

(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.

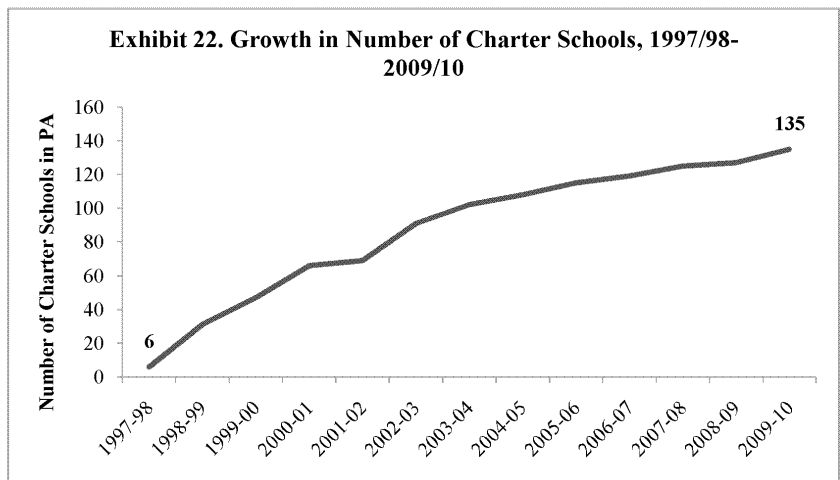
Evidence for (F)(2)(v):

- 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

Charter Supports

Just six years after the first charter school law passed in the country, Pennsylvania issued a wide-sweeping charter law that allowed existing public schools to convert into charter schools and allowed for the creation of start-up charter schools by authority of local school boards. Approximately a decade later (2009), there are 135 charter schools in the state, five percent of public schools in Pennsylvania (see Exhibit 22). Eleven of the



charter schools are Cyber Charters. Charter applications may be submitted by: individuals, one or more teachers who will teach at the proposed charter school, parents or guardians of students who will attend the charter school, any nonsectarian college, university or museum located in the state, any nonsectarian corporation not-for-profit, any corporation, association or partnership or any combination thereof.

There are no caps on the number of charters allowed in the State nor are there restrictions on student enrollment in charter schools. There are *no* restrictions on charter schools operating in certain geographic areas or serving particular types of students. (See Exhibit 23.) In fact, Pennsylvania encourages cyber charters to expand opportunity to attend charter schools to the many students who live in rural areas of the state. (While majority of charters operate in urban areas, fifteen operate in rural areas.) The state also provides technical assistance to charter schools and the state exempts charter schools from most state and school district education laws, regulations, and policies except those that apply directly to charter schools. State law requires that leave not be

unreasonably withheld so teachers may take up to five years' absence to teach in charter schools. Teachers in Pennsylvania's charter schools have equal access to public school teachers' retirement system, but charter schools are not held to the school districts' collective bargaining agreements. In crafting this application, PDE reached out to high performing charters to learn about their strategies as input to developing this application.

Exhibit 23. Evidence for (F)(2)(i)

Components	Yes/No/ Under Review	Relevant Laws	Additional Information
Does the State have cap on the number of charter schools?	No	24 P.S. §17-1723-A(d)	No caps written into legislation
State disallows certain types of charter schools (e.g., startups or conversions)	No	N/A	
State restricts charter schools to operate in certain geographic areas	No	N/A	
State limits the number, percent, or demographics of students that may enroll in charter schools	No	24 P.S. §17-1723-A(d)	Specifically prohibits enrollment caps
Other restrictions?	No	N/A	

Source. Pennsylvania Department of Education

Charter Accountability

Pennsylvania's standards and assessments apply to charter schools, charter schools must submit annual reports to PDE, and school districts may terminate a school's charter if one or more material violations of any of the conditions, standards or procedures contained in the charter, failure to meet state requirements for student performance or failure to meet any performance standard set forth in the charter, failure to meet generally accepted standards of fiscal management or audit requirements, violation of provisions of the state charter school law, violation of any provision of law from which the charter school has not been exempted (including federal laws and regulations governing children with disabilities) or the charter school has been convicted of fraud (see Exhibit 24

for relevant laws and regulations). State law gives PDE the authority to close cyber charters.

In terms of student enrollment, charter schools must give first preference to students who reside in the sponsoring school district or districts. A charter school may give preference in enrollment to a child of a parent who has actively participated in the development of the charter school and to siblings of students presently enrolled in the charter school. A charter school must comply with school district's desegregation order. (See Exhibit 25 for a summary of charter applications.)

