

(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

SUBSECTION (F)(2) OVERVIEW

The State of New York is committed to the creation of innovative, high-quality, new education options for the students and communities, including public charter schools. These new schools and networks of schools will both replace the state’s persistently lowest-achieving schools and respond to community demand for new start-up and conversion public charter schools. The State of New York believes that intervening aggressively in persistently low-achieving schools, and providing the conditions needed to bring new schools to communities seeking new school options are key elements of the overall system that will dramatically impact student academic performance.

VISION	Build a statewide system that dramatically accelerates student academic performance by creating new learning opportunities for students and communities chronically underserved by our traditional approach to public education. Integrate these innovative, new education options for students and communities in New York State in a system of accountability and ongoing supports to ensure success.
STRATEGIES	<ol style="list-style-type: none">1. Ensure successful conditions for high-performing charter schools and other innovative schools.2. Provide ongoing, appropriate professional development through statewide networks.3. Create a comprehensive structure for allowing site-based autonomies in exchange for increased accountability in the State’s lowest performing schools and the State’s public charter schools.
GOALS	<ul style="list-style-type: none">▶ An accountability structure that holds schools responsible and accountable for student academic performance and school operational performance.▶ A defined school review and monitoring plan that balances comprehensive school programmatic review and mandated federal compliance reporting.▶ A robust technical assistance center that supports dramatic interventions in persistently low-performing schools and facilitates school community turnarounds.

(F)(2)(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.

New York State’s charter school environment and community is unique and unparalleled in the nation, as it has uniquely leveraged the resources and expertise of multiple stakeholders to support high-quality charter schools. Public/private partnerships work

collaboratively to set a culture and expectation for quality and rigor in the choice options available to children and communities. Throughout the State, the charter school community—authorizers, philanthropic support partners, charter school associations, and charter management organization (CMO) partners—have worked together to create charter schools that thrive and provide viable and needed educational choice options for New York’s students and in particular, for those students most in need.

Since the enactment of the original New York Charter Schools Act of 1998 (New York State Education Law, Article 56), thoughtful expansion of charter schools and enactment of meaningful oversight and accountability measures have provided students and communities with quality educational options. With the historic passage of Chapter 101 of the Laws of 2010, which significantly increases the number of charter schools authorized in the State and enacts several accountability and oversight enhancements to ensure quality and integrity, New York’s charter school community is well-positioned to support the next generation of high-quality charter schools in New York.

New York State has two statewide charter school authorizers, the New York State Board of Regents and the Board of Trustees of the State University of New York (SUNY), and local boards of education and the Chancellor of the New York City School District may be charter authorizers for charter schools within their school districts. This authorizing structure is intended to foster innovation and support the establishment of charter schools with varied philosophical bases. The two statewide authorizers work in partnership with the New York City Department of Education to ensure that only governing boards with the will, skill, and capacity to sustain quality schools are awarded charters, and these authorizers rigorously monitor the academic and operational programs of the public charter schools in the State. Quality support organizations, like the New York State Charter School Association and the New York City Charter School Center, provide high-quality technical assistance to the state’s public charter schools, as well as advocacy and links to national policy and research resources for schools.

New York has historically incubated quality charter school networks that have scaled up and replicated across the state. Nationally recognized charter school organizations such as Uncommon Schools, Achievement First, and Knowledge is Power Program (KIPP) all

have roots in New York, serving the State's most underserved students. National and local philanthropic partners have supported school choice and public charter schools in New York from the beginning, and are eager to partner in this expanding initiative.

