

secondary, and higher education was \$4,569,666,901; total state revenues were \$9,504,321,622. The percentage of total education spending to total revenues was 48.08 percent in FY 2009.

(ii) Louisiana’s policies lead to equitable funding between high-need LEAs and other LEAs and, within LEAs, between high-poverty schools and other schools.

The state’s funding formula, the Minimum Foundation Program (MFP), applies an equity factor within the calculation that considers the wealth of each LEA and distributes the funding in an inverse proportion to the LEA’s wealth such that poorer school districts receive a greater percentage of in-state funding, and wealthier school districts receive a smaller percentage of in-state funding.

MFP provides categorical weights for certain types of students or courses. This recognizes the additional costs associated with educating these students or providing these courses. These weights include at-risk students (e.g., students in poverty), special education students, and career and technical education units. While MFP funding, including the funding for categorical weights, has been distributed in the form of a block grant for many years, **a new provision in 2008-09 requires that a portion of the at-risk and career and technical education weighted funding be spent entirely on the at-risk and career and technical education students.** This provision was continued in 2009-10. In addition, the passage of new legislation in the 2008 legislative session requires LEAs to spend 100 percent of the categorical funding generated by at-risk students and those in special education and career and technical education programs on those respective students beginning in school year 2010-11. These actions ensure that equity is applied not only across districts but within districts as well. For more information regarding the method of calculating the MFP and the state’s fiscal status, see [APPENDIX F1: MFP Calculation](#).

(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;

(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;

(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;

(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

(v) The State enables LEAs to operate innovative, autonomous public schools (as defined in this notice) other than charter schools.

In the text box below, the State shall describe its current status in meeting the criterion. The narrative or attachments shall also include, at a minimum, the evidence listed below, and how each piece of evidence demonstrates the State's success in meeting the criterion. The narrative and attachments may also include any additional information the State believes will be helpful to peer reviewers. For attachments included in the Appendix, note in the narrative the location where the attachments can be found.

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.

Recommended maximum response length: Six pages

- (i) **Louisiana’s charter school law does not prohibit or effectively inhibit increasing the number of high-performing charter schools in the state or otherwise restrict student enrollment in charter schools.**

Louisiana does not place a cap on the number of charter schools that may be created in the state, the percentage of schools that can be charter schools, or student enrollment in charter schools. Louisiana’s charter law, LA R.S. 17:3983, provides that “a local school board may enter into any charter it finds valid, complete, financially well-structured, and educationally sound after meeting the requirements of this Chapter,” and that “The State Board of Elementary and Secondary Education may approve applications for charters as it has determined acceptable. . . .”

Louisiana’s Charter School Law allows five types of public charter schools, summarized in the table below. **The law does not place any restrictions on the number of any type of charter schools that may be created, nor does it limit the funding available to charter schools.**

| Types of Charter Schools Authorized in Louisiana | | |
|---|---|------------------------------------|
| Type | Description | No. in Operation in 2009-10 |
| Type 1 | New start-up charter schools authorized by a local school board | 5 |
| Type 2 | New start-up or conversion charters authorized by the state | 11 |

| | | |
|--------------|--|-----------|
| | Board of Elementary and Secondary Education (BESE). An application for a Type 2 charter school may be submitted to BESE only after it has first been denied by a local school board. | |
| Type 3 | Conversion charter schools authorized by a local school board | 9 |
| Type 4 | New start-up or conversion charter schools authorized by BESE, but operated by a local school board | 4 |
| Type 5 | Charter schools that are authorized by BESE and operated under the jurisdiction of the Recovery School District (RSD). By definition, these are pre-existing failing public schools that are converted to charter school status under restructuring in the state's accountability system. New start Type 5 charter schools are also allowed in New Orleans as part of the RSD's "whole district" restructuring effort in Orleans Parish. | 48 |
| Total | | 77 |

Louisiana has experienced a significant increase in the number of charter school applications approved at both the state and local level since 2005. The number of charter schools operating in the state grew from 17 in 2004-05 to 77 in 2009-10. As many as 16 new charter schools have been approved to open for the 2010-11 school year. The 77 charter schools currently in operation educate more than 30,000 students (more than 4.5 percent of the state's total student population). This is much higher than the market share held by charter schools nationally, which in 2009 was at 2.9 percent (National Alliance for Public Charter Schools, 2009).

