

**SEPARATE AND UNEQUAL: THE FAILURE OF NEW YORK CITY CHARTER SCHOOLS TO SERVE  
THE CITY'S NEEDIEST STUDENTS**

**JANUARY 2010**



United Federation of Teachers

# SEPARATE AND UNEQUAL: THE FAILURE OF NEW YORK CITY CHARTER SCHOOLS TO SERVE THE CITY'S NEEDIEST STUDENTS

## JANUARY 2010 I. EXECUTIVE SUMMARY

Despite the fact that New York's charter school legislation prohibits discrimination in student admissions, it is now clear to even casual observers that New York City's charter schools, as a group, are failing to serve a representative sample of the City's public school children.

- *If the UFT or any advocate has any evidence of discrimination in admissions at any charter school, they are urged to come forward.*

A review of data on file with the New York State Education Department and the City's Department of Education shows that these schools, funded with public money, serve significantly fewer than the average of the City's poorest children

- *The most recent data available from the Charter School Office of the New York City Department of Education contradicts this assertion, see page 5.*

And 10 to 25 percent fewer of such children in the charters' own neighborhoods.

Charters serve on average less than four percent of English Language Learners ("ELL"), rather than 14 percent of such children in the City's district public schools (the "district schools").

- *There is a disparity in charter's enrollment of ELL students, but the discrepancy has several root causes, for a full explanation, see page 5.*

Less than 10 percent of charter pupils are categorized as special education students versus a citywide average of more than 16 percent in the district public schools.

- *The most recent data available from the Charter School Office of the New York City Department of Education contradicts this assertion, see page 6.*

In addition, despite their concentrations in highly diverse neighborhoods, charters as a group admit substantially fewer Hispanic and/or immigrant students. As a result, charters contain a heavier concentration of African-American students than is true in the City as a whole or even in the neighborhoods charters are supposed to serve.

- *The popularity of charter schools among African-American parents is one of their strengths, not a weakness.*

Some charter schools also indulge in a number of questionable financial practices, including outsize "management fees" to charter operating companies and inappropriate salaries for charter managers who oversee one school or at most a handful of institutions. These salaries far outstrip compensation to equivalent public officials, including the Chancellor of the City's Department of Education, who oversees approximately 1,500 schools and more than 100,000 employees.

- *Charter parents and the public at large are aware of these facts and are still applying to the limited number of available charter seats at ratios of 2 to 1, 3 to 1 and in some cases 10 to 1. What is most important to parents is the quality of the school, not how much administrators and teachers are paid. The pay level of the highest paid charter executives appears to be in line with the \$350,000 a year paid to Randi Weingarten and the comparable six-figure salary earned by Michael Mulgrew.*

At the same time, charter schools ignore many critical “transparency” requirements of public institutions, despite the fact that most of their income is in public funds and they are mounting a public campaign for more funding.

- *Charter schools are in fact subject to more rigorous transparency requirements than regular district-run public schools.*

Current law exempts charters from oversight by the City and state comptrollers.

- *This exemption came as a result of a ruling by the State Supreme Court in 2008, which found that charters are not subject to such audits; essentially charters are already subject to a requirement to have their finances independently audited every year.*

Charters have fought Freedom of Information requirements, making it difficult for oversight bodies, including the public and the media, to track key indicators of both spending and student success.

- *There is no known instance of this occurring; charter information is in fact available to members of the public or media who request it.*

Key recommendations:

In order to introduce more equity and outside oversight into charter operations, the state's charter law should require the following:

- Charter schools must commit to serve, and state and City authorities must have the power to enroll, at least the district-wide average of neediest students, including but not limited to English Language Learners and special education pupils. If necessary, the lottery process for charter attendance should be centralized and overseen by a neutral third party. Charters that fail to enroll a representative sample of students should be penalized.
  - *One of the key elements of a charter school is the way it decentralizes authority and empowers parents. The whole thrust of this recommendation, if implemented, would crush charter autonomy.*
- For-profit firms should be banned from owning or operating charter schools. Management fees and salaries should be capped at public sector levels. Although charter operators may claim that outside compensation is funded by outside sources rather than public funds, schools should not be profit centers, and additional funds should be mandated for additional student services rather than inappropriate managerial spending.
  - *There is no provision under New York law for any for-profit firm to “own” or “operate” a charter school. Charter schools are governed by not-for-profits by Boards of Trustees who are free to enter into contracts, including with private vendors, which they believe will promote student achievement.*
- Charter school information should be made available to the public by mandating that City and state officials can audit both financial and operational data and that such data become freely available under the state's Freedom of Information law. Charter school board members and employees should be subject to the same financial disclosure requirements and conflict-of-interest prohibitions as other public officials and employees.
  - *Charter schools are, in fact subject to the state's Freedom of Information Law {2854, 1(e)}. The annual audited financial statements for every New York charter school are publicly available to anyone upon request, along with the school's annual reports and several oversight reports.*

