

THE U.S. DEPARTMENT OF EDUCATION'S CHARTER SCHOOLS PROGRAM OVERVIEW DECEMBER 2015

What is the purpose and history of the U.S. Department of Education's Charter Schools Program?

THE U.S. DEPARTMENT OF EDUCATION'S CHARTER SCHOOLS PROGRAM (CSP) HAS FOUR MAIN STATUTORY PURPOSES:

- Providing financial assistance for the planning, program design, and initial implementation of public charter schools;
- Evaluating the effects of public charter schools, including effects on students, student academic achievement, staff, and parents;
- Expanding the number of high-quality charter schools available to students across the United States; and
- Encouraging States to provide support to charter schools for facilities financing.

THE CSP HAS PROVIDED OVER \$3.3 BILLION TO FUND THE STARTUP, REPLICATION AND EXPANSION OF PUBLIC CHARTER SCHOOLS.

The CSP has awarded \$3.3 billion for the creation of charter schools since its inception in 1995, through three grant competitions:



State Educational Agencies (SEA):
\$3.0 billion from 1995-2015

Replication and Expansion of

High-Quality Charter Schools (CMO):

\$266 million from 2010-2015

Non-State Educational
Agencies (Non-SEA):
\$83 million from 2002-2015

Federal funds have also helped charter schools find suitable facilities, disseminate promising charter school practices, promote exemplary collaborations with traditional public schools, and invest in national activities and initiatives that support charter schools.

NOTE: This presentation focuses only on the SEA, Non-SEA and CMO grants.

Between SY 2006-07 and SY 2013-14 how many schools and students have benefitted from the SEA, CMO and Non-SEA programs?¹

CSP HAS FUNDED OVER 40% OF OPERATIONAL PUBLIC CHARTER SCHOOLS, SERVING 1 MILLION STUDENTS.

As of SY 2013-14:

6,467 public charter schools were open nationwide

2,676 of these public charter schools had received CSP funding between SY 2006-07 and SY 2013-14¹



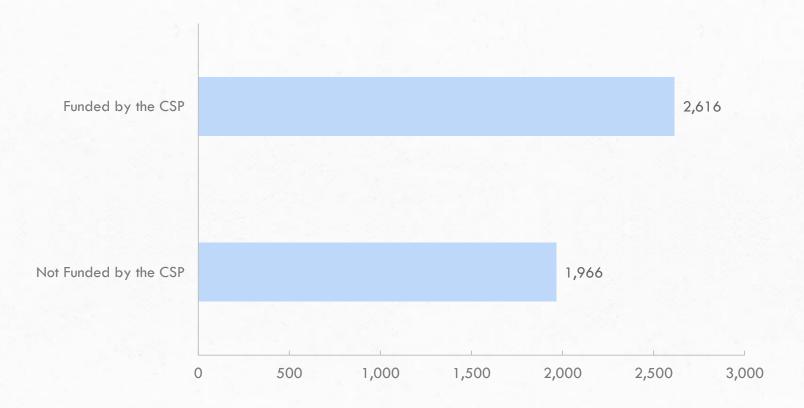
41% (2,676/6,467) of public charter schools operating had received CSP funding during the period of SY 2006-07 and SY 2013-14

1 million students were served by these schools

Note: SY 2013-14 is the most recent year in which enrollment data was available.