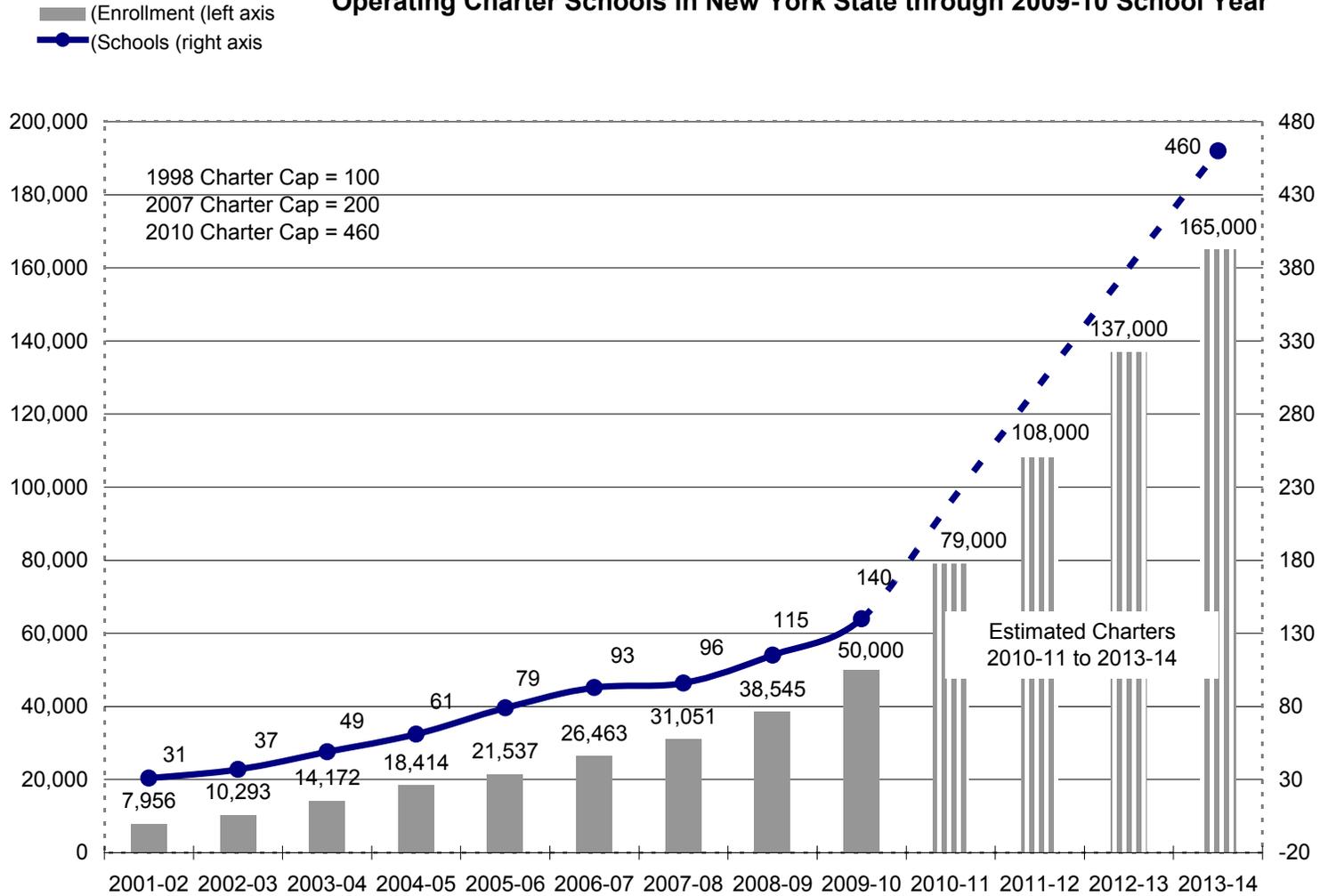
New York more than doubled its charter cap from 200 schools to 460 schools on May 28, 2010, when Chapter 101 of the Laws of 2010 was enacted. From their inception in 1998, public charter schools in New York State have benefited from a quality authorizing environment, public demand, and a sophisticated network of support partners.

New York has consistently been recognized as a leader in the charter school initiative. The New York Charter Schools Act of 1998 granted the Board of Regents authorizing power to issue charters for the purpose of organizing and operating independent and autonomous public charter schools. The Act also outlined the Board of Regents' responsibility for the oversight of the public charter schools in the state, including the partnership with the State University of New York (SUNY) Board of Trustees and its Charter Schools Institute, which carries out its charter authorizing work.

New York has been thoughtful and responsive to charter school growth in the state. Between 1999 and 2007, authorizers in the state awarded charters and entered into charter contracts with 100 school governing boards and their new schools. In 2007, the cap was raised to 200 charter schools, largely due to the demand for quality charter schools and the ready supply of community-based start-up schools and network providers such as Uncommon Schools, KIPP, and Achievement First. By May 2010, the Board of Regents had issued all 100 of its charters and the SUNY Board of Trustees has 18 charters left under the 2007 state cap. Over this period, public charter school enrollment has steadily increased.

As of the 2009–10 school year, New York has 140 operating charter schools serving 47,600 students and 4,540 public schools other than charter schools. The State expects its current charter schools to enroll more than 70,000 additional students as they add grades in fulfillment of their charters. Additionally, fourteen new charter schools have been approved to begin operating in 2010–11 or later.

Operating Charter Schools in New York State through 2009-10 School Year



Sources: New York State Report Cards (through 2007–08); NY State Education Dept., NYC Dept. of Education, SUNY Charter Schools Institute, and self-reports (2008–09). School counts refer to issued charters, not campuses.

Chapter 101 of the Laws of 2010 now authorizes an additional 260 charter schools to be formed over time through a new Requests for Proposals (RFP) process designed to assure continued growth in the number of high-quality charter schools. The Board of Regents will issue 130 charters directly, and 130 of these additional charters will be issued by the Board of Regents upon recommendation of the Board of Trustees of SUNY. New York's new cap of 460 public charter schools exceeds 10 percent of the total number of public schools in the State, and therefore qualifies as a "high" cap for the purposes of Race to the Top, particularly if the ability of New York's public schools to convert to charter schools, which are not subject to a cap, is factored in.

Chapter 101 of the Laws of 2010 enacts a new Education Law §2852(9-a) to establish a new RFP process under which the Board of Regents and the Board of Trustees of SUNY, in approving 130 additional charters each, will be required to consider the demand for charter schools by the community and to seek to locate charter schools in a region or regions where there is a lack of alternatives and charter schools would provide new alternatives within the local public education system (see Appendix F_2_i_1). This RFP process will be informed by, and modeled on, the RFP processes developed by the country's leading authorizers in collaboration with the National Association of Charter School Authorizers (NACSA). The RFP will reflect lessons learned by the Louisiana Board of Elementary and Secondary Education after Hurricane Katrina for New Orleans schools; the success of the Renaissance 2010 initiative in Chicago; and Denver Public Schools' recently released RFP, which calls for the creation of new schools responsive to the unique needs of Denver's students, families, and communities.