Left unchecked, the growth of the charter sector will only exacerbate existing inequities. This report details and discusses the implications of these demographic findings and outlines the legislative and regulatory changes necessary to promote equity and opportunity for all of New York City's public school students.

- *The charter sector is growing because parents are demanding more charter schools. Over 40,000 names were on waiting lists to get into the scarce available charter seats.*

## II. FINDINGS

### 1. Charter schools do not enroll enough students from the neediest families.

Student eligibility for free and reduced-price lunch is a common measure of family need. On this *combined* measure, the percentage of eligible charter school students is about the same as in City public school. But as Chart 1 reveals, charters enroll, on average, about 10 percentage points *fewer* students eligible for *free* lunch.

This discrepancy increases when we look at the three areas of the City with the most charter schools. In Harlem, the South Bronx, and North-Central Brooklyn, charters are not educating the neediest families. As Chart 2 details, the rate of free lunch eligibility in the City's charters is, on average, 10 to 25 percentage points *lower* than other elementary and middle schools in those areas.

In New York City, students are eligible for free lunch if their family income is no higher than \$28,000 (for a family of four). By comparison, eligibility for reduced-price lunch (rather than free lunch) extends to families of four who make \$40,000 per year. The evidence suggests that charter school students are much more likely to come from families designated in this higher income group.

How important is this \$12,000 difference? The relationship between income and student achievement is extensively documented. A particular study of the Earned Income Tax Credit by Dahl and Lochner (2008) found that even an additional \$1,000 in family income per year can have a measurable positive impact on reading and math scores.<sup>1</sup>

Demography is not destiny, and the correlation between student achievement and family income in no way removes the City's obligation to educate all students. But the data in this report suggest that the City's charter schools, as a group, have yet to embrace this challenge.

- *The UFT's reliance on outdated NY State Education Department data sources paints an inaccurate picture of charter enrollment. The most current (12/09) data from student lunch forms analyzed by the Charter School Office of the New York City Department of Education, shows that 60% of charter school students are eligible for free lunch, as compared to 56% of students citywide.*

## **2. Charter schools do not enroll enough English Language Learners.**

Across the City, 14.2 percent of students are English Language Learners. Yet as Chart 3 reveals, only 3.8 percent of these students are being accepted by the City's charters.

Although this 10.4 percentage point discrepancy could be explained if charters were located in areas without a preponderance of English Language Learners, this is not the case. Many charter schools are located in neighborhoods with large immigrant populations. When we look at the three areas of the City targeted by charter school operators, the average discrepancy sustains or, in the case of the South Bronx, gets worse.

New York City remains a place of arrival for many immigrants, a large number of whom may not be fluent in English. Educating their children is part and parcel of the school system's responsibilities. Despite recent efforts to require "good faith efforts" by charter operators to attract and retain English Language Learners, the data suggest that charters are not doing their fair share.

- *Until recently, the New York State Education Department (NYSED) explicitly barred charter applicants from setting aside seats in their lottery for English Language Learners. The Bronx Global Learning Institute for Girls (BGLIG) was opened in 2008 through the efforts of 100 Hispanic Women, among others. The school has a dual-language instructional model (one day in Spanish, one day in English) and were barred by NYSED from setting aside seats in their lottery for Spanish speakers.*

*More recently, the Inwood Academy for Leadership was told to amend its charter application, striking out a provision that set aside seats in its lottery for Spanish speakers. The team from Inwood charter argued that Spanish speakers were 'at-risk' and therefore warranted such preference. They*

*were told to remove the provision if they wanted their application approved at the December 2009 Regents meeting. (see Gotham Schools post on 12/21/09: “State Policy an Obstacle to Charter School Serving English Learners”)*

*Finally, most of the ELLs in New York City find their way into public schools through the Borough Enrollment Centers, word of mouth about established schools, custom or habit. More than half of the charter schools in the city (53 of 99) have been open for 3 years or less. As they establish themselves and attain visibility, they will enroll larger numbers of these students.*

### **3. Charter schools do not enroll enough students with special needs.**

As recently reported by the New York City Department of Education, the City’s charters enroll fewer students with special needs. Anecdotal evidence suggests that charter school students mandated for special education services have far milder disabilities than compared to students in district public schools.