To facilitate the creation of new high-quality charter schools in Louisiana over the next three years, Louisiana was awarded \$25 million from the USDOE to allow the state to continue to provide state-level technical assistance. The grant also provides funding and technical support for planning and startup to increase the number of groups who can successfully create and implement charter schools.

- (ii) **Louisiana has laws, statutes, regulations, or guidelines regarding how charter school authorizers: approve, monitor, hold accountable, reauthorize, and close charter schools, and take into account student achievement as a significant factor 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; and have closed or not renewed ineffective charter schools.**

Louisiana’s 70 local school boards and the Louisiana Board of Elementary and Secondary Education (BESE) can authorize charter schools, and in that capacity share similar responsibilities in terms of approving charter applications, monitoring their performance, holding them accountable, and making decisions about renewal and closure. Louisiana’s charter law requires each authorizer to approve, monitor, hold accountable, reauthorize, and close charter schools based in significant part on student achievement; and encourages charter schools to serve student populations that are similar to local district populations. [See LA R.S. 17:3981(4) and LA R.S. 17:3982 A(1)(a) in [APPENDIX F2: Authorizing Statutes](#).]

Initial Charter Approval:

Louisiana’s Charter School Law provides a framework for evaluating charter school proposals that helps to ensure that only the most promising proposals are approved – a critical first step in ensuring charter school quality. The law requires authorizers to engage in an application review process that complies with the Principles and Standards for Quality Charter School Authorizing, as promulgated by the National Association of Charter School Authorizers (NACSA), and requires authorizers to use third-party reviewers to conduct an independent review of each charter application. The evaluation of new applicant groups focuses primarily on the merits of the written application and the composition of the founding team, and where possible, the academic data of operators with existing schools. The evaluation of existing charter operators (those working locally and nationally) focuses particularly on the academic performance of their other charter schools. The charter school application has an entire section devoted to collecting information about the current and past performance of existing operators. The data from this section is used by application evaluation teams in making recommendations about charter operators whose performance merits replication opportunities.

Over the past five years, more than 150 charter school applications have been submitted in Louisiana. Only 79 were approved. The information below includes those charter applications submitted to BESE and those submitted to local school districts that were subsequently approved. LDOE defines an application as a proposal that fully meets the definitions of a proposal as outlined in Louisiana’s Charter Law.

Summary of Louisiana Charter School Applications

| School Year | # of Applications Submitted | # of Applications Approved | # of Applications Denied |
|-------------|-----------------------------|----------------------------|--------------------------|
|-------------|-----------------------------|----------------------------|--------------------------|

| | | | |
|--------------|------------|-------------|-----------|
| 2005-06 | 20 | 11 | 9 |
| 2006-07 | 26 | 12 | 14 |
| 2007-08 | 36 | 13 | 23 |
| 2008-09 | 49 | 15 | 34 |
| 2009-10 | 26 | 13 | 3 |
| TOTAL | 157 | 64** | 83 |

***15 charter schools were approved prior to 2005-06; two have closed since then, equaling 77 currently operating charter schools.*

As described above, when charter school applications are received they undergo a thorough external evaluation. This evaluation is a comprehensive review that looks at the overall quality of the application, as well as individual elements, to include budget, operational plan, academic plan, staffing, management, and governance. Major weaknesses in any of these areas may result in a recommendation to deny the application. Applicants are provided with detailed feedback on the evaluation of their application, so that they may use that information in their planning process if they decide to resubmit in the next application cycle.

