from an inquiry-based and scientific approach." Furthermore, Emerald intended to locate in North Portland, many miles from Sunnyside (which itself has a lengthy waiting list, indicating large demand for this type of educational model).

The reason for denial, which took up the majority of the

resolution, was that the "application [did not] demonstrate that the value of its proposed charter school outweighed by any directly identifiable, significant, and adverse impact on the quality of the public education of students residing in the District."<sup>37</sup> In other words, Emerald would attract too many students from neighborhood schools and some accompanying money. The board also argued that because three (now four) charter schools were already located in N/NE Portland "a concentration of charter schools in this area would put significant stress on neighborhood enrollment in other existing schools."<sup>38</sup>

Three of these four charter schools

have waiting lists, indicating that parents in the neighborhood like the option. Yet, the board seems more concerned about keeping children within district-run schools, than with allowing them access to schools that their parents say are best for their children.

The Charter Review Committee went so far as to suggest that Emerald "look at a different part of town to locate" at their meeting on November 17, 2008, overlooking a key part of Emerald's testimony at the public hearing two weeks prior.<sup>39</sup> Todd Diskin of Emerald stated that "they want[ed] to locate in north/northeast Portland because it has



A typical charter application to Portland Public Schools

the broadest diversity in the city.”<sup>40</sup> Earlier, the board itself said that it wanted to ensure Emerald ended up with a diverse school.<sup>41</sup> While charter schools are often criticized for only catering to white middle-class students, the District refused Emerald’s request to be located in a place that would attract the most diverse student body.

The district’s arguments were not grounded in reason. In fact, after investigating the tenability of their arguments, it appears that their real reason was likely not grounded in law, either.

District claims that the school would not be unique enough are also flimsy. Even if the school had been identical on paper to other approved charter schools, protectionism prevents competition, which is key to charter schools’ ability to improve student outcomes. But, as most people know, schools operating with identical curricula or styles can be as different as the people who run and teach in them.

## Lack Of Diversity

By severely limiting charter school expansion, districts are contributing to limiting diversity in charter schools. When spots are hard to come by in charter schools, the most involved (often higher-income) parents are the ones who most forcefully seek educational options for their children. In 2009, 79.2% of charter school students were white, compared with 67.1% of non-charter students.<sup>42</sup>

Nationwide, charter schools typically attract more minority and low-income students than regular public schools. However, overall, Oregon does not appear to be following that trend, though many individual schools are models of harmonious diversity (including Arthur Academy, Armadillo Technical Institute, Phoenix School and LEP High School). Why is Oregon different?

There are several likely factors. Currently, school districts offer little outreach to parents regarding school choice. Parents can receive information on charter schools only by actively seeking it. “Educational Options” is buried deep on districts’ websites.<sup>43</sup> Portland Public Schools’

website does not even mention the two state-sponsored charters located in its district. Furthermore, PPS does not allow charter schools to do any marketing or outreach to district parents. Accordingly, only the more motivated families are likely to learn of their options.

Hispanic students are apparently the primary demographic that lack proportionate representation in charter schools.<sup>44</sup> This may reflect a lack of knowledge and resources or language barriers. Charter schools should be empowered to reach out to families in their communities and educate them about their options to help more Hispanic families have these valuable options. Interestingly, as mentioned previously in this report, districts get extra funding for each student who is labeled as learning English as a second language. Accordingly, districts that want to hold onto funding will have stronger incentives not to approve charter schools that serve English learners. Considering how frequently districts speak of adverse impacts on district funding (as opposed to student performance and opportunities), it is very likely that this has played a factor in Oregon's imbalanced demographics in charter schools.

## Conclusion

It is clear that in Oregon, demand for charter schools greatly exceeds supply. In 2010 alone, over 4,700 students were put on waiting lists. Sadly, this number will continue to increase each year unless the number of charter schools and their district-imposed enrollment caps increase as well.

Currently, school districts have little or no incentive to approve charter applicants, because they are essentially approving their own competition. This practice is as naive as asking Intel to be the gatekeeper for new processor manufacturers. School districts frequently operate with the narrow-minded view that, if approved, charter schools will only take funding away from other public schools. They ignore the fact

that parents are seeking school choice because traditional public schools are not meeting students' needs for an effective and motivating education. Instead of allowing students easy access to charter schools, the district instead seeks to protect public schools' enrollment by limiting options. This, and other policies that limit children's options, must change to ensure that every child in Oregon has an effective education that prepares him or her for a career and for life.

Not only do school districts need to increase the number of charter schools, but also they need to increase knowledge of them, especially among minorities and low-income and busy parents. Districts should allow charter schools to grow, without fearing their popularity. This eventually would alleviate the waiting lists at most of Oregon's charter schools. Charter schools should be able to advertise information about their schools to educate parents about educational opportunities available for their children, as many other states allow. This likely would increase charter enrollment, especially among the busiest and most struggling parents. Without reaching out to parents, charter schools will continue to disproportionately serve white students and those who have the most resources to seek and find educational alternatives.