- *The percentage of Special Education students in a cohort increases as students age. For this reason, 12% of kindergarteners citywide in district schools have IEPs, while 19+% of middle school students have IEPs, according to data gathered and analyzed by the Charter School Office of the New York City Department of Education. Given that the preponderance of charter schools are new and start in early grades, a great deal of the disparity is eliminated by controlling for age. For example, the proportion of 10th, 11th and 12th grade students with IEPs in charters exceeds that of the city because charter students with IEPs are far less likely to drop out of school.*

*Further demonstration of this phenomenon can be seen by looking at the most current data. For the 2009-2010 school year, 11.6% of charter students have IEPs. (Source: Charter School Office, New York City Department of Education) One would expect the proportion of IEP students to continue to approach parity with the city as the charters continue to scale up.*

*It is also worth noting that two prominent researchers, Caroline Hoxby and Macke Raymond at CREDO, have found the disparity between district and charter schools--when student age composition is controlled for--to be about 2 percent, which is much less than the 7 percent cited by the UFT.*

#### ***4. Charters are creating more racial and ethnic isolation among students and families.***

Particularly in Harlem and Central Brooklyn, charter school students attend more racially or ethnically isolated schools. This has a particular impact on African-American students, who are more isolated in charter schools as compared to the school district.

A complete presentation of all district and charter elementary and middle schools by neighborhood/area is located in Appendix B. This presentation indicates that the racial isolation of African-American students in most charter schools is above the neighborhood/area's average and median school.

- ***Charter schools are schools of choice. More African-American students are enrolled in charters in Harlem and Central Brooklyn because African-American families in these neighborhoods have been empowered by being given a quality public school to send their children to.***

### **III. IMPLICATIONS**

Significant implications follow from these findings that affect the equality of opportunity for New York City students, the actual responsibility borne by charter schools, and fiscal equity across the City's system of schools.

#### ***1. Not all students have an equal or practical opportunity to attend charter schools.***

A growing body of evidence suggests that unregulated school choice introduces systemic bias regarding where students and parents choose to attend school. Researchers have found that charter schools are exacerbating racial and economic isolation in North Carolina, Texas, and elsewhere. The demographic findings in this report suggest a similarly troubling trend in New York City. On average, charter students are less poor, less disabled, and more likely to speak English than their counterparts in district public schools. Some students, particularly those of African-American descent, are attending more racially isolated schools.

- ***Studies of charter schools in North Carolina, Texas and elsewhere have little relevance to charter performance in New York which has a more stringent charter statute and better charter authorizing practices. Independent academic research that's specific to New York City does not show a disparity between the type of students charters serve and those served by the district. It does show that charter students significantly outperform their district counterparts.***

New York's Charter Schools Act ("the Act") prohibits discrimination in student admissions. The Act explicitly intends for charter schools to create expanded learning experiences for students who are at-risk of academic failure, typically the poorest of students, those with learning disabilities, or for whom English is not the first language. Despite this intent, New York's largely deregulated and unsupervised system of charter student admissions has had the opposite effect. Left unchecked, the current system of charter admissions-by-lottery will exacerbate the growing separate and unequal system across City schools.

- ***If the UFT or any other advocate can come forward with a single case of discrimination in charter school admissions, they are urged to do so.***

## ***2. Charter schools are not carrying their fair share.***

Despite the rhetoric about charter schools' outperforming district public schools, the findings of this report call these accomplishments into question. Public officials need to judge any comparisons of achievement in the context of the kinds of students actually enrolled in schools. Researchers agree that students' level of poverty and special needs have a direct bearing on achievement. As such, no one should be surprised that some researchers find that charter schools have higher test scores, given that charters enroll students who are, on average, less poor, less disabled, and more likely to speak English.