Charter Renewal/Reauthorization:

Louisiana’s charter law requires that authorizers conduct: annual monitoring of each school’s progress; revocation of charters if schools fall short of expectations; and renewal of charters at the end of their terms only if they have met expectations. Student achievement must be the primary focus in all parts of this sequence. At the end of the third year of operation, a comprehensive report is prepared for each charter school and submitted to the chartering authority. That report, which includes information about the school’s fiscal, governance, and operational health as well as student performance and growth, is one of the components used by the chartering authority as it decides if the charter will be allowed to continue to operate for the remaining two years of the original five-year charter. At the end of the fifth year, schools are eligible to apply for renewal. Again, after a thorough review of the school’s performance, the chartering authority may renew a successful charter for additional periods of not less than three years.

Charter schools authorized by BESE (77 percent of all charter schools in the state) are approved, renewed and closed based on state policy. These charter schools operate under the

[APPENDIX F3: Framework for the Evaluation of Louisiana Charter Schools], which includes the standards, expectations, and processes used by BESE and LDOE in evaluating charter school performance. While all schools receive a five-year initial charter, the framework outlines the minimum academic standards that must be achieved in year three of the charter term for schools to be eligible for extension through year five. It also lays out performance standards that must be met in the final contract year to receive full contract renewal.

The remaining charter schools in Louisiana are authorized by local school boards. Louisiana law provides sufficient authority and flexibility to these authorizers to allow them to put in place effective policies and procedures for holding charter schools accountable for academic performance. In practice, this authority has resulted in a variety of monitoring tools and protocols, evaluation and assessment activities, and rigorous performance standards that have been adopted by local charter authorizers in the state.

Within the state’s authorizing framework, BESE has the flexibility to work with individual schools to design support and intervention measures to help drive academic improvement beyond minimum standards. These support and intervention measures have included such activities as increased monitoring, the design and implementation of improvement plans, requirements for additional training or professional development, etc. In addition, under the state accountability system and RSD authority, the state may close or take over any charter school that persistently fails to meet state standards.

Charters Serving At-Risk Student Populations:

Louisiana law directly states that at-risk children are the state’s highest priority. LA R.S. 17:3972 clarifies the legislative intent and purpose of Louisiana’s charter school program. R.S. 17:3972(A) specifically provides that: *“it is the intention of the legislature that the best interests of at-risk pupils shall be the overriding consideration in implementing the provisions of this Chapter.”* Additionally, R.S. 17:3991(B)(1)(a)(i) **requires charter schools to seek to attain an at-risk student population that is similar to that of the local school district.** R.S. 17:3991(B)(1)(a)(i) provides:

That for Type 1 and Type 2 charter schools created as new schools, the percentage of the total number of pupils enrolled in the charter school based on the October first pupil membership who are at risk, in the manner provided in R.S. 17:3973(1)(a), shall be equal to not less than eighty-five percent of the average percentage of pupils enrolled in the local public school districts from

which the charter school enrolls its students who are eligible to participate in the federal free and reduced lunch program. The remaining number of pupils enrolled in the charter school which would be required to have the same percentage of at-risk pupils as the percentage of pupils in the district who are eligible to participate in the federal free and reduced cost lunch program may be comprised of pupils who are at risk as is otherwise provided in R.S. 17:3973(1).

Charter Closures:

Louisiana has closed two charter schools in the past five years:

- East Baton Rouge Arts and Technology Charter School (EBRATS) in East Baton Rouge Parish.
- New Orleans Free Academy in Orleans Parish closed in 2009 primarily for academic performance-related issues.

A majority of the charter schools operating in Louisiana were opened within the past three years. Prior to the 2005-06 school year, only 15 charter schools were operational statewide and each of these has met and continues to meet their academic goals.

Louisiana's Accountability System requires charter schools to establish and reach growth targets. When charter schools come up for renewal, the length of their renewal term depends upon their performance. Five-year renewal terms are the norm for schools that reach their anticipated growth targets. Schools performing at the high end of the performance spectrum are eligible for longer-term renewal – up to 10 years. In schools with mixed performance – but not low enough to warrant closure – the traditional 5-year renewal terms are limited to 3-year terms. Charter schools that are persistently low achieving have their charters revoked. As described in section E2, we will examine the performance of all existing schools in the RSD, including charter schools, to identify those that have failed to meet improvement targets, and take dramatic action to improve their performance or close them.