In addition to formal school improvement models and new school autonomy in exchange for accountability contracts, public charter schools are a key element of New York State's school turnaround strategy. As restart is one of the four federally identified school improvement models, described in detail in Section E, LEAs will be able to replace existing low-performing and failing schools with public charter schools. We are looking to our veteran charter school network operators, such as Uncommon Schools, KIPP, and

Achievement First, as well as successful start-up school governing boards to take on the challenge of creating an alternative for students and communities. The Office of Innovative School Models will provide support and oversee efforts to help LEAs transform their persistently lowest-achieving schools into charter schools.

(F)(2)(ii) The State has laws, statutes, regulations, or guidelines regarding how charter school authorizers approve, monitor, hold accountable, reauthorize, and close charter schools.

New York has a rigorous approval, monitoring, and reauthorization process. New York’s charter school authorization and approval process has been nationally recognized by a number of research and advocacy organizations. New York State authorizers set rigorous and appropriate expectations for student academic achievement and school operational performance. Individual school buildings and school networks are held accountable for performance.

- The strength of New York’s process was recognized in the Charter Schools Monitoring Report prepared by WestEd in June 2009 on behalf of United States Department of Education. WestEd found that New York’s “consistent, focused attention on its grant and charter school objectives guides its program implementation and helps drive the creation of high-quality charter schools in the State.” It also reported that “monitoring and performance is another strong point in New York’s Charter Schools Program. Oversight of charter schools for both program compliance and performance is exceptionally comprehensive, rigorous, and persistent.”
- The National Alliance for Public Charter Schools recently released a ranking of charter school laws in January 2010. Currently 40 states and the District of Columbia allow for charter school authorization and the operation of public charter schools in their states. The Alliance assessed the 40 state laws and the law for the District of Columbia against a composite “model charter law,” highlighting four key quality control measures:

- Transparent Charter Application, Review, and Decision-Making Processes
- Performance-Based Charter Contracts Required
- Comprehensive Charter School Monitoring and Data Collection Processes
- Clear Processes for Renewal, Non-Renewal, and Revocation Decisions

The Alliance found that “New York ranks the second highest on our four ‘quality control’ components. It is also a leader in providing multiple authorizers to charter applicants and in ensuring operational autonomy.”

- Authorizers in New York State oversee a comprehensive system of charter application review, monitoring, and renewal procedures. The collective oversight of public charter schools includes ensuring compliance with applicable laws, regulations and charter provisions. Authorizers carry this out through a combination of desk audits and on-site school visits.
- The National Association of Charter School Authorizers routinely recognizes the State University of New York’s Charter School Institute (SUNY-CSI) as a veteran, quality authorizer. Authorizing schools since 1998, SUNY has been a leader in developing policies, protocols and systems to define its authorizing practice and the oversight responsibilities for the schools that it oversees. SUNY-CSI has refined a set of renewal criteria; an accountability plan template; and a differentiated accountability system for its public charter schools that have served as exemplars for dozens of authorizers across the country.

New York’s Charter Laws

New York State leads the nation in charter school policy and innovation. The State’s authorizing environment, its newly amended charter law that raises the statewide cap on public charter schools to 460 and increases public accountability and transparency, and its unparalleled network of quality school choice options ensures that New York will continue to make a significant impact on the landscape of education reform.

Education Law §2851(2) establishes detailed application requirements, including a required description of student achievement goals and the methods of evaluating whether students have achieved such goals. Under Education Law §2852(2), a charter entity may only approve an application upon certain specified findings, which include whether the charter school is in compliance with law, whether the applicant can demonstrate the ability to operate the school in an educationally and fiscally sound manner, and whether granting the application is likely to improve student learning and achievement. Chapter 101 of the Laws of 2010 has added a new Education Law §2852(9-a) to institute, for the 260 new startup charter schools now authorized, a new, rigorous Request for Proposals process that will build upon New York's already rigorous application process. Appendix F_2_ii_1 shows the number of charter school applications made, approved, and denied for each of the past five years.

Upon approval by a charter entity, a charter agreement is entered into, and for a charter entity other than the Board of Regents, the proposed charter must be submitted to the Board of Regents for review (Education Law §2852(5), (5-a) and (5-b); (9-a)). If the Board of Regents approves the charter or it is deemed approved by law, the new charter school is formed for a term of up to five years, or in the case of the 260 additional charters, five years in which instruction is provided (see Education Law 2853(1)(a), as amended by Chapter 101 of the Laws of 2010). A charter may be renewed for a period of up to five years, or in the case of the 260 additional charters, five years in which instruction is provided (Education Law §2851(4), as amended by Chapter 101 of the Laws of 2010), provided the charter entity makes the same findings required for a new charter school. Upon renewal, the applicant is required (Education Law §2851(4)) to submit additional information, including a report of the progress of the charter school in meeting its educational objectives, including its record of student achievement.

There are numerous provisions in Article 56 relating to accountability. The Board of Regents and any other charter entity that approved the charter are required by Education Law §2853(2) to exercise oversight sufficient to ensure the charter school is in compliance with law and its charter, and both the Regents and the other charter entities are given authority to visit, examine and

inspect each charter school. Education Law §2853(2-a) affords the school district in which the charter school is located the power to visit, examine and inspect the charter school.