As charter schools enroll a relatively more advantaged student population, they increase the burden on district public schools. Simply, charters are not carrying their fair share, and without legislative and regulatory changes, these inequities will continue.

- ***If charter schools were drawing a more advantaged population, one would expect that lottery winners and losers would have similar outcomes, due to their “advantages”. What the study conducted by Stanford Professor Caroline Hoxby has shown is that charter students outperform even those students who would have enrolled in a charter school, but were not lottery winners.***

## ***3. Charter schools are funded for students they don't serve.***

Charter school operating funding is based on the school system's average operating expenditure per student. Such a funding mechanism is appropriate if a charter school's student body reflects the City's overall demographics. But as this report makes clear, charter school enrollments are systematically different from City averages.

As a result, charter schools are funded for students they don't serve. For example, charter schools receive funding to educate English Language Learners, despite the fact that charters enroll far fewer of these students than in the City's district schools.

Nor is it clear that charter schools spend their funds as wisely as they should and that the public should demand. A number of charter school principals and CEOs receive inflated salaries, some reaching as high as the \$400,000 paid to the CEO of Harlem-based Village Academies and \$300,000 paid to the head of Harlem-based Success Academies. Some charter school management companies are charging schools exorbitant fees that surpass the cost of the New York City Department of Education's infamous “bloated bureaucracy.” For example, Victory Schools, a for-profit operator of charter schools in New York and elsewhere, has charged as much as 23 percent of a charter school's expenditure. Other well known charter operators, such as Achievement First and Success Academies, have fees ranging from 12 to 18 percent. Such excessive overhead is substantially above administrative costs reported by the New York City Department of Education. Depending on services included, the City spends from only 6 to 10 percent of its budget on administration.<sup>4</sup>

- ***Charter parents and the public at large are aware of these practices and are still applying to the limited number of available seats at ratios of 2 to 1, 3 to 1 and in some cases 10 to 1. What is most important to parents is the quality of the school, not how much administrators and teachers are paid.***

***The pay level of charter executives appears to be in line with the \$350,000 a year paid to Randi Weingarten and the comparable six-figure salary earned by Michael Mulgrew.***

These figures belie the rhetoric that the private sector will deliver education services more efficiently. Quite the contrary, leaders of many charter schools appear to be profiting off of these publicly funded schools. Left

unregulated, it is likely that charter management organizations will continue to spend less money on the classroom than the City's district public schools.

#### **4. Other issues of equity for parents and workers**

The placement of charter schools in public school buildings also raises many issues of equal treatment, as charters often end up with renovated classrooms, additional equipment, smaller class sizes and other advantages.

- *Some charters have been successful in raising private dollars to pay for improvements to the space they occupy in buildings owned by the New York City Department of Education. Most charters lack such funds and use the space as is. It is worth noting that initiatives like the Library Initiative, spearheaded by the Robin Hood Foundation, have spent millions of privately raised dollars renovating more than 50 school libraries for district schools across the five boroughs.*

The “co-location” of charters and regular public schools often leads to reduced space for children in the regular public school and leads to additional conflict over limited space and other resources, particularly as charters grow.

- *Many of the co-located charters get along very well with the regular public school they share the building with. Some of the best collaborations between the different types of schools are borne of the proximity that co-location provides.*

Parents of charter school children should also be able to be part of independent Parent Associations and School Leadership Teams like those in public schools.

- *Parents are currently barred by law for running for a position on local Community Education Councils. This ban should be lifted.*

More also needs to be done to ensure the rights of workers of all types, including those involved in construction/renovation projects funded by public money and other charter school staff, including teachers.

- *All charter construction projects funded with public dollars through the School Construction Authority have paid prevailing wage. Those built strictly with privately-raised dollars are free to pay prevailing wage; the decision to do so is up to the school's trustees, as it would be for any not-for-profit organization.*

#### **IV. RECOMMENDATIONS**

Charter schools' self-regulated, market-based system of choice-based enrollment has led to systemic inequities for disabled students, English Language Learners, and students from the poorest families. This system is sorting students along ethnic and racial lines, undermining the pluralism and diversity found in City public schools. Such unintended and undesirable consequences increase the responsibilities on district public schools, even as funding for these obligations is diverted to charters. Strong legislative and regulatory action is required to correct these failings.