(iii) Louisiana's charter schools receive equitable funding compared to traditional public schools, and a commensurate share of local, state, and federal revenues.

Louisiana's charter school law (RS 17:3995) specifies that funding for each type of charter school in Louisiana is distributed in one of three ways, described below. **Each method ensures charter schools receive their commensurate, equitable share of state and local revenues.**

Funding for Type 5 charter schools comes from the state and the local district where the school is located. The funding that Type 5 charter schools receive from the state is the same relative share that district public schools receive from the state. This amount is calculated annually using the most recently approved Minimum Foundation Program (MFP) formula. Local funding for Type 5 charter schools is based on local revenues for the district where the school is located. To calculate this amount, officials examine the most recent revenue data from the district where the school is located and subtract from that amount any money that was allocated for capital outlay, debt service, and facilities acquisition or construction.

Like Type 5 charter schools and traditional public schools, Types 1, 3, and 4 charter schools receive portions of their funding from the state and the local district where they are located. The state share is calculated using the most recently approved MFP formula. The share that Types 1, 3, and 4 charter schools receive from their home districts, however, is calculated differently from Type 5 charter schools. To determine the local share, local officials perform two calculations. First, they determine the local revenue amount from the prior year and subtract from that amount any money that was allocated for capital outlay or debt service (but not facilities acquisition and construction). Next, they determine the local share as defined in the most recently approved MFP formula. Under current law, Types 1, 3, and 4 charter schools receive a local share equal to the greater of these two calculations.

The funding formula for Type 2 charter schools is the same as for Types 1, 3, and 4 charter schools.

In each circumstance above, charter schools receive the same amount of local- and state-generated money per child as the traditional district-run schools receive. [\[APPENDIX F4: Local and State LEA Per Child Cost Allocations Memos; APPENDIX F5: Local and State LEA Per Child Cost Allocations Chart\]](#)

With regard to federal funds, upon approval, every charter school, whether approved by a local chartering authority or by BESE, is assigned a “site code” in LDOE’s database. Detailed data is gathered on various aspects of the school’s students and staff. That data is used by the LDOE Division of Education Finance to ascertain proper allocations to all LEAs and to each charter school. The Division of Education Finance uses approved allocation methods to ensure that LEAs and state-approved charter schools receive their commensurate share of federal and state funds beginning in the first year of operation. Audits by the Division of Education Finance

and by LDOE's federal program managers ensure proper allocation of federal program funds. The Division of Education Finance fairly and equitably distributes the federal block and discretionary grants, in accordance with EDGAR and federal program requirements, to all schools in Louisiana including charter schools.

LDOE's fiscal and programmatic staff closely monitor the availability of federal funds that charter schools in the state may apply to receive. The Division of Education Finance maintains separate accounts of allocations of both federal and state dollars that are set aside for the charter schools based on their student count or on the individual needs of their pupils. Each charter school is assigned at least one contact person for programmatic and fiscal issues among LDOE staff.

Additionally, as a matter of policy, the Division of Education Finance includes charter schools in all of its public school mailings and program notices relative to all state and federal funding sources. In addition, charter schools are included in LDOE databases that list education entities eligible for federal funding.

(iv) Louisiana provides charter schools with funding for facilities, assistance with facilities acquisition, access to public facilities, and other supports, and does not impose any facility-related requirements on charter schools stricter than those applied to traditional public schools.

Louisiana offers unparalleled facilities support to charter schools by providing free facilities to all Type 5 charter schools, which make up 62 percent of all charter schools in the state (LA R.S. 17:1990(B)(4)(a)). In addition, capital repairs and renovations for Type 5 charter schools beyond routine maintenance remain the responsibility of the school district that owns the building, not the charter school.

