

RTTT APPLICATION REQUIREMENTS

(F)(2) Ensuring successful conditions for high-performing charter schools and other innovative schools

(40 points)

The extent to which—

(i) The State has a charter school law that does not prohibit or effectively inhibit increasing the number of high-performing charter schools (as defined in this notice) in the State, measured (as set forth in Appendix B) by the percentage of total schools in the State that are allowed to be charter schools or otherwise restrict student enrollment in charter schools;

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**(F)(2) Illinois Reform Conditions
Ensuring Successful Conditions for High-Performing Charter Schools and Other Innovative Schools**

Public Act 96-0105, signed into law in July 2009 by Governor Quinn, increases the total number of charter schools permitted in the State from 60 to 120: 70 in Chicago, 45 in the remainder of the State, and an additional 5 devoted exclusively to re-enrolled high school drop-outs. The Illinois Charter Schools Law is structured to establish separate caps in Chicago and in the remainder of the State. Since the Charter School Law's enactment in 1996, Chicago is the only area of the State where the cap has limited the establishment of charter schools. With the passage of Public Act 96-0105, Chicago now has a "high" cap, as defined in the Race to the Top review criteria, as under the cap, if filled, more than 10% of the total schools in Chicago would be charter schools. (There are currently 665 public schools in Chicago.) Outside of Chicago, the statutory cap has not been a barrier to charter school growth and the State stands ready to re-examine the cap if it becomes a barrier. Also, outside of Chicago, the Charter Schools Law has sufficient flexibility to permit an increase in the number of charter schools as if the cap were higher. In particular, outside of Chicago, the Charter Schools Law permits multiple campuses authorized under a single charter.

In addition to raising the charter school cap, P.A. 96-0105 establishes the Independent Charter School Authorizer Task Force for the purpose of studying the need, if any, for an independent charter school authorizer in Illinois. The Task Force, consisting of charter school experts and representatives of a broad variety of interest groups focused on charter school policy,

will make its recommendations for consideration by the Illinois General Assembly during the Spring 2010 legislative session.

Thirty-nine charter schools are currently operating in Illinois. The chart below lists the types of charter schools currently operating in Illinois.

Illinois Charter Schools	
Charter Schools: Grades Served	Number of Charter Schools
PreK-5	1
PreK-8	3
PreK-12	3
K-5	1
K-8	11
K-12	3
5-8	1
5-12	1
6-12	3
7-12	2
9-12	10

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(F)(2) <u>Ensuring successful conditions for high-performing charter schools and other innovative schools</u> <i>(40 points)</i>			
The extent to which—			
	*	*	*
(ii) The State has laws, statutes, regulations, or guidelines regarding how charter school authorizers approve, monitor, hold accountable, reauthorize, and close charter schools; in particular, whether authorizers require that student achievement (as defined in this notice) be one significant factor, among others, in authorization or renewal; encourage charter schools that serve student populations that are similar to local district student populations, especially relative to high-need students (as defined in this notice); and have closed or not renewed ineffective charter schools;			
	*	*	*

Charter schools in Illinois are governed by Section 27A of the School Code, 105 ILCS 5/1-1 *et seq.* Section 27A includes provisions governing how charter school authorizers approve, monitor, hold accountable, reauthorize, and close charter schools. In order to establish a charter school, the charter school applicant must submit a proposal, in the form of a proposed contract between the local school board and the governing body of the charter school applicant to ISBE

and the local school board. This proposal must include, among other elements, a description of the: admission criteria; the goals, curriculum, objectives, and pupil performance standards to be achieved by the charter school; the plan for evaluating pupil performance, including the types of assessments to be employed; evidence that the proposed charter school is economically sound for both the charter school and the school district; and a description of the governance/operating structure of the proposed charter school.⁵³

Upon receipt of this proposal, the local school board is responsible for reviewing the proposal and issuing a recommendation to ISBE either granting or denying the charter school application. As set forth in Section 27A-8 of the School Code, local school boards are instructed to give preference to proposals that:

- Demonstrate a high level of local pupil, parental, community, business, and school personnel support;
- Set rigorous levels of expected pupil achievement and demonstrate feasible plans for attaining those levels of achievement; and
- Are designed to enroll and serve a substantial proportion of at-risk children; provided that this consideration is not intended to limit or discourage the establishment of charter schools that serve other pupil populations.⁵⁴

As demonstrated above, local school boards are encouraged to give preference to charter schools that serve student populations that are similar to local district student populations, especially relative to high-need students. In addition, local school boards consider expected student achievement as a significant factor in the decision to approve or deny a charter school proposal.

