

# TEXAS CHARTER AUTHORIZER ACCOUNTABILITY REPORT

2019–2020

EXECUTIVE SUMMARY

# Executive Summary

## Background

The first charter schools were established in the United States in 1991 to provide students with a tuition-free alternative to traditional public schools. Their purpose: to create additional flexibility and innovation in education. Minnesota was the first state to usher in charter schools, and other states quickly followed; charter schools now operate in 44 states and the District of Columbia. The number of operating charter schools across the nation has more than doubled over the past 13 years—from approximately 3,700 in the 2005–06 academic year to more than 7,500 in 2018–19. Student enrollment has also experienced marked growth, increasing from about 1 million students in 2005–06 to about 3.3 million students in 2018–19 (National Alliance for Public Charter Schools, 2019).

Texas charter schools were first established in 1995 by the 74th Texas Legislature with the addition of Texas Education Code (TEC) Chapter 12. The state proposed charter schools as a means to improve student learning, increase the choice of learning opportunities within the public school system, create professional opportunities to attract new teachers to the public school system, and encourage different and innovative learning methods (TEC § 12.001, 2019). Texas charter schools are subject to fiscal and academic accountability, though they have fewer regulations than other public schools to encourage innovation and flexibility.

Four subchapters within TEC Chapter 12 (2019) codify the different types of charter schools in Texas:

- **Home-rule school district charter schools** (TEC Chapter 12, Subchapter B, 2019), which are not in existence to date;
- **Campus or campus program charter schools** (TEC Chapter 12, Subchapter C, 2019), which are authorized by Texas Independent School District (ISD) school boards and serve students within the district;
- **Open-enrollment charter schools** (TEC Chapter 12, Subchapter D, 2019), which are authorized by the commissioner of education (COE), operated by 501(c)(3) tax-exempt organizations or governmental entities, and can enroll students from any school districts in their approved geographic boundaries; and
- **College, university, or junior college charter schools** (TEC Chapter 12, Subchapter E, 2019), which are authorized by the COE, operated by institutions of higher education, and can enroll students from any school districts in their approved geographic boundaries.

Contemporary charter school legislation demonstrates the state's effort to balance quality with growing charter school demand. In 2013, the 83rd Texas Legislature (regular session) passed Senate Bill (SB) 2, which made significant changes to the state's charter school legislation. The bill added TEC § 12.115 (a)–(d) (2019)—Charter Revocation or Modification of Governance—to the TEC, which placed charter schools under stricter financial and academic accountability expectations and requires the commissioner to revoke a school's charter should it fail to meet the stated accountability benchmarks for three consecutive years. Since the passage of SB 2 in 2013, 40 charter schools have closed, and the number of charters granted annually has decreased. SB 2 also increased the cap on the maximum possible number of open-enrollment charter schools granted from 215 to 305 by September 2019 (TEC § 12.101, 2019). Another significant change introduced in SB 2 was the transfer of authority in granting open-enrollment charters from the State Board of Education (SBOE) to the COE (TEC § 12.101 (a), 2019). The commissioner, however, must still submit notification to the SBOE regarding which charters w x, 40 ch8.9 (temmissionervTtd of Educa)-6aantn.8 2hich m



SBOE-authorized charter school campuses and their matched traditional public school campuses; it was 17% at ISD-authorized charter school campuses and 15% at their matched traditional public school campuses. At high school campuses, the attrition rate was 21% at SBOE-authorized charter school campuses, 17% at their matched traditional public school campuses, 30% at ISD-authorized charter school campuses, and 14% at their matched traditional public school campuses.

### **Graduation Rates**

SBOE-authorized charter school campuses evaluated under standard accountability provisions had a four-year longitudinal graduation rate of 97% compared with matched traditional public school campuses, which had a four-year longitudinal graduation rate of 90%. The four-year longitudinal graduation rate at ISD-authorized charter school campuses was 77%, compared with 91% at matched traditional public school campuses. Additionally, four-year longitudinal graduation rates for Alternative Education Accountability (AEA) campuses were examined; the graduation rate at SBOE-authorized charter school campuses was 73%, compared with 84% at their matched traditional public school campuses. For ISD-authorized charter school AEA campuses, the graduation rate was 95%, compared with 85% at their matched traditional public school campuses.

### **College, Career, and Military Readiness Outcomes**

Under TEC § 39.053(c) (2019), for accountability purposes, high school graduates can demonstrate readiness for college, a career, or the military through a number of achievements outlined in detail in Appendix A.

Graduates at SBOE-authorized charter school campuses demonstrated CCMR in several ways: 14% earned college credit through the completion of dual credit courses compared with 25% at matched traditional public school campuses; 4% enlisted in the U.S. Army, Navy, Air Force, Coast Guard, or Marines compared with 6% at matched traditional public school campuses; 1% earned an industry-based certification compared with 7% in matched traditional public school campuses; less than 1% earned a level I or level II certificate in any workforce education area compared with 1% at matched traditional public school campuses; 2% completed and earned credit for an English Language Arts (ELA) college prep course compared with 7% at matched traditional public school campuses; 3% completed and earned credit for a mathematics college prep course compared with 10% at matched traditional public school campuses; less than 1% completed an OnRamps dual enrollment course and qualified for at least three hours of college credit compared with 2% at matched traditional public school campuses; and 3% earned an associate's degree while in high school compared with 6% at matched public school campuses.<sup>5</sup>

Also at SBOE-authorized charter school campuses, 41% of graduates demonstrated CCMR by satisfying the Texas Success Initiative (TSI) college readiness benchmarks in both ELA/reading and math compared with 37% at matched traditional public schools, and 27% of graduates at SBOE-authorized charter school campuses demonstrated CCMR by meeting the criterion on an Advanced Placement (AP) or International Baccalaureate (IB) exam compared with 18% at matched traditional public schools.