Charter schools are required by Education Law §2857(2) to submit an Annual Report to the charter entity and the Board of Regents. Part of the required Annual Report is a Charter School Report Card, which must include measures of the academic and fiscal performance of the school, including graduation rates, dropout rates, student performance on standardized tests, and college entry rates. Finally, charter schools are required by Education Law §2851(2)(f) to have annual programmatic and fiscal audits comparable to those required of other public schools, and the annual fiscal audit must be submitted with the Annual Report.

Chapter 101 of the Laws of 2010 adds a number of new requirements to ensure greater accountability and transparency on the part of charter schools. The new statute provides, among other things, that monthly meetings of the governing board of charter schools be held and publicized, that charter schools codes of ethics include standards for disclosure of conflicts of interest, that charter schools and their officers and employees will be held to the same conflict of interest requirements that apply to school district officers and employees, that uniform applications for parents seeking to enroll children in charter schools will be developed, that uniform procedures will be developed for the lotteries (random selection process) used in charter school admissions, that the New York State Comptroller may conduct audits of charter schools and that Charter School Report Cards must be made publicly available and be posted on the charter school's website, must describe efforts to recruit and retain students with disabilities, English language learners, and students from families in poverty and must include any State Comptroller audits as an attachment.

Education Law §2855(1) authorizes the charter entity or the Board of Regents to revoke or terminate the charter on certain specified grounds including: (i) when the charter school's outcomes on student assessments fall below the level that would allow the Commissioner to revoke the registration of another public school, and student achievement has not improved over the preceding three years; (ii) serious violations of law; (iii) material and substantial violation of the charter, including fiscal mismanagement; and (iv) repeated failure to meet or exceed enrollment and retention targets for students with disabilities, English language learners or children

from families in poverty. In addition, Education Law §2855(3) gives the charter entity or the Board of Regents authority to place a charter school in probationary status to allow implementation of a remedial action plan (corrective action), and provides that failure of the charter school to comply with that remedial action plan may result in summary revocation of the charter. Appendix F_2_ii_1 contains a chart showing the NYS charter schools that were closed and the reasons therefore. A number of charter schools have either been placed on corrective action or probation, or have been given renewals shorter than five years in response to deficiencies.

Thus, educational soundness and student achievement are required factors to be considered upon formation or renewal of the charter of a charter school, and poor academic performance is one of the grounds upon which a charter may be revoked.

Article 56 includes provisions that encourage the formation of charter schools that serve student populations similar to those of the local school district, including high-need students. Education Law §2854(2)(a) specifically requires charter schools to demonstrate good faith efforts to attract and retain a greater enrollment of students with disabilities and English language learners than the school district in which it is located. Education Law §2854(2)(a) authorizes the formation of charter schools designed to provide expanded learning opportunities to students at risk of academic failure, and thus the establishment of admissions criteria encouraging admission of at-risk students. Education Law §2852(2) encourages charter entities to give preferences to applications that demonstrate the capability to provide comprehensive learning experiences to students at-risk of academic failure. As a result, New York charter schools do serve high-need students, though the percentages of students with disabilities and English language learners enrolled in charter schools have lagged behind the percentages of such students in the school districts in which charter schools are located. In the case of students living in poverty, for example, a total of 23,072 students eligible for a free or reduced lunch were reported, representing 75 percent of all students attending a State charter school in 2007–08. This compared to 45 percent of students statewide eligible for free or reduced-priced lunch in the same academic year.

A major focus of Chapter 101 of the Laws of 2010 is to provide equal access to charter schools for students with disabilities, English language learners (ELLs), and children from families in poverty (students who qualify for a free or reduced-price lunch). Under the

Request for Proposals process for the additional 260 charters that are authorized, one of the criteria that the charter authorizers must use in approving an application is that the charter school will meet or exceed enrollment and retention targets for these three subgroups. Education Law §2851(4)(e) as added by Chapter 101 of the Laws of 2010, also requires that each application for renewal of a charter describe the means by which the charter school will meet or exceed enrollment and retention targets for the three subgroups. Education Law §2854(2) is also amended to clarify that charter schools may be formed to serve students with disabilities or ELLs, whether or not they are considered at risk of academic failure, and that charter schools must demonstrate good faith efforts to attract and retain an enrollment of students with disabilities, ELLs, and children from families in poverty comparable to that of the school district in which the charter school is located. Education Law §2855(1) also is amended to make repeated failure to meet or exceed enrollment and retention targets for students in these three subgroups a ground for revocation of a charter. Finally, Education Law §2857(2) is amended to require that Charter School Report Cards describe efforts in the existing school year and a plan for efforts in the succeeding year to meet or exceed enrollment and retention targets for students in these subgroups. The new statute very specifically promotes the formation of charter schools that serve similar student populations to those of the school districts in which they are located.

