

INTER-OFFICE CORRESPONDENCE
Los Angeles Unified School District

INFORMATIVE

TO: Members, Board of Education Date: May 9, 2008

FROM: Randy Ross
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SUBJECT: RAND Studies of Charter Schools

COPIES: D. Brewer, R. Cortines, J. Morris, R. Ephraim, D. Jacque-Anton, J. Cole-Gutierrez, J. Crain, M. Medina, J. Thornton

At the request of Board members LaMotte and Canter, this informative reports on our review of the 2005 RAND report, *The Effect of Charter Schools on School Peer Composition*. The RAND report, which was introduced by Mr. Cole-Gutierrez, examines how the transfer of students from traditional to charter public schools affect the racial and ability distributions of the schools they leave.

In order to paint a more comprehensive picture of the impact of charter schools, we also summarize findings from a more recent RAND paper, *Making Sense of Charter Schools: Evidence from California* (2006). In this paper, RAND synthesizes findings from its extensive research on charter schools on a host of other important dimensions: (1) impact of charter schools on student achievement; (2) impact of charter schools on the performance of traditional public schools; (3) differences in the operation of traditional and charter public schools; (4) sufficiency of monitoring of charter schools by chartering agencies.

Review of RAND Report, *The Effect of Charter Schools on School Peer Composition*

In this study, RAND uses student-level data for Texas and California to examine how students who move from traditional public schools to charter schools affect the “racial and ability distributions” in schools.

Our review focuses primarily on the findings for California. The California data were limited to selected districts that maintain student-level data bases over time. Specifically, the RAND study includes the following California districts: Chula Vista, Fresno, Los Angeles, Napa Valley, San Diego, and West Covina. The California data base includes about 1.1 million students (of which nearly three-fourths attended LAUSD). Over sixty thousand of these students had attended a charter school for at least one year and about fifteen thousand of these students had transferred from a public to a charter school.

The study has several key findings. For one, notwithstanding the intent that charter schools achieve racial and ethnic balance among their students, California's charter schools tend to enroll disproportionate numbers of African American students. While African American students make up about 13 percent of the students in the six California districts included in the study, they make up about 37 percent of students who have attended a charter school for at least one year. On the other hand, Latino students account for 63 percent of students in the represented California districts, but make up only 40 percent of charter students. For Los Angeles, this finding precipitates several questions: Are there important differences in the socio-economic characteristics of students who leave traditional public schools for charters, and those who remain at traditional public schools? Do leavers tend to be from higher-income families and/or families with higher levels of parent education? Are there significant differences in the language classification of students who switch to charter schools?

RAND also found that African American students tend to choose charter schools that enroll disproportionately large percentages of African American students. If prospective providers of charter school services perceive that black parents in low-achieving schools possess a higher demand for alternative educational services, then some providers would tend to focus on this population, e.g., Watts Learning Center, CLAS. The same may hold for other ethnic groups (e.g., Latino students at Academia del Semillas, Whites at Los Feliz, and Pacific Islanders at Wisdom Academy for Young Scientists).

RAND's analysis of factors influencing transfers to charter schools suggests the following:

- Student reading performance has no effect on the decision to transfer to a charter school;
- The lower a student's math scores, the greater the likelihood the student will transfer to a charter school;
- The more segregated the traditional public school, the greater the likelihood a student will transfer to a charter school¹; and
- Students in Chula Vista, Napa Valley, San Diego, and West Covina are more inclined to transfer to a charter school than students in LAUSD, while students in Fresno are less inclined to transfer to a charter.

The researchers conclude that "little evidence can be found that California charter schools are systematically cream-skimming high-performing students." However, it is notable that practices employed by some charters reviewed by LAUSD's board (e.g., requiring students to write essays as part of the application process) could have the effect of cream-skimming.

¹ Low-performing schools in inner-city Los Angeles schools are generally in high-poverty areas made up mainly of Latinos and African Americans. Understandably, students in these schools are more likely to pursue choice opportunities.

Review of RAND Paper, *Making Sense of Charter Schools: Evidence from California*

The study reviewed above is one of several that RAND produced over a 3.5 year period that focused on charter schools. In 2006, RAND researchers summarized the findings of this research in a paper entitled, “Making Sense of Charter Schools: Evidence from California.” To provide the Board with a broader view of RAND’s analysis of charter schools, the findings from this report are summarized below.

RAND’s overall charter school research agenda focused on five key questions:

- How do charter schools affect the performance of charter students?
- What types of students do charter schools serve?
- Is charter school competition improving the performance of traditional public schools?
- Does the operation of charter schools differ from that of traditional public schools?
- Do charter schools receive sufficient monitoring from chartering authorities?

Based on several analyses of student-level data, school surveys, and case studies, RAND reached the following additional conclusions:

1. Overall, students in charter schools and traditional public schools perform at comparable levels.
 - a. Students in conversion charter schools with classroom-based instruction have test scores similar to those of comparable students in traditional public schools.
 - b. Students in startup charter schools with classroom-based instruction have slightly higher test scores than do comparable students in traditional public schools.
 - c. Students in charter schools that employ some nonclassroom-based instruction (e.g., distance learning, independent study, and/or home schooling) have lower average test scores than do comparable students in traditional public schools.
 - d. An analysis of student-level data for LAUSD and San Diego City Schools suggested that “...achievement scores in charter schools are keeping pace with, but not exceeding, those in traditional public schools and are not consistently producing improved test scores for minorities above and beyond traditional public schools.”
2. Charter schools have had no measurable impact on the performance or operation of traditional public schools.
3. The operations of charter and traditional public schools differ in several ways:
 - a. Charter school principals say they have greater control than did traditional public school principals.
 - b. Startup charter school principals report getting less public funding per student than do traditional public school principals.
 - c. Charter school teachers have less experience and fewer teaching credentials than those in traditional public schools.

- d. Charter school teachers are more likely to participate in informal professional development.
- e. Charter schools report spending more instructional hours on non-core subjects (e.g., fine arts) at the elementary school level.
- f. Startup charter schools have a smaller proportion of special education students than traditional public schools.
- g. The greater autonomy accorded charter schools does not result in higher levels of achievement in the core subjects of reading and math.

Concluding Remarks

By intent, the charter movement is burdened with the expectation that deregulated free schooling will lead to the creation of schools that, on average, culminate in a significantly higher level of student achievement, especially for low-achieving students in low-performing schools. Strategically, such a result would be expected to pressure traditional public school systems to raze their bureaucratic fences and adopt effective charter school practices. The findings from RAND's studies show that while charter schools generally show greater innovation, take on needy students, and operate at lower costs, charter school operators have yet to lock in superlative outcomes for their students. Thus, on the question of whether charter schools are demonstrably more cost-effective than traditional public schools, the jury remains sequestered.

References

Booker, K., R. Zimmer, and R. Buddin, *The Effect of Charter Schools on School Peer Composition*, RAND, October 2005.

R. Zimmer and R. Buddin, *Making Sense of Charter Schools: Evidence from California*, RAND, 2006.