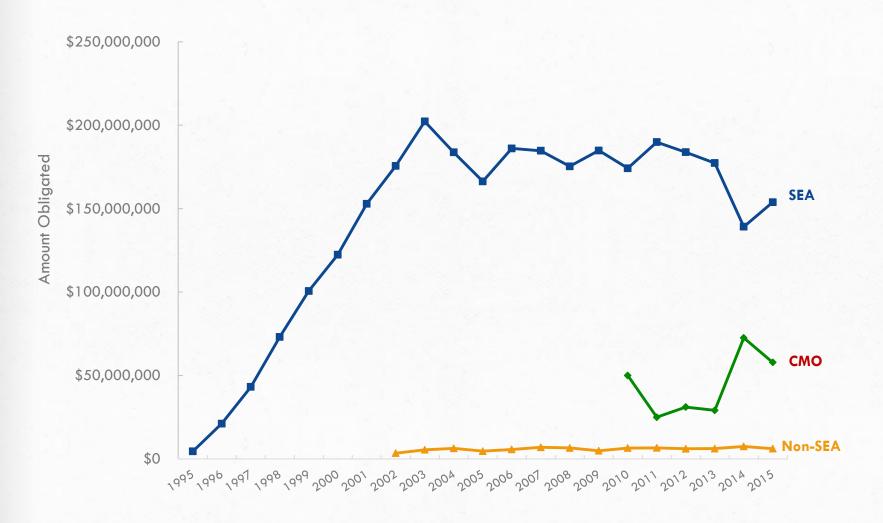
¹56 public charter schools that had received CSP funding between SY 2006-07 and SY 2013-14 subsequently converted to traditional public schools. These schools are not included in this analysis.

CSP FUNDED NEARLY 60% OF PUBLIC CHARTER SCHOOLS OPENED BETWEEN SY 2006-07 AND SY 2013-14.



Number of Charter Schools Opened Between SY 2006-07 and SY 2013-14

THE VAST MAJORITY OF PUBLIC CHARTER SCHOOL GRANTS ARE PROVIDED THROUGH THE SEA PROGRAM.



CSP AWARDS HAVE BEEN SIGNIFICANT—AVERAGING \$461,813 PER OPERATIONAL PUBLIC CHARTER SCHOOL SINCE 2006.¹

\$461,813 average award per public charter school open as of SY 2013-14 that had received CSP funding between SY 2006-07 and SY 2013-14

\$207,673 average award per prospective public charter school that had received CSP funding between SY 2006-07 and SY 2013-14²

\$0 \$100,000 \$200,000 \$300,000 \$400,000 \$500,000

Average award amount per school

¹Amounts adjusted for inflation.

²Prospective schools refers to developers that received CSP funds, but have not yet opened a school—this encompasses recent recipients that may still open a school as well as recipients where it is unlikely that they will open a school.

Which students are benefitting from CSP funds?

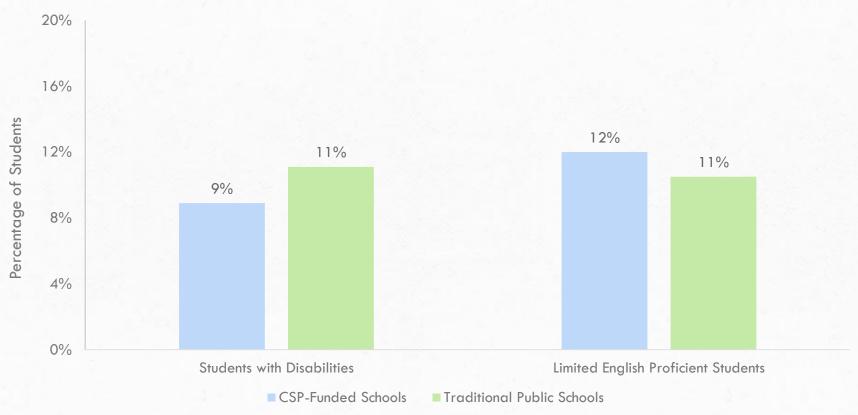
CSP-FUNDED SCHOOLS SERVE HIGHER PERCENTAGES OF BLACK AND HISPANIC STUDENTS, AND STUDENTS WHO ARE ELIGIBLE FOR FREE AND REDUCED-LUNCH.