Of course, as previously mentioned, districts have a perverse incentive not to approve new charter schools that would attract the children who statistically need the most help. Districts commonly do not want more funding to end up in charter schools, because that allegedly would have an "adverse impact" on their regular district schools. But is education about adult power, or is it about children? Rather than restricting students' options, traditional public schools should work to provide the kind of education that parents would choose voluntarily. Rather than fearing charter schools, districts should view them as a beautiful option for children that also will help to keep traditional public schools working hard to improve their programs to provide students with the best education.

*To show your support for educational options in Oregon, or to learn more about school choice, please visit [www.OREDtaxcredit.com](http://www.OREDtaxcredit.com).*

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## END NOTES

<sup>1</sup>S.B. 100, 1999 Leg. Sess. (Ore. 1999), available at <http://www.leg.state.or.us/99reg/measures/sb0100.dir/sb0100.int.html>.

<sup>2</sup>Jan McComb, Charter Schools, Issue Brief, at 4 (March 2002), available at [http://www.leg.state.or.us/comm/commsrvs/brief\\_charterschool.pdf](http://www.leg.state.or.us/comm/commsrvs/brief_charterschool.pdf).

<sup>3</sup>*Ibid.*

<sup>4</sup>Or. Rev. Stat. § 338.15, available at <http://www.leg.state.or.us/ors/338.html>.

<sup>5</sup>Vanessa Wilkins, *Unintended Consequences: An Analysis of Charter School Funding in Oregon*, April 19, 2010, available at [http://www.nwceo.org/pdf/NWCEO\\_Charter\\_School\\_Funding\\_Study\\_May\\_2010.pdf](http://www.nwceo.org/pdf/NWCEO_Charter_School_Funding_Study_May_2010.pdf).

<sup>6</sup>See Eric Fruits's report *Fiscal Impacts of Oregon Virtual Charter Schools* (Nov. 2010), available at <http://www.cascadepolicy.org/2010/11/10/online-charter-increase-district-spending-per-student/> for more explanation about how charter schools are funded.

<sup>7</sup>Information gathered from personal interviews over the phone and via email by Christina Martin and Rebecca Steele with charter school representatives during October and June 2010.

<sup>8</sup>*Charter Schools in Oregon 2010-2011*, Oregon Department of Education, available from Margaret Bates of the Oregon Department of Education.

<sup>9</sup>*Ibid.*

<sup>10</sup>Oregon Department of Education, *Oregon Public Charter School Handbook: 2010-11 School Year*, (Jan. 2010) at 4, available at [http://www.ode.state.or.us/opportunities/grants/nclb/title\\_v/b\\_charterschools/csp\\_handbook\\_2010-11\\_final.doc](http://www.ode.state.or.us/opportunities/grants/nclb/title_v/b_charterschools/csp_handbook_2010-11_final.doc).

<sup>11</sup>This was determined from our survey of Oregon's charter schools via phone and e-mail. Much of the data was approximate because waiting lists fluctuate throughout the year. It was gathered between 6/14/10 and 7/26/10, and updated between 10/14/10 and 10/28/10.

<sup>12</sup>This is the most recent year for which comprehensive data for all types of Oregon students is available from the Oregon Department of Education.

<sup>13</sup>Oregon Department of Education, *Oregon Charter Schools 2008-2009 Evaluation Report*, at 1 (Dec. 2009).

<sup>14</sup>*Ibid.*, at 2.

<sup>15</sup>This number is based on enrollment counts reported by the Oregon Department of Education (see *supra*, note 8) and information that we gathered in our survey. We filled gaps in the ODE data with numbers that charter school representatives gave us.

<sup>16</sup>*Ibid.*

<sup>17</sup>*Oregon's Opinion on K-12 Education and School Choice*, prepared by Paul DiPerna, The Friedman Foundation for Educational Choice (Jan. 2009), available at <http://www.edchoice.org/Research/Reports/Oregon-s-Opinion-on-K-12-Education-and-School-Choice.aspx>.

<sup>18</sup>Kimberly Melton, "Corbett adds charter school, irks neighbors," *The Oregonian*, August 30, 2009, "[http://www.oregonlive.com/news/index.ssf/2009/08/corbett\\_adds\\_charter\\_school\\_ir.html](http://www.oregonlive.com/news/index.ssf/2009/08/corbett_adds_charter_school_ir.html)"; Ron Morris, "Corbett goes charter to keep transfers coming," *The Oregonian*, April 12, 2009, "[http://www.oregonlive.com/education/index.ssf/2009/04/corbett\\_goes\\_charter\\_to\\_keep\\_t.html](http://www.oregonlive.com/education/index.ssf/2009/04/corbett_goes_charter_to_keep_t.html)."

<sup>19</sup>See *supra* note 18; also verified in phone interview with Bob Dunton, June 2010.