The strength of New York's charter school authorizing process is evidenced by our robust charter school outcomes, particularly in New York City. As mentioned previously, a study by Stanford University economist Caroline Hoxby showed that New York City charter school students are more likely to be proficient in math and reading than students in the nearest comparable public school. Overall, charter students have proficiency rates that are 5.2 percent higher than their public school counterparts in reading and 3.2 percent higher in math. Further, Hoxby's study shows that charter school students' gains in academic achievement, relative to their public-school peers, tend to increase as the charter schools mature. Subsequently, a report issued by the Center for Research on Education Outcomes (CREDO), also at Stanford University, found that charter schools in New York City are demonstrating significantly better results for their students in reading and math than their traditional public school counterparts. These trends were consistent for students overall, as well as for several key groups, including Blacks and Hispanics in both subjects and for students who

had not previously done well in traditional public schools in the subject area of reading. Other key groups include students in poverty and students enrolled for at least two or more years in math; these trends were consistent for all students regardless of how long they were enrolled.

The success of New York State's charter school initiative is also reflected in the State's success in attracting some of the highest-performing charter operators in the country, including KIPP (in both New York City and Albany), Achievement First (in New York City), and Uncommon Schools (in New York City, Rochester, and Troy), and some of the most innovative charter models in the country, such as the Harlem Children's Zone schools.

(F)(2)(iii)—The State's charter schools receive equitable funding as compared to traditional public schools.

New York's primary funding mechanism for charter schools is through mandated tuition payments by school districts. Education Law §2856(1) requires that public school districts with resident students attending charter schools pay a per pupil tuition amount (the "charter school basic tuition") to the charter school for each of these students. That per-pupil amount is based on a computation designed to ensure that the district provides support for charter school pupils in an amount equivalent to the school district's per-pupil operating expenditures on instructionally related activities (see Appendix F_2_iii_1). The per-pupil tuition amount ranges from \$8,000 to \$24,700, based on the expenditures of the student's district of residence. The weighted average per-pupil tuition amount is approximately \$12,000 per pupil.

The charter school tuition formula is based upon the school district's operating expenditures rather than the revenue source, and reflects expenditures supported by both State aid and local taxes for public school students. The key definition in computing charter school basic tuition is that of approved operating expense (AOE). AOE includes instructional expenditures, but excludes, among other things, transportation and capital expenses, cafeteria and school lunch expenses, and most expenditures supported by federal funds. AOE includes many types of expenditures that charter schools are not required to make, such as costs of providing special education services, textbooks, and other services and materials to students attending non-public schools, and costs of school health

services. As described in Appendix F_2_iii_1, school districts are required to provide a range of services to charter schools in addition to payment of charter school tuition. Beyond the charter school basic tuition, New York's charter schools are eligible to receive Charter School Stimulus Funds from the State (see (F)(2)(iv) below).

In addition, charter schools are considered local educational agencies (LEAs), as defined in 20 U.S.C. §7801(26), and apply as LEAs for awards under the Elementary and Secondary Education Act (ESEA) or other federal funding sources that use the ESEA definition and for the school lunch and school breakfast programs. Also, federal Individuals With Disabilities Education Act (IDEA) Part B funding attributable to students with disabilities (SWD) must be paid by the school district to a charter school that opts to provide special education to such students. Since 1999, New York has been awarded \$56,161,991 from the Federal Charter Schools Program for grants to charter schools. Thus, New York charter schools are eligible to receive a commensurate share of federal funds.

There are significant costs that charter schools avoid because of their autonomy. Most importantly, charter schools are free from most state mandates which allow them to craft their budgets in a manner that makes the most sense for their unique educational plans. Further, charter schools avoid the costs for pensions and health care benefits that make up a significant portion of school budgets in large cities with declining enrollments—costs beyond the district's direct control. New York charter schools also tend to be substantially smaller than traditional public schools and often offer programs in the elementary grades, which require fewer teachers than a school district must provide in departmentalized secondary schools. All of these factors in combination suggest that a charter school formula based on total school district operating expenditures from grades PreK–12 provides charter school funding that is fair and adequate.

By linking charter school basic tuition to school district operating expenditures and requiring that a variety of services be provided to charter school students at school district expense, New York's charter school funding formula provides equitable funding as compared to traditional public schools.

(F)(2)(iv)—The State provides funding for facilities, assistance with facilities acquisition, access to public facilities and other supports.

New York supports charter schools in obtaining facilities in a variety of ways and intends to augment existing avenues through exploration of credit enhancement programs. First, charter school basic tuition may be used to pay facilities costs. In addition, the New York State Charter Schools Stimulus Fund (described in more detail in Appendix F_2_iv_1) provides grants for the development, implementation and operation of charter schools, including start-up costs and costs associated with the acquisition, renovation, or construction of charter school facilities.

Education Law §2853(3)(a) provides that charter schools may be located in part of an existing public school building, in space provided on a private worksite, in a public building, or in any other suitable location. Education Law §2853(4)(c) provides that charter schools may contract with a school district or the governing body of a public college or university for the use of a school building and grounds. Any such contract must provide such services or facilities at cost. There are currently 65 charter schools located in space leased from public schools or public universities. The New York City School District, in which approximately 64 percent of the State's charter schools are located (99 of 140 charter schools), actively provides many charter schools with space in public school buildings and also provides help in obtaining facilities as described in Appendix F_2_iv_1).

The NYS Office of General Services annually publishes a list of vacant and unused state buildings and portions of state buildings which may be suitable for the operation of a charter school (see Education Law §2853(3)(c)). Upon request, a school district is required to make available a similar list of vacant and unused school buildings within the district, including private school buildings, which may be suitable for a charter school. Charter schools are also eligible to participate in energy improvement programs funded by the NYS Energy Research and Development Authority, such as the Not-for-Profit Energy Incentive Program pursuant to 9 N.Y.C.R.R. §7920.1-7920.11.