| CSP-funded public charter schools served approximately 2% of total free and reduced-lunch students in SY 2013-14 | CSP-Funded Charter Schools (n = 2,648) | | Traditional Public Schools (n = 88,641) | |
|------------------------------------------------------------------------------------------------------------------|----------------------------------------|--------|-----------------------------------------|--------|
| | n | % | n | % |
| Total number of students | 991,626 | 100.0% | 47,165,130 | 100.0% |
| Free and reduced-lunch (FRL) eligible students | 584,650 | 59.0% | 24,180,298 | 51.3% |
| White | 304,821 | 30.7% | 24,116,093 | 51.1% |
| Black | 318,423 | 32.1% | 7,052,344 | 15.0% |
| Hispanic | 294,844 | 29.7% | 11,600,786 | 24.6% |
| Asian | 35,369 | 3.6% | 2,306,807 | 4.9% |
| Two or more races | 28,563 | 2.9% | 1,421,331 | 3.0% |
| American Indian/Alaska Native | 5,816 | 0.6% | 498,982 | 1.1% |
| Hawaiian Native/Pacific Islander | 3,790 | 0.4% | 165,049 | 0.3% |

Source: Common Core of Data.

Note: The enrollment data of 28 CSP-funded public charter schools that were operational in SY 2013-14 was not included because their enrollment data did not meet the National Center for Education Statistics data quality standards, or the data was missing.

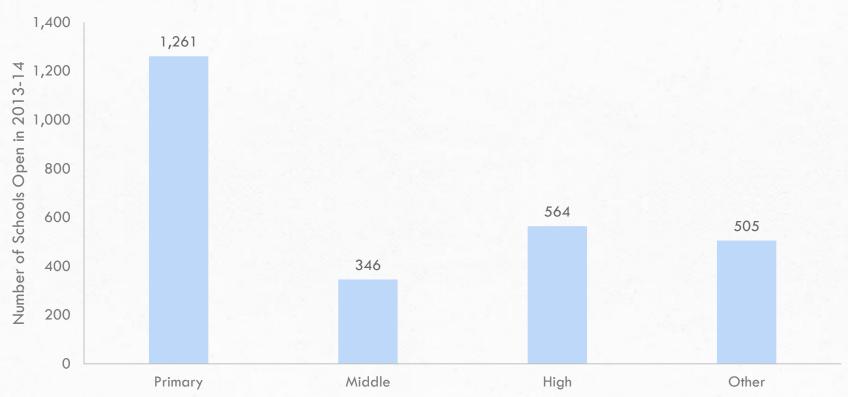
AS OF SY 2011-12, CSP-FUNDED SCHOOLS SERVED A SIMILAR PERCENTAGE OF STUDENTS WITH DISABILITIES AND LIMITED ENGLISH PROFICIENT STUDENTS AS TRADITIONAL SCHOOLS.



Source: EDFacts.

Note: Reflects most recent school-level enrollment data for students with disabilities and limited English proficiency in EdFacts.

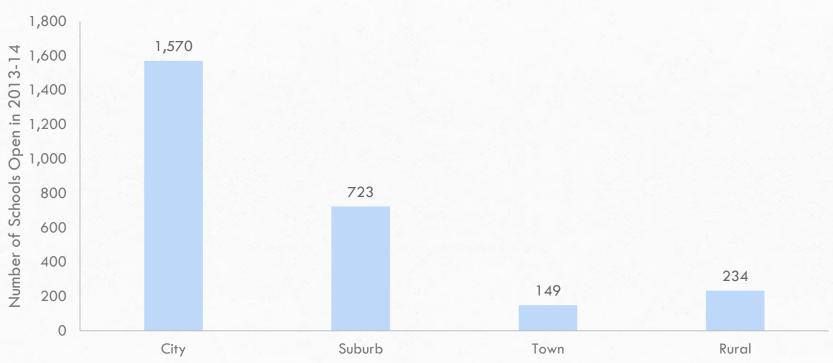
CSP-FUNDED PUBLIC CHARTER SCHOOLS SERVE STUDENTS AT EVERY GRADE LEVEL.



Source: Common Core of Data.

Note: Categories as defined by Common Core of Data coding system.