Generally, graduates of ISD-authorized charter school campuses demonstrated CCMR at higher rates than the matched traditional public school campuses. Notably, 43% of graduates satisfied TSI college readiness benchmarks in both ELA/reading and mathematics compared with 37% at matched traditional public school campuses; 28% earned college credit through the completion of dual credit courses compared with 23% at matched traditional public school campuses; 3% earned a level I or level II certificate in any workforce education area compared with 1% at matched traditional public school campuses; 10% completed and earned credit for an ELA college prep course compared with 7% at matched traditional public school campuses; and 8% earned an associate's degree while in high school compared with 3% at matched traditional public school campuses. However, 3% enlisted in the U.S. Army, Navy, Air Force, Coast Guard, or Marines compared with 6% at matched traditional public school campuses; 3% earned an

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<sup>5</sup> As of 2021, TEA will no longer include the 2018–19 Texas Student Data System Public Education Information Management System military enlistment data for CCMR calculations for future accountability purposes. Additional information can be found at <https://tea.texas.gov/sites/default/files/military-enlistment-data-faqs.pdf>.

industry-based certification compared with 14% at matched traditional public school campuses; and 4% completed and earned credit for a mathematics college prep course compared with 10% at matched traditional public school campuses. ISD-authorized charter school campuses had equal proportions of students completing an On-Ramps Course (2%) and completing an AP or IB exam (17%) as matched traditional public schools.

## **Key Finding for COE-Authorized Charter School Campuses**

Aggregate outcome measures related to attrition and CCMR were reported for COE-authorized charter school campuses and matched traditional public school campuses. Because of the small number of COE-authorized charter school campuses, aggregate outcome measures related to graduation rates were not reported.

### **Attrition Rates**

The attrition rate for COE-authorized charter school campuses was 26%, compared with 20% at their matched traditional public school campuses.

### **College, Career, and Military Readiness Outcomes**

Graduates at COE-authorized charter school campuses demonstrated CCMR in several ways: 1% satisfied TSI college readiness benchmarks in both ELA/reading and mathematics compared with 38% at matched traditional public school campuses; less than 1% met the criterion on an AP or IB exam compared with 13% at matched traditional public schools; 1% earned college credit through the completion of dual credit courses compared with 22% at matched traditional public school campuses; none enlisted in the U.S. Army, Navy, Air Force, Coast Guard, or Marines compared with 6% in matched traditional public school campuses; none earned a level I or level II certificate in any workforce education area compared with less than 1% in the matched traditional public school campuses; none completed and earned credit for an ELA college prep course compared with 1% at matched traditional public school campuses; none completed and earned credit for a mathematics college prep course compared with 3% at matched traditional public school campuses; none completed an OnRamps dual enrollment course and qualified for at least three hours of college credit compared with less than 1% at matched traditional public school campuses; and none earned an associate's degree while in high school compared with 6% at matched public school campuses. However, 10% earned an industry-based certification compared with 6% at matched traditional public school campuses.

## **Study Limitation**

This report provides a detailed description of charter school campuses and matched traditional public school campuses intended for comparison of school types. While a combination of sampling techniques was used to identify demographically similar traditional public school campuses as the matched set for comparison, inferences regarding the performance of charter schools relative to traditional public schools cannot be made using this report. In order to suggest the performance of one type of school is consistently better or worse than another, statistical tools controlling for observed and unobserved characteristics influencing performance would need to be in place and inferential statistical analysis employed. Additionally, careful interpretation of the comparisons with COE-authorized and ISD-authorized charter school campuses provided in this report is necessary because of the small numbers of campuses in

should be compared with caution. As a final note, although the passage of SB 2 in 2013 resulted in a policy process change in charter school authorization, the reader is cautioned against attributing differences presented in this report solely to this change. Rather, differences may be attributable to other changes occurring over time, such as differences in the charter school applicant makeup, other process changes, and/or changes in leadership at the charter schools—none of which could be accounted for within the scope of this report.

Beginning in spring 2020, public health and safety circumstances caused by the COVID-19 pandemic led to the closure of schools during the state’s testing window and inhibited the state’s ability to measure district and campus performance accurately. Because of the cancellation of the spring 2020 STAAR®, those outcomes do not appear in this report as usual. For the 2020 accountability cycle, TEA also received approval to waive accountability requirements under the Every Student Succeeds Act. Therefore, TEA did not calculate any domain or overall ratings; all districts and campuses were labeled *Not Rated: Declared State of Disaster* for 2020. Outcomes available for this report pertain to attrition, graduation, and CCMR.