Pursuant to Education Law §2853(1)(d), charter schools have authority to issue corporate bonds, which are tax exempt. Charter schools have found it much easier to obtain permanent financing as more and more charter schools have had their initial charters renewed. As LEAs, they are eligible to apply to participate in Federal school bond programs, including Qualified Zone Academy Bonds and Qualified School Construction Bonds. These programs provide interest free borrowing to LEAs and result in a higher proportion of overall project funding to be devoted to actual brick-and-mortar construction instead of incidental costs. New York applicants are ranked based on their student eligibility for the federal free and reduced-price lunch program. Charter schools that serve low-wealth, high-poverty populations will rank highly among applicants providing a greater opportunity to access interest-free bonding programs.

As described more fully in Appendix F_2_iv_1, there also are situations in which a charter school may indirectly benefit from school district bonding for school construction. In addition, the Regents have supported and continue to support legislation to afford charter schools access to financing of school construction through bonds issued by the Dormitory Authority of the State of New York, a state public authority with expertise in financing construction for school districts, Boards of Cooperative Educational Services (BOCES), and other educational institutions.

Pursuant to Education Law §2853(3)(a), for purposes of local zoning and building code compliance, a charter school is treated as a non-public school. The requirements that apply to private facilities are less restrictive than those for traditional public school facilities. Education Law §2854(1)(b) also requires charter schools to comply with the same health and safety requirements as public schools. Pursuant to Chapter 101 of the Laws of 2010, the 260 new charter schools authorized by that statute, unless a waiver is granted, will be treated as public schools for purposes of zoning and building code compliance and the State Education Department, or local building code authorities in the case of charter schools in New York City, will approve plans and specifications and issue certificates of occupancy for charter school facilities, using the same processes and same standards as apply to school district facilities.

A waiver will be available if imposition of the public school standards will result in undue economic hardship or for other good cause (see Appendix F_2_i_1).

In addition, New York State is committed to exploring public/private partnerships to provide highly leveraged uses of capital to support its aggressive reform agenda. Foundations such as the Brighter Choice Foundation in Albany, New York, have assisted many charter schools in constructing high quality schools. Charter schools have also been recipients of national philanthropic support from the Gates, Broad, Icahn, and Walton foundations.

New York endeavors to drive innovation to create high quality and results-oriented education opportunities for all youth. As noted in Sections (A) and (E), New York has a strong network of school reform partners, such as Uncommon Schools, Achievement First, and KIPP. They have demonstrated results across the state and want to expand. NYSED is seeking to leverage private funding for credit enhancement to support the establishment and expansion of high-quality charter schools and innovative school models across NY State, to be matched by other funders. If a match is successfully negotiated, the State will contribute up to \$10 million (see Appendix F_2_iv_2: Bill and Melinda Gates Foundation Letter Re: Charter Facilities Financing).

Specifically, New York State may leverage opportunities to develop a charter school facilities credit enhancement program similar to what was established by Texas Governor Perry and Education Commissioner Scott in May of 2009. To implement this approach, NYSED would identify public sources of funds as potential reserves to support credit enhancement for high-quality charter school facilities and innovative school models across the state. In the short term, this credit enhancement program could enable high-performing charter operators in NY to reduce interest payments on facilities debt, provide students in those schools with adequate facilities, and enable the strongest networks to expand to more sites. In the long term, this program could create a public mechanism for financing other types of next-generation models.

(F)(2)(v)—The State enables LEAs to operate innovative, autonomous public schools other than charter schools.

New York State encourages and supports LEAs in establishing and operating innovative, autonomous public schools. This section describes several program and policy efforts that the State has undertaken in this regard, and the legal support for such autonomous schools. The board of education of each school district has the authority to prescribe the course of study, employ teachers and other staff, exercise budgetary control, and otherwise exercise the superintendence, management, and control of the school district (e.g. Education Law §§1709(3), (16), (20), and (33); 2503(3), (4)(c), and (5); 2554(2), (11), (13)(a), and (15)(a)). Some board decisions are non-delegable, but New York law generally leaves it to the discretion of the board of education to determine how much autonomy to grant to a school within the school district in exercising its authority to manage and control the school district.

Office of Innovative School Models

The core belief of NYSED is that all children can learn. The Office of Innovative School Models (OISM) began operation in March 2010 with the mission of creating state-level policy and operating conditions to dramatically raising student achievement. The office will ensure that LEAs build on successful and innovative practices. Described in detail in Section (E), the Office of Innovative School Models will work with districts and schools statewide to identify and support approaches to academic and operational programs that are outside of the traditional district approach to public schooling. OISM will serve as a clearinghouse for innovative supporting partners, systems and structures that schools and districts can use to define school autonomies and hold individual buildings, school networks accountable for those increased flexibilities, and a statewide network for sharing what works. OISM will be a resource to schools and districts as they define flexible school autonomies and linked school performance contracts for:

- Under performing schools, implementing one of the four prescribed improvement models;
- High-functioning schools seeking increased autonomy or flexibility from existing district structures;
- Schools and districts acknowledging the need for increased site-based autonomies in order for schools to be more responsive to student needs and the needs of the professional teaching staff in the building; and

- Implementing the Board of Regents charge to strengthen the State Education Department’s approach to charter authorizing. New York State’s charter school authorizing is a key component of the Department’s strategy to help schools maximize student academic achievement, advance the education reform agenda of the Regents, and ensure full public accountability and transparency for the expenditure of public dollars.