Within 45 days of receipt of the charter school proposal, the local school board is required to host a public meeting to obtain information to help the board with its decision to either approve or deny the charter school proposal. After voting on the charter school proposal, the local school board then files a report to ISBE either approving or denying the proposal. ISBE then has 14 days after receiving the report from the local school board to determine whether the approved charter school proposal is consistent with the provisions of Section 27A of the School Code.⁵⁵ Charter schools are approved for a period of not less than 5 years and not more than 10 years.

In order to renew a charter, the charter school must submit a proposal to the local school board or ISBE, that includes:

- A report on the progress of the charter school in achieving the goals, objectives, pupil performance standards, content standards, and other terms of the initial approved charter proposal; and
- A financial statement setting forth the costs of administration, instruction and other spending categories for the charter school.⁵⁶

As mentioned above, in renewing a charter, the local school board or ISBE uses student achievement as a significant factor in deciding whether the charter school's charter should be renewed.

The chartering entity, either ISBE or the local school board, has the power to close or not renew ineffective charter schools under Section 27A-9 of the School Code. Specifically, the chartering entity has the power to revoke or not renew charters upon clear showing that the charter school did any of the following or otherwise failed to comply with the requirements of Section 27A of the School Code:

- Committed a material violation of any of the conditions, standards, or procedures set forth in the charter.
- Failed to meet or make reasonable progress toward achievement of the content standards or pupil performance standards identified in the charter.
- Violated any provision of law from which the charter school was not exempted.⁵⁷

Upon notice that the school's charter is subject to revocation, the charter school is given the opportunity to submit a proposal to rectify the problem and a corresponding timeline, which may not exceed 2 years. If the chartering entity finds that the charter school has failed to rectify the problem and adhere to the timeline submitted, then the school's charter will be revoked and the school will be closed. Except in the case of an emergency where the health, safety, or education of the charter school's students is at risk, the revocation and closure of the charter school will take place at the end of a school year.⁵⁸

ISBE monitors and evaluates charter schools to ensure that the charter schools are accomplishing their missions and goals. Specifically, under Section 27A-12 of the Schools Code, ISBE is required to compile annual evaluations of charter schools from the local schools boards and prepare an annual report on charter schools for Illinois' General Assembly and the Governor. As part of this report, ISBE compares the performance of charter school pupils with the performance of ethnically and economically comparable groups of pupils on other public

schools who are enrolled in academically comparable courses.⁵⁹ In addition, ISBE provides periodic evaluation of charter schools that include evaluations of student academic achievement, the extent to which charter schools are accomplishing their missions and goals, the sufficiency of funding for charter schools, and the need for changes in the approval process for charter schools.⁶⁰

ISBE has promulgated additional rules for charter schools, including rules related to the submission of reports from local school boards to ISBE regarding the application for, renewal of, or revocation of a charter school's charter and ISBE review of charter schools approved by local school boards.⁶¹

The chart below summarizes the charter school applications received by Illinois since SY 2004-05.

Charter School Applications Received by Illinois Since SY2004-2005					
Year	SY 08-09	SY 07-08	SY 06-07	SY 05-06	SY 04-05
No. charter school applications	9	8	14	9	37
No. charter school applications approved	5	5	11	1	4 new 3 renewal
No. charter school applications denied*	4 other; 1 financial	4 other	3 other	8 other	30 other; 1 financial
No. of charter schools closed, including not reauthorized to operate	2	1	0	0	1

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(F)(2) <u>Ensuring successful conditions for high-performing charter schools and other innovative schools</u>					
<i>(40 points)</i>					
The extent to which—					
	*	*	*		
(iii) The State's charter schools receive (as set forth in Appendix B) equitable funding compared to traditional public schools, and a commensurate share of local, State, and Federal revenues;					
	*	*	*		