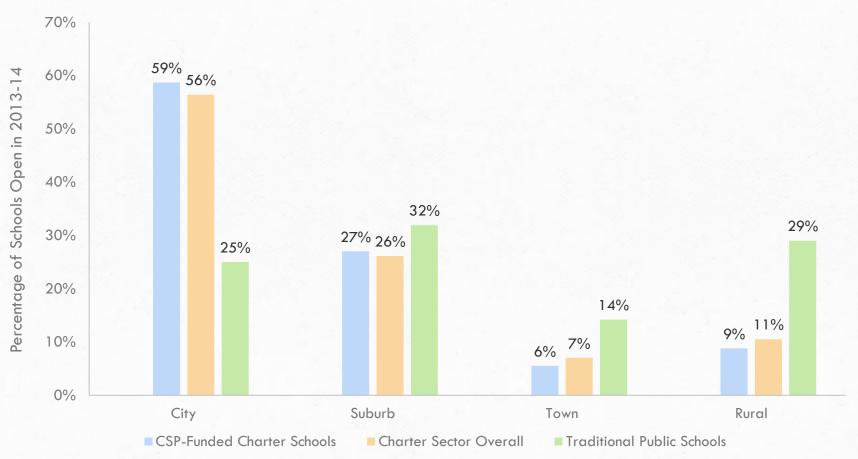
THE CSP FUNDS PUBLIC CHARTER SCHOOLS IN A VARIETY OF SETTINGS, WITH THE MAJORITY IN URBAN AREAS.



Source: Common Core of Data.

Note: Categories as defined by Common Core of Data coding system.

A SIGNIFICANTLY HIGHER PERCENTAGE OF CSP-FUNDED SCHOOLS ARE IN CITIES VS. TRADITIONAL SCHOOLS.

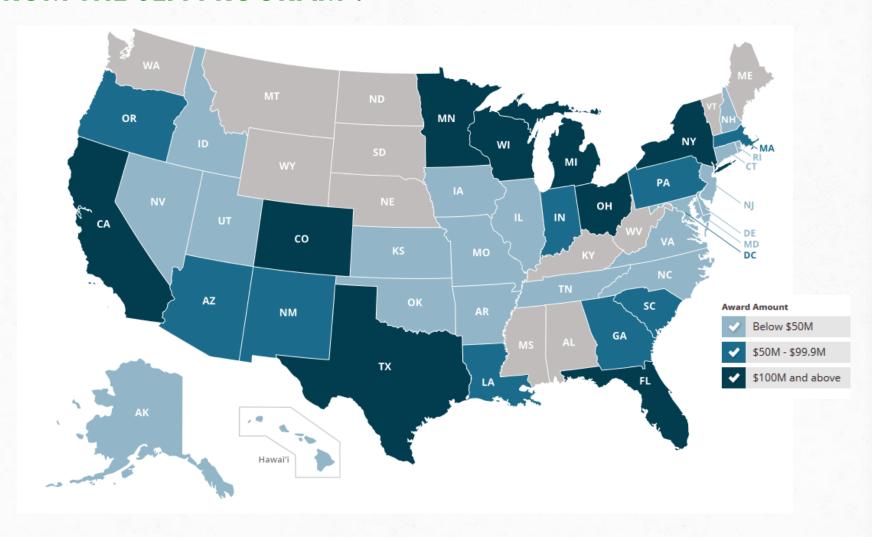


Source: Common Core of Data.

Note: Categories as defined by Common Core of Data coding system.

Do States with the highest-performing charter schools receive SEA funding?

38 STATES ACROSS THE COUNTRY HAVE RECEIVED GRANTS FROM THE SEA PROGRAM¹.



Note: States in gray (i.e., AL, KY, ME, MS, MT, ND, NE, SD, VT, WA, WV, WY) did not receive an SEA grant. KY, MT, ND, NE, SD, VT, and WV have not had charter laws in place during this time.

¹ Since the inception of the CSP program in 1995.

STATES WITH THE HIGHEST-PERFORMING CHARTER SCHOOLS ARE ALL RECENT SEA-PROGRAM GRANTEES.