A number of important facilities-related provisions in Louisiana's charter law assist other types of charter schools in securing physical space to house their schools. Under LA R.S. 17:3982(B), charter schools receive priority for vacant school properties. Specifically:

[l]ocal school boards shall make available to chartering groups any vacant school facilities or any facility slated to be vacant for lease or purchase at fair market value. In the case of a Type 2 charter school created as a result of a conversion, the facility and all property within the existing school shall also be made available to that chartering group under similar terms. In return for the use of the facility and its contents, the chartering group shall pay a share of the local school board's bonded indebtedness to be calculated in the same manner as set

forth in R.S. 17:1990(C)(2)(a)(i). If such facilities were constructed at no cost to the local school board, then such facilities including all equipment, books, instructional materials, and furniture within such facilities shall be provided to the charter school at no cost.

For new charter schools, Louisiana's Charter School Law provides in R.S. 17:3995(G) an avenue through which significant facilities funding can be provided:

In addition to any other funds received, each charter school created as a new school rather than as a conversion school shall receive for each student based on average daily membership in the charter school for the first five years of its existence, an amount equaling the average per student budgeted amount for each of those five years by the district in which the charter school is located for facility acquisition and construction services. The provisions of this Subsection shall apply only if and to the extent that funds are appropriated therefore by the legislature.

Also, Louisiana law provides that charter schools are eligible to access tax-exempt financing through the Louisiana Public Facilities Authority. Finally, Louisiana does not impose any facility-related requirements on charter schools that are stricter than those applied to traditional public schools.

(v) Louisiana enables LEAs to operate innovative, autonomous public schools other than charter schools.

We strongly believe that school autonomy is a condition for reform and innovation. Louisiana permits LEAs to support autonomy in schools that have demonstrated academic success by giving them flexibility in allocating resources, managing time, and other aspects of operating the school. Examples of autonomy include: site-based selection of teachers, and certain flexibilities regarding budget, schedule, length of school day and year, dual enrollment, and selection of curriculum and textbooks (within parameters). As described in Section E2(ii), the state provides these types of autonomy to all schools in the Recovery School District (RSD). In addition, innovative and autonomous schools that have been created by traditional LEAs throughout the state include:

- **East Baton Rouge Parish** has 13 magnet schools, two autonomous schools, and three Type 1 charter schools that operate as part of a larger system educating more than 46,000 students in 90 schools.
- **Caddo Parish** educates just over 46,000 students in 73 public schools that include nine magnet schools, one laboratory school, and more than a dozen academies that offer

students a unique focus or theme. In 2009-10 the district opened its first New Technology high school. This school is part of the highly regarded network of project-based learning schools created in partnership with the New Technology Foundation.

- **Lafayette Parish** has used its “Schools of Choice” initiative to create a number of innovative schools for students and their families, including eight high school academies that give students a jump start on their careers by offering career-connected programs in areas such as world language, business and finance, health careers, and engineering. The district also has a middle school with an environmental science focus and one that focuses on math, science, and technology (STEM). At the elementary level, innovative schools include Montessori schools, schools that offer French language immersion, and an arts and technology school.
- **Various local school districts** have also partnered with universities to create nine university laboratory schools, which provide training opportunities for pre- and in-service teachers and serve as demonstration and educational research centers. They include: Louisiana State University, Southern University, Grambling State University, Southeastern Louisiana University, Northwestern State University, and Louisiana Tech. These public schools are partially funded by the state.

In addition, **Louisiana has created a number of autonomously functioning state-supported public schools founded to serve the academic, artistic, and creative needs of its students.**

Two such schools include the Louisiana School for Math, Science, and the Arts, which is a residential high school with competitive admissions for high-ability students, and the New Orleans Center for Creative Arts, a regional, pre-professional arts training center that offers secondary school-age children intensive instruction in dance, media arts, music, theatre arts, visual arts, and creative writing. As state-supported entities, each of these schools is tuition-free to all Louisiana students who meet admissions requirements.

(F)(3) Demonstrating other significant reform conditions (5 points)

The extent to which the State, in addition to information provided under other State Reform Conditions Criteria, has created, through law, regulation, or policy, other conditions favorable to education reform or innovation that have increased student achievement or graduation rates, narrowed achievement gaps, or resulted in other important outcomes.