- *To see the 99 charter schools as a “system” is to fundamentally misunderstand what these autonomous schools are all about. There are some charters that are progressive and teacher-led, like Community Roots of Brooklyn or the Equality School in Co-op City. Others are formed by neighborhood activists*

*like the new Staten Island community school; others spring from the work of non-profit organizations like the Dream Charter School of East Harlem. They are a patchwork of independent educational institutions with a wide variety of approaches to serving their children. Heavy-handed legislative or regulatory intervention will grind out the characteristics that make these schools unique and effective and make them more like the large system of district schools they were designed to provide an alternative to.*

Recommendations are as follows:

<sup>4</sup>[https://www.nycenet.edu/offices/d\\_chanc\\_oper/budget/exp01/y2007\\_2008/function.asp](https://www.nycenet.edu/offices/d_chanc_oper/budget/exp01/y2007_2008/function.asp), accessed on December 16, 2009.

## 1. Reform the Process for Student Admissions

- Mandate that the student body of every charter school must reflect the demographics of the community school district in which it is located. A charter school has to include appropriate numbers of English Language learners, free lunch eligible, special education, and homeless students.
  - *Mandating certain enrollment proportions at charter schools is problematic. The logical extension of mandating enrollment percentages would place a quota, for instance, limiting African-American admission to charter schools, since the percent of African-American students is higher in charters than it is in the district.*

*As a practical matter, charter schools that start with Kindergarten would have problems reserving seats for students with disabilities or ELLs, when students will almost never have an IEP or an ELL designation at that age.*
- Require a uniform charter application, available in all primary-languages for which the New York City Department of Education provides translations.
  - *The Charter School Office of the New York City Department of Education is already preparing a universal charter school application that it will require schools to use for admission. The application will be translated into the major language groups spoken in NYC.*
- Centralize student admissions, with random selection processes managed and conducted by the New York State Education Department, the New York City Department of Education or other independent government agency. Similar to the approach adopted by the City for high school selection, centralizing charter admissions will reduce barriers to parents and prevent potential gaming of the system.
  - *The Charter School Office of the NYC Department of Education, in cooperation with the NY State Education Department, has historically overseen lottery processes to ensure fairness and will continue to do so by having staff on site when names are drawn. Charter schools, and their admissions, must remain decentralized.*
- Prohibit “multi-step” admissions processes, in which students are “accepted” via lottery only to be required to complete a secondary “enrollment” process.
  - *Allegations of discrimination at charter schools constitute a very serious charge that warrants full investigation. Any parent who feels they have received discriminatory treatment because of their child’s language or disability while attempting to apply for or enroll in a charter school is encouraged to contact the Charter School Office at the NYC Department of Education or the New York State Education Department for a full investigation.*

## 2. Reform the Charter Funding Formula, Process and Allowable Expenses

- Reform charter school funding policies so that payments are based on additional weightings for children in poverty, ELL students and special education students to the extent charters are actually educating children in those categories.
  - *State law already provides for extra funding for each Special Education student served. Additional*

*weights for ELLs and children in poverty would also be appropriate.*

- Prohibit for-profit companies from managing or operating charter schools; limit the fee charged by other organizations that manage or operate charter schools to 8 percent of total expenditure.
- *The independent Board of Trustees of each charter school should be free to make the decisions that it believes is in the best interest of its students.*
- For those charters whose staff are members of TRS or NYSTRS, remove pension costs from the school's per pupil allocation; mandate that such pension costs be paid by the school district.
- *Charter schools can handle their benefit obligations. What they do need is fair facility funding, such as other states already offer, to provide their students with adequate buildings in which to operate.*
- Mandate the disbursement of Federal Title I funds in a manner consistent with Citywide policies (i.e. on the basis of free lunch eligibility only).
- *Charter schools are treated as their own district by the state and federal governments in the way they disburse Title I funds. City disbursement policy does not apply here.*
- Reduce the lag in charter funding calculations so that charters are subject, at the same time, to the same fiscal conditions as district schools.
- *A more transparent and timely system of calculating the per-pupil payment is appropriate, eliminating the 2 year lag. The reason for the current lag stems from NY SED's need to collect and process expenditures data to calculate the per pupil amount; acceleration of that timeframe may be difficult.*
- Limit charter school administrator and management salaries so as to not exceed compensation paid to comparable City employees.
- *Charter schools would not agree to abide by any salary limits any more than the UFT or AFT would for its senior leadership ranks.*