A 2013 report by the Center for Research on Educational Outcomes (CREDO) identified eleven States where charter school performance outpaced traditional schools in both Math and ELA.



| STATE: | RECENT SEA GRANT YEAR(S): |
|----------------------|---------------------------|
| DISTRICT OF COLUMBIA | 2010, 2015 |
| ILLINOIS | 2015 |
| INDIANA | 2010, 2015 |
| LOUISIANA | 2009 |
| MASSACHUSETTS | 2012 |
| MICHIGAN | 2010 |
| MISSOURI | 2010 |
| NEW JERSEY | 2012 |
| NEW YORK (UPSTATE) | 2011 |
| RHODE ISLAND | 2010 |
| TENNESSEE | 2009 |

Source: Woodworth, J. L., Raymond, M. E., et al. (2013). National Charter School Study. Stanford, CA: CREDO.

Do the highest-performing CMO operators receive replication and expansion funding?

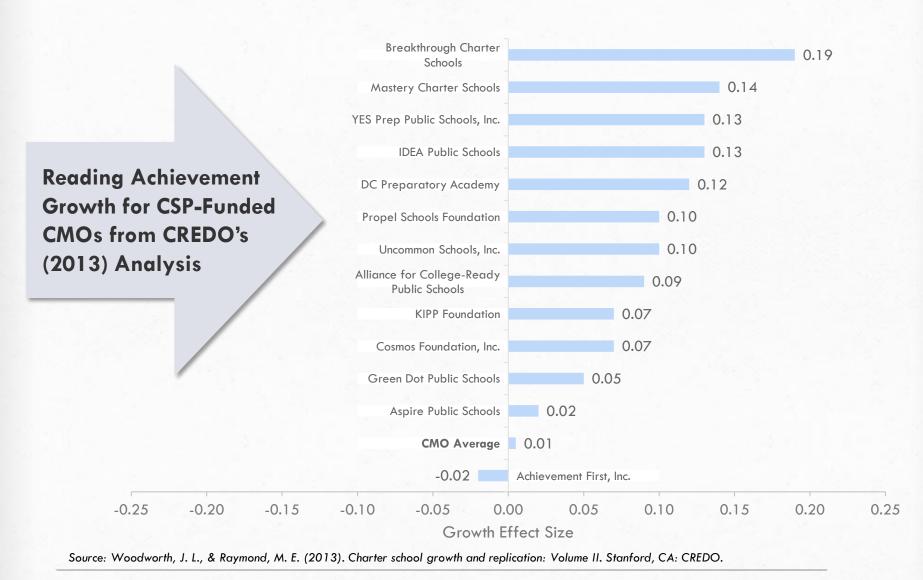
HIGHEST-PERFORMING CHARTER SCHOOLS THAT ARE RECENT CMO-PROGRAM GRANTEES.

Over a third of CMO grants have been awarded to CMOs identified by CREDO in 2013 as organizations that outpaced traditional public schools in growth rates for both math and reading.¹