<sup>20</sup>One exception to this rule is a statutory requirement that a charter school must have 50% of its students from inside the sponsoring district, unless it can get a waiver from the Oregon Department of Education.

<sup>21</sup>See *supra* note 18.

<sup>22</sup>Kimberly Melton, "Reynolds School Board denies Corbett Charter School bid," *The Oregonian*, October 8, 2009, "[http://www.oregonlive.com/education/index.ssf/2009/10/reynolds\\_board.html](http://www.oregonlive.com/education/index.ssf/2009/10/reynolds_board.html)."

<sup>23</sup>See Fruits *supra* note 6. Though the Fruits article focuses on how online charter schools impact regular public schools, the analysis also applies to regular charter schools, since they are funded in the same way. Also, studies elsewhere have shown that regular district schools

improve when they have to compete with choice schools (like charter schools). For more information see, e.g., George M. Holmes & Jeff DeSimon, *Does School Choice Increase School Quality?*, NBER Working Paper No. 9683 (May 2003), available at <http://www.nber.org/papers/w9683>.

<sup>24</sup>Portland Public School District, Charter Application 2010, at 3, available at [http://www.pps.k12.or.us/files/education-options/FINAL\\_COMPLETE\\_2010\\_Application.pdf](http://www.pps.k12.or.us/files/education-options/FINAL_COMPLETE_2010_Application.pdf).

<sup>25</sup>*The Fiscal Analysis of Online Charter Schools*, by Eric Fruits, provides a succinct explanation and examples of how transfers from private school and home school can increase districts' funding. The analysis focuses on virtual charter schools, however, funding mechanisms for virtual charter schools and regular charter schools are currently the same. See Fruits, *supra* note 6.

<sup>26</sup>See *supra* note 24.

<sup>27</sup>Kristen Miles (Charter Schools Program Manager, PPS), personal e-mail, June 18, 2010.

<sup>28</sup>Kristen Miles (Charter Schools Program Manager, PPS), personal interview, July 16, 2010.

<sup>29</sup>Phylis Guile (Director of Learning Opportunities, Options, and Support, ODE), phone interview, July 22, 2010.

<sup>30</sup>Tammy Kennedy (Board Chair/Founder, The Ivy School), phone interview, July 14, 2010.

<sup>31</sup>Oregon Department of Education, *The Ivy School Charter Contract*, at 6 (June 12, 2009), available at <http://www.ode.state.or.us/superintendent/update/ivy-school-contract--rev-6-12-09-final.doc>.

<sup>32</sup>Amy Nist (Board Member/Head of Community Outreach, The Ivy School), personal e-mail, July 2, 2010.

<sup>33</sup>Kristen Miles (Charter Schools Program Manager, PPS), personal interview, July 16, 2010.

<sup>34</sup>Portland Public School District, "2008-2009 Action Minutes,"

(Portland, Oregon: January 26, 2009), 183. [http://www.pps.k12.or.us/files/board/2008-2009\\_Action\\_Minutes.pdf](http://www.pps.k12.or.us/files/board/2008-2009_Action_Minutes.pdf).

<sup>35</sup>*Ibid.*

<sup>36</sup>Portland Public School District, “Charter School Committee Hearing Informal Minutes,” (Portland, Oregon: October 31, 2008), at 2, [http://www.pps.k12.or.us/files/board/103108\\_Charter\\_School\\_Minutes\\_9\\_.pdf](http://www.pps.k12.or.us/files/board/103108_Charter_School_Minutes_9_.pdf).

<sup>37</sup>*Supra* note 34, at 184.

<sup>38</sup>*Ibid.*

<sup>39</sup>Portland Public School District, “Charter Review Committee Meeting Informal Minutes,” (Portland, Oregon: November 17, 2009), 2. [http://www.pps.k12.or.us/files/board/111708\\_Charter\\_Committee\\_Minutes\\_13\\_.pdf](http://www.pps.k12.or.us/files/board/111708_Charter_Committee_Minutes_13_.pdf).

<sup>40</sup>*Supra* note 36, at 3.

<sup>41</sup>*Ibid.*

<sup>42</sup>National Alliance for Public Charter Schools, “Students Overview: Oregon 2009-10,” Public Charter School Dashboard, <http://www.publiccharters.org/dashboard/students/page/age/state/OR/year/2010>. Reportedly only 17% of charter school students were eligible for free or reduced lunch while 49.1% of non-charter students were eligible. However, this means little, since so many charter schools do not inquire whether families are eligible for free or reduced lunch. However, the ethnic disparity is more troubling.

<sup>43</sup>Kristen Miles (Charter Schools Program Manager, PPS), personal interview, July 16, 2010. (In order to access Educational Options, you either have to know to click “Departments” on the PPS homepage, then click “Educational Options,” then click “Looking for a Program? Click here” - a list of charter schools is four clicks in - or to search “charter schools” in the website’s search box.)

<sup>44</sup>*Supra* note 42.