### **3. Require Greater Transparency and Public Accountability**

- Authorize the City and State comptrollers to audit charter schools' fiscal, operational, and programmatic activities.
- *Charter schools are currently subjected to as much—arguably more—fiscal, operational and programmatic oversight as any school or not-for-profit organization in New York. They are required to compile and publish an Annual Report; they are required to have their financial statements audited and published; they are subject to visits by the NY State Education Department (in the third year of their charter); and their authorizer (in the 1st, 2nd, 4th and 5th year of their charter); each of these visits produces a report, which is publicly available.*
- Include charter schools in the list of institutions explicitly subject to the New York State Freedom of

## Information Law.

- *There is no need to amend NY state law to make charters subject to the Freedom of Information Law—they are already subject to it, pursuant to Section 2854, 1 (e)*
- Make charter school board members and employees subject to the same financial disclosure requirements and conflict of interest prohibitions as all other public officials.
  - *Charter board members already submit financial disclosure reports that are publicly available.*
- Require timely public reporting on all sources of funding and all fees paid to outside consultants and contractors; employee names and salaries, including data on teacher turnover; annual budgets; and audited financial statements.
  - *All of this information is already publicly available.*
- Establish the Board of Regents as the single chartering entity for all charter schools statewide as the way to promote a single and high standard of quality.
  - *According to the well-respected National Association of Charter School Authorizers in Chicago, multiple independent authorizers are the key to having a high-quality charter sector. Although New York should not repeat other states' error of creating dozens of authorizers without oversight capacity, it should avoid creating a monopoly over charter school authorizing. SUNY should retain its independent charter authority and the Chancellor should be given that same independent authority.*
- Apply prevailing wage laws to charter schools in the same manner as they apply to district public schools.
  - *All charter construction projects funded with public dollars through the School Construction Authority have paid prevailing wage. Those built strictly with privately-raised dollars are free to pay prevailing wage; the decision to do so is up to the school's trustees, as it would be for any not-for-profit organization.*
- Require all charter schools have independent parent associations or parent and teacher associations and school leadership teams similar to those required in district public schools; leadership teams should include parents, teachers, and school administrators.
  - *It would be a mistake to require charters to mimic the model used by the district for parent associations. They should be free to structure such parent associations in a way that best meets their parents and students needs. The statutory ban on charter parents being elected to Community Education Councils should be lifted to provide forums where charter and district parents could meet.*
- Automatically recognize the unions that represent employees in the school district where a charter is located as the representative of workers in charter schools and allow the negotiation of de novo contracts; provide for binding arbitration if a contract is not reached within one year.
  - *The teachers at charter schools are free to organize and affiliate with a union, if they choose to do so. Of the 99 charter schools in NYC, teachers at 9 are represented by a union. The right of charter teachers to organize and affiliate with a union is guaranteed by federal and state law. Moreover, charter teachers*

*should be free to affiliate with any union, not just the union representing employees in the school district where the charter is located (the UFT). In other parts of the country, charter teachers have chosen this alternative path, affiliating with unions other than the dominant teacher's union.*

#### 4. Promote System-wide Equity and Collaboration

- Prohibit the co-location of charter schools in New York City school buildings until New York City district schools have reached their class size targets under the Department of Education’s contract for excellence.
  - *Prohibiting charter public school students from locating in district school buildings is arguably a violation of the Constitution’s Equal Protection Clause and would likely invite a law suit. Public school students in charter schools are equally entitled to access to public facilities as those students in district schools.*
- Pair each charter school with a district public school of roughly the same population. The charter must share best practices with the public school and work to ensure that innovations it finds successful are shared with the public school. The school district will ensure that the district school has sufficient funds to institute the innovations and best practices that are working in the charter school.
  - *Charter schools are eager to share best practices with their counterparts in district schools – in fact many already do so. A legislatively-mandated partnership will never engender true cooperation. Instead, there should be a focus on ongoing partnerships that develop mutual learning opportunities.*
- For every improvement made in public school buildings (with public or private dollars) to accommodate a charter schools, matching or comparable improvements must be made for other district schools located in the same building.
  - *The New York City Department of Education’s last 5-year Capital Plan (2005-2010) allocated over \$10 billion dollars to the construction and renovation of district school buildings. Charter capital spending in that same period was approximately 3% of that figure. Despite extensive media attention to renovated bathrooms at one charter school in Harlem, the lion’s share of capital spending has been on district schools.*

#### V. CONCLUSION

After ten years, and despite some notable academic achievements, New York’s charter school sector is in need of serious repair. An explicit purpose of the state’s Charter Schools Act was to provide increased learning opportunities for all students “with special emphasis on expanded learning experiences for students who are at-risk of academic failure.” The findings of this report make clear that New York City’s charter schools, regardless of any other accomplishments, have yet to fulfill this central and equity-promoting goal of the Act.