The head of OISM, Sally Bachofer, formerly served as the Director of Knowledge at the National Association of Charter School Authorizers. In that capacity, she led the development of model policies, practices, and procedures that define school and system quality and worked closely with multiple school districts, including Chicago, Denver, and Los Angeles, and multiple states, including Missouri and Louisiana. Prior to joining NACSA, the head of OISM served first as Coordinator of Charter School Accountability and then as State Manager of School Evaluation with the Massachusetts Department of Education.

Examples of the state and LEAs capitalizing on their ability to create autonomous public schools are detailed below.

Tech Valley High School

A leading example of an innovative approach to public education is the Tech Valley High School, a joint program of two BOCES that was authorized by special State legislation (see Appendix F_2_v_1) and provides a grades 9–12 high school course of instruction dedicated to providing expanded learning opportunities in technology and the core academic subjects required for issuance of a high school diploma. The school’s mission is to engage a broad spectrum of students in rigorous and enriching educational experiences focused on emerging technologies, project-based learning, and collaboration—and to provide such experiences through linkages with high-tech businesses that will foster a direct connection between student learning and real-world experience in advanced technical

facilities. The school was established as a corporate entity separate from the two BOCES, though its governing board is appointed by the two BOCES. The school's governing board is given authority to employ its own joint officers and employees, determine the curriculum, determine the school calendar and daily schedule, and adopt its budget, subject to approval of the BOCES. The school is given flexibility to contract with private, for-profit, and not-for-profit entities to carry out its supplemental innovative technological activities. Students receive their high school diplomas through their school districts of residence. Tech Valley High School is financed through a combination of State aid and funding from school districts of residence, in the same manner as other BOCES programs.

The College Board School

A second leading example of an innovative approach to public education is the College Board School. The College Board School: The Palisade Preparatory School in Yonkers was established in collaboration with the Bill & Melinda Gates Foundation. The school offers a college preparatory program serving grades 6–10. The school will expand to grades 6–12 in September 2011. The school is a smaller learning community with a total of 560 students. There are no admission requirements and students are randomly selected. The school offers a college prep learning environment where students must possess a strong sense of motivation. Springboard Mathematics and English Language Arts, a unique program designed around the rigorous College Board Standards for College Success, prepares students in grades 6–12 to master the critical-thinking, reasoning, and writing skills and competencies needed for success in college-level work. The school is led and staffed by outstanding professionals with deep knowledge of their subject matter and learning processes, strong leadership skills, and a commitment to create and participate in a community of continuous learners. The school is supported by fully integrated, cutting-edge technology in every element of teaching, learning, and operations.

Early College High School

New York is investing in early college high schools (ECHS) to close the achievement gap. With the initial support of a \$6 million grant from the Bill & Melinda Gates Foundation, the University of the State of New York is developing a network of Smart Scholars Early College High Schools. Eleven school-college partnerships across the state are in the process of planning their respective Smart Scholars ECHSs that will open in the fall of 2010. Approximately 2,570 students will be served. These schools are being designed to serve students from backgrounds traditionally underrepresented in college. The students will receive extensive academic and social supports that will help them develop college-ready skills. They will also be provided with the structure and support to accelerate the completion of their high school studies while earning at least 20 college credits by the time they graduate. The college courses will be offered at not cost to their families. These strategies will help increase not only high school graduation rates but also college completion rates for thousands of underrepresented students. The academic and social support these students receive in high school will remove their need for remedial classes when they reach college, and increase their potential to successfully complete college degrees.

CUNY has made college-sponsored learning opportunities for high school students an essential aspect of its efforts to better prepare students for success in college. The centerpiece of those efforts is College Now, which provides the opportunity for qualified students to take free college credit courses while still in high school. For those students not yet ready to take college-credit courses, College Now provides opportunities to develop the essential academic skills necessary for high school graduation and college preparedness. There is evidence that College Now is making a difference. More than 28 percent of public high school graduates entering CUNY in the fall of 2002 had been in College Now, with more than 32 percent in the fall of 2003. While CUNY's community colleges serve the majority of College Now students, most of those students enter baccalaureate programs after they graduate. This means that those students met the more stringent requirements for admission to those programs. Preliminary research indicates that College Now alumni are more likely to persist in their pursuit of a degree than other New York City public school graduates, as measured by their rates of re-enrollment for a third semester.

NYSED is in the process of preparing a Request for Proposal (RFP) to create a second cohort of Smart Scholars ECHS partnerships. The second cohort will be funded through the New York State budget.

In addition to developing the network of Smart Scholars Early College High Schools, NYSED has organized a Smart Scholars Advisory Council to help formulate State policies that will sustain these schools and facilitate transferability of credit for all New York college students. The advisory council will also identify best practices that can be applied to future ECHSs and that can address the achievement gap in a variety of school settings.