Illinois' charter schools receive equitable funding and a commensurate share of local, State and Federal revenue when compared to traditional public schools. Under Section 27A-11 of the School Code, Local Financing, 105 ILCS 5/1-1 *et seq.*, charter school funding and service

agreements are not to be a financial incentive or disincentive to the establishment of a charter school.⁶² Furthermore, charter school funding may not be less than 75% or more than 125% of the school district's per capita student tuition multiplied by the number of students residing in the district who are enrolled in the charter school.⁶³

In addition, the Section 27A-11 of the School Code, the proportionate share of funds generated under federal or State categorical aid programs are directed to charter schools serving students eligible for that aid.⁶⁴ Charter schools may also receive, subject to the same restrictions applicable to school districts, any grant administered by ISBE that is available for school districts.⁶⁵

The State also makes funding available to charter schools for start-up costs through the Charter Schools Revolving Loan Fund. This fund consists of federal funds, other funds as may be made available for costs associated with the establishment of charter schools in Illinois and amounts repaid by charter schools that have received a loan from this fund. ISBE uses this fund to provide interest-free loans to charter schools for the start-up costs of acquiring educational materials and supplies, textbooks, furniture and other equipment needed in the charter school's initial term and for acquiring and remodeling a suitable physical site, within the charter school's initial term.⁶⁶

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<i>(40 points)</i>			
The extent to which—	*	*	*
(iv) The State provides charter schools with funding for facilities (for leasing facilities, purchasing facilities, or making tenant improvements), assistance with facilities acquisition, access to public facilities, the ability to share in bonds and mill levies, or other supports; and the extent to which the State does not impose any facility-related requirements on charter schools that are stricter than those applied to traditional public schools; and	*	*	*

The State provides charter schools with funding and assistance with facilities acquisition through the following:

- The Charter Schools Revolving Loan Fund: As further described above in Section (F)(2)(iii), ISBE may provide loans from this fund to charter schools for the acquisition

that are on probation or that fail to make adequate progress in correcting their deficiencies after one year may be turned into a "contract turnaround" school.⁷¹

CPS has employed the use of contract schools as part of the Renaissance 2010 program, which began in 2004 with the goal of opening 100 new schools in Chicago by 2010. A particular goal of the Renaissance 2010 program is to open new schools in neighborhoods that historically have been served by under-performing schools and where few quality choice options have been available. The district nearly met the 100 school goal in 2009, and will exceed it when several new schools open for the 2010-11 school year. In order to reach this goal, CPS has established 15 contract schools, which are CPS schools that are operated for CPS by a private education management organization which provides the administration and the majority of the teachers in the school. Through the use of contract schools, CPS is reaching under-served communities and providing them with quality educational opportunities.

As the statute authorizing the use of contract turnaround schools did not become effective until July 30, 2009, CPS has not had the opportunity to implement this innovative new strategy in school turnaround, but plans on utilizing this new strategy in the future.

EVIDENCE: SEE NARRATIVE

(F)(2) Ensuring successful conditions for high-performing charter schools and other innovative schools
(40 points)

Evidence for (F)(2)(i):

- A description of the State's applicable laws, statutes, regulations, or other relevant legal documents.
- The number of charter schools allowed under State law and the percentage this represents of the total number of schools in the State.
- The number and types of charter schools currently operating in the State.

Evidence for (F)(2)(ii):

- A description of the State's approach to charter school accountability and authorization, and a description of the State's applicable laws, statutes, regulations, or other relevant legal documents.
- For each of the last five years:
 - The number of charter school applications made in the State.
 - The number of charter school applications approved.
 - The number of charter school applications denied and reasons for the denials (academic, financial, low enrollment, other).
 - The number of charter schools closed (including charter schools that were not reauthorized to operate).

Evidence for (F)(2)(iii):

- A description of the State's applicable statutes, regulations, or other relevant legal documents.
- A description of the State's approach to charter school funding, the amount of funding passed through to charter schools per student, and how those amounts compare with traditional public school per-

student funding allocations.

Evidence for (F)(2)(iv):

- A description of the State's applicable statutes, regulations, or other relevant legal documents.
- A description of the statewide facilities supports provided to charter schools, if any.

Evidence for (F)(2)(v):

- A description of how the State enables LEAs to operate innovative, autonomous public schools (as defined in this notice) other than charter schools.