- *After ten years, New York’s charter sector is considered one of the strongest in the country. The 99 charter schools that operate in the city are serving just over 30,000 students—and still there are not enough charter school seats to meet parental demand. The irrepressible leaders of New York’s charter schools have beat the odds and are running schools that—according to two reputable and independent studies—are doing better than their district counterparts. To pass amendments to New York’s charter school statute constraining the autonomy of a charter school runs the risk of killing this fledgling education reform effort that is popular with so many parents.*

Good intentions and best efforts by schools are not enough to correct these systematic inequities. After ten years it is clear that only legislative and regulatory action will be sufficient to create expanded learning opportunities for New York City’s poorest students, for those with disabilities, and for those for whom English is not a first language. Finally, charter schools’ funding and accountability regime must be aligned with these goals and to not impose unfair and under-funded obligations on district schools.

- *Calls for legislative and regulatory actions, pushed by special interests nakedly pursuing their own narrow agendas, should be resisted. African-American parents are flocking to charter schools in record numbers. Families who qualify for both reduced and free lunch are enrolling in these schools in greater numbers than the district. Some, like the New York Center for Autism School, are devising innovative ways of meeting the needs of students requiring Special Education services. Others, like the French Dual Language school which will open next September, want to reach out to linguistic minorities like the Francophone West African community in Harlem.*

The guiding premise of the charter school movement is “autonomy for accountability.” But autonomy cannot include freedom from the full duties and responsibilities borne by all other public schools. Real accountability must give state and City officials enforceable authority to promote a high-quality school system for all students, regardless of ability, background, and the type of school they attend. This purpose animated the founding of the state and nation’s charter school movement and it is time for New York State’s charter sector to re-engage its founding proposition.

- *The guiding premise of the charter school movement is indeed “autonomy for accountability”. It is misguided to expect each and every charter school to be a complete microcosm of the entire system—some charter schools, like the Opportunity Charter School have student bodies where close to 50% of the students require Special Education services. Others have less than the district average. The point wasn’t to create schools in the image of the district, the point was to break the mold in search of a better way to meet the needs of a citizenry as diverse as the one found in New York City.*

## **NOTE ON METHODOLOGY:**

### **Data Sources and Study Methodology**

The sample consisted of all NYC district and charter schools for which there was either a 2008/09 NYC Department of Education Progress Report Card or 2007/08 NYS School Report Card.

The Progress Report Card data provided school enrollment figures and the State Report Cards provided demographic information on each school. In all, the sample consisted of 1,122 elementary and middle schools, of which 63 were charter schools.

- *This excludes the newest 36 charter schools as well as all of the students those 63 schools have added since the data was collected.*

NYC schools are organized by local school districts rather than communities or neighborhoods. To conduct an analysis at the neighborhood/area level, the schools in certain local districts were reconfigured to represent specific communities. All public and charter schools located within the boundaries of Districts 4 and 5 were defined as Harlem schools. All public and charter schools located in school districts 7 and 9 were defined as South Bronx schools. Central Brooklyn was defined as all public and charter schools located within the boundaries of school districts 14, 16, 19, 23, and 32. Charter schools located on the outside but on the “border” of these districts were also included in the analysis.

We used descriptive statistics to compare charter and district schools located in the same neighborhood. The schools’ student body was compared according to racial composition as well as by poverty, as measured by percentage of free and reduced price lunch, and percentage of English Language Learners. An Independent Samples T-test analysis was used to compare charter and New York City public schools on these dimensions. Due to small

sample size, the Mann-Whitney test was used for the comparison of charters with their neighborhood public schools.

- *Given the sample sizes and the rising numbers of charter students, especially in Harlem, Mann-Whitney's assumption of independent sampling is inappropriate here.*