Partnership Zone

The Partnership Zone model leverages the power of a network to build capacity at both the school and district levels. An important lesson from our intervention work in New York City has come from the practices of successful charter management organizations, including Achievement First, KIPP, and Uncommon Schools, which have demonstrated the power of cross-school collaboration and sharing of data. Schools within and between these networks come together at the teacher- and principal-level to discuss instructional intervention strategies, share case studies, plan professional development, and analyze data. Other innovative programs to increase high school graduation and reduce dropout rates include Intervention Baccalaureate, Project Lead the Way, Say Yes to Education, and Advancement Via Individual Determination (AVID).

Three districts within New York have already begun implementing the principles of the innovative Partnership Zone model with their lowest-achieving schools. These examples are outlined in detail in Section (E), as well.

4. **New York City's Children First Initiative**, launched in 2002, is organized around the principles of a Partnership Zone. This initiative is based upon the lessons learned from the creation of a Chancellor's District in 1996. In the Chancellor's District, schools were provided with additional funding, 45-minute extension of the school day, and class-size reductions to 20 students in grades K–3 and 25 students in grades 4–8. The current Children's First Initiative is centered on the belief that autonomy

and accountability should lie with those closest to the decision being made—the principals. This autonomy is accompanied by strict accountability standards, with the ultimate goal being to create a new sense of empowerment for school leaders while creating an environment where local decision-making leads to successful outcomes in student performance. These reforms have achieved significant results, with the percentage of New York City students graduating with local or Regents diplomas increasing by more than 10 percent since 2002, the percentage of student’s proficient on the grades 3–8 English language arts State assessments increasing by 15 percent, and the percentage proficient in mathematics increasing by 30 percent. In 2007, New York City’s efforts were recognized when it received the prestigious Broad Prize for Urban Education.

5. **NYC Innovation Zone**, built on the success of the Children’s First Initiative, will be launched in the fall of 2010. Schools that are part of this Zone will pilot a set of innovations related to instructional delivery in the form of online courses and blended schools models; innovations that extend and improve learning time; and innovations in school and classroom staffing models that maximize the effectiveness of principals and teachers. The New York City Department of Education is working to create the Innovation Zone (“iZone”) in the fall of 2010 to challenge longstanding assumptions around “business as usual” in K–12 education. A total of 84 schools serving over 13,000 students have been selected to participate in the iZone this coming school year.

While most industries have experienced tremendous change over the past 50 years, our education system has remained remarkably static, adhering to the following set of 19th century assumptions that fail to fully engage and challenge students who have grown up in a digital world:

- **School Time:** The school calendar revolves around the harvest calendar and consists of 180 days per school year with approximately six hours of instruction per day.

- **Teacher Roles:** As part of one job, teachers are responsible for managing classrooms, delivering instruction, assessing performance, and presenting feedback to students; teacher compensation is tied to time on the job, rather than performance on the job.
 - **Instructional Delivery:** Students are grouped in similar cohorts of 25–30 students who move together through a set of classes taught by a single adult.
6. **The Syracuse City School District** has developed a comprehensive district-wide approach to school intervention focusing on providing schools with resources and autonomy. This approach has grown from a unique partnership that has been formed between Syracuse City School District, the non-profit organization “Say Yes to Education,” and Syracuse University, with the support of the NYS Governor’s Office and Education Department and the City of Syracuse. The Syracuse City School District has coordinated a system of school improvement, required classroom and LEA-level walkthroughs, and a formative assessment pilot with WestEd. The **Syracuse Say Yes** chapter is the first to embrace an entire city school district, making it the largest school improvement program of its kind in the nation. The Say Yes program promises higher graduation rates for students by providing a project-based enrichment curriculum that aligns with the Syracuse School District curricula. Talent development, enrichment and leadership opportunities, and family support services are also major components of the program.
7. **Rochester City School District (RCSD)** is providing increased flexibility to schools through its program, Autonomous Contract Schools. Strong-performing schools with high capacity are empowered with the flexibility to make certain decisions, requesting support from central administration on an as-needed basis. In addition, through its Office of School Innovation, RCSD is exploring practices that empower schools and support students, including differential pay for teachers. In addition, Rochester is the home of the **Hillside Family of Agencies** and the Hillside Work-Scholarship Connection (HW-SC). Hillside Family of Agencies is one of the largest non-profit agencies in New York State and has been a cornerstone of the Rochester

community for more than 170 years. Hillside provides services to over 9000 families across New York State each year. The Hillside Work-Scholarship Connection is an innovative program working with over 3000 high-risk students in the Rochester and Syracuse City school districts. Through its service system of mentoring, academic support, employment skills training, job placement, and student advocacy, HW-SC has more than doubled the graduation rates of high-need students in these communities. It has also supported students' academic growth and their access to post-secondary opportunities. HW-SC has established strong community collaborations in Rochester and Syracuse, which include businesses, civic leaders, other service agencies, government, and the school districts.

New York has many examples of innovative, autonomous and charter school models operating in communities across the State. The State is committed to learning from these leaders in education and expanding on lessons learned to replicate and expand on their success. A State law enacted in May 2010, authorizing boards of education to contract with educational partnership organizations (EPOs) to manage schools, offers a new framework within which the State can further promote innovative models (Chapter 103 of the Laws of 2010; Appendix E_2_ii); this new law is described further in Section (E).