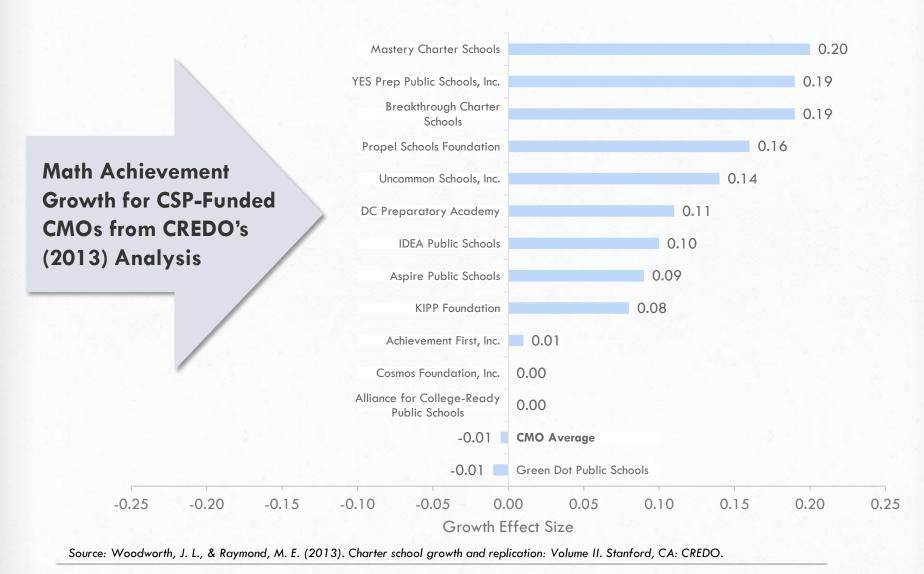
| | CMO: | RECENT CMO GRANT YEAR(S): |
|--------------------------|-------------------------------|---------------------------|
| CSP CMO program grantees | Aspire Public Schools | 2010, 2014 |
| | Breakthrough Charter Schools | 2011 |
| | DC Preparatory Academy | 2011 |
| | IDEA Public Schools | 2010, 2014 |
| | KIPP Foundation | 2010, 2011, 2012, 2014 |
| | Mastery Charter Schools | 2010, 2015 |
| | Propel Schools Foundation | 2010 |
| | Uncommon Schools, Inc. | 2010, 2011 |
| | Uplift Education | 2015 |
| | YES Prep Public Schools, Inc. | 2014 |

Source: Woodworth, J. L., & Raymond, M. E. (2013). Charter school growth and replication: Volume II. Stanford, CA: CREDO. ¹A significant portion of CMO grantees were not included in the 2013 CREDO study.

THE REPLICATION AND EXPANSION PROGRAM INVESTS IN CMOs WITH IMPRESSIVE GROWTH IN READING SCORES.

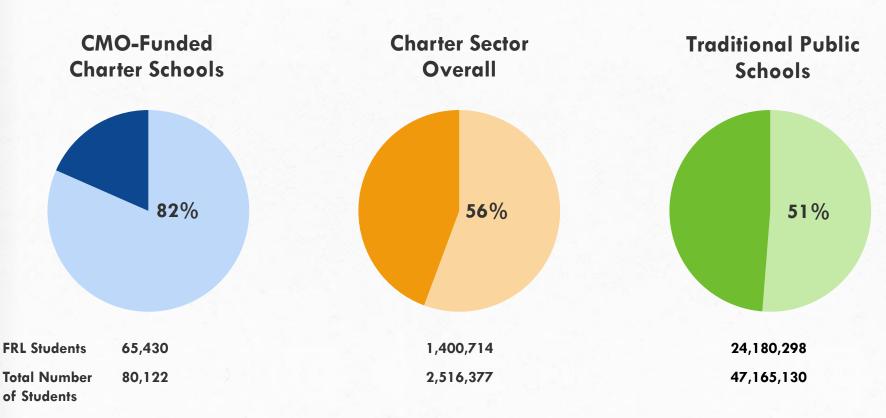


THE REPLICATION AND EXPANSION PROGRAM ALSO INVESTS IN CMOs WITH PROMISING MATH RESULTS.



THE REPLICATION AND EXPANSION PROGRAM OVERWHELMINGLY INVESTS IN CMOs SERVING LOW-INCOME STUDENTS.

Students Eligible for Free and Reduced-Lunch as Percentage of Total Student Population (SY 2013-14)



Source: Common Core of Data.

DATA SOURCES

DATA SOURCES:

THE ANALYSIS INCLUDES DATA FROM FOUR SOURCES:

CSP Grantee Annual Reporting Data

- Period covered: 2006 through June 2015
- Data categories include award amount and type

Common Core of Data (CCD)

Data categories include charter school identifier ("tag"), operational status,
 enrollment for racial/ethnic groups, location, and free and reduced-lunch eligible
 students

EDFacts

 Data categories include enrollment for students with disabilities and limited English proficient students

• G5

Grant award data from 1995 to 2015