Exhibit 24. Evidence for (F)(2)(ii)

Components	Yes/No	Relevant Laws/Regulations	Additional Information
The state has laws, statutes, regulations, or guidelines regarding how charter school authorizers approve, monitor, hold accountable, reauthorize, and close charter schools?	Yes	<ul style="list-style-type: none"> • 24 P.S. §17-1717-A(e)(2) • 17-1719-A; 17-1728-A(a) and (b) • 17-1729-A • 17-1742-A • 17-1745-A(f) • 17-1747-A, Charter School Basic Education Circular (CS BEC)+ cyber CS BEC 	
The state has laws, statutes, regulations, or guidelines on whether authorizers require that student achievement be one significant factor, among others, in authorization or renewal?	No	24 P.S. §17-1729-A(a)(2)	CSL allows nonrenewal for failure to meet performance std. in charter but not required by authorizer; CS BEC
State's relevant law, statutes, regulations, or guidelines encourage charter schools that serve student populations that are similar to local district student populations, especially relative to high-need students?	No		
State has closed or not renewed ineffective charter schools	No		<ul style="list-style-type: none"> • School districts closed ineffective charter schools but state has not • Note that state has the

			authority to close cyber charter schools as presented in this table
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Exhibit 25. Evidence for (F)(2)(ii)

	2003/04 (Trad/Cyber)	2004/05 (Trad/Cyber)	2005/06 (Trad/Cyber)	2006/07 (Trad/Cyber)	2007/08 (Trad/Cyber)	2008/09 (Trad/Cyber)
Number of charter school applications made	32 (31/1)	23 (22/1)	18 (18/0)	17 (13/4)	28 (24/4)	20 (18/2)
Number of charter school applications approved	6 (6/0)	8 (7/1)	6 (6/0)	3 (3/0)	4 (4/0)	6 (6/0)
Number of application denied⁴	26 (25/1)	15 (15/0)	12 (12/0)	14 (10/4)	24 (20/4)	14 (12/2)
Number of charter schools closed	3 (2/1)	2 (2/0)	3 (2/1)	1 (1/0)	1 (1/0)	2 (2/0)
<i>Academic reasons</i>						
<i>Financial Reasons</i>	2 ¹	2 ¹	1			1 ¹
<i>Low Enrollment</i>	1					
<i>Other</i>			2 ²	1 ³	1 ⁴	1 ⁴

¹ Financial mismanagement,

² Converted to virtual program, closed by mutual agreement by authorizer and charter school

³ Dispute over legality of the charter

⁴ Reason unknown

Charter Funding

Section 24 PS 17-1725-A of the Pennsylvania Public School code states that for non-special education students, *the charter school is to receive no less than budgeted total expenditure per average daily membership of the sending school district* minus several categories of budgeted expenditures. (See Exhibit 26.) Expenditures for nonpublic school programs, adult education

programs, and community/junior college programs are subtracted *as these are not required expenditures of the charter school.*

When comparing the net current expenditures (excluding special education, nonpublic school programs, adult education programs, community/junior college programs and student transportation—put footnote) of charter schools versus traditional schools, we found that the average net current expenditure per non-special education pupil of charter schools in 2007-08 was \$9,639 and for traditional school districts that amount was \$8,895. *The charter school expenses represent 107.3 percent of traditional schools.*

Despite not being defined as LEAs under state law, Pennsylvania has established a \$12 million fund in our RTTT proposal specifically for charter schools to enable them to receive RTTT funds in the same amount as if they were defined as LEAs.

Exhibit 26. Evidence for (F)(2)(iii)

Components	Yes/No	Relevant Laws/Regulations
Per-pupil funding to charter school students is $\geq 90\%$ of that which is provided to traditional public school students—OR	Yes	24 P.S. §17-1725-A(2)+(3)
Per-pupil funding to charter school students is 80-89% of that which is provided to traditional public school students—OR	N/A	N/A
Per-pupil funding to charter school students is $\leq 79\%$ of that which is provided to traditional public school students	N/A	N/A

Charter Facilities

For leases of buildings or portions of buildings for charter school use that have been approved by the Secretary of Education, the Department of Education shall calculate an approved reimbursable annual rental charge.²⁶ The state does not impose any facility-related requirements on charter schools that are stricter than those applied to traditional schools. (See Exhibit 27.)

²⁶ The charge shall be the lesser of (1) the annual rental payable under the provisions of the approved lease agreement or (2) the product of the enrollment, as determined by the Department of Education, times \$160 for elementary schools, \$220 for secondary schools and \$270 for area

Exhibit 27. Evidence for (F)(2)(iv)Funding for Charter School Facilities

Components	Yes/No	Relevant Laws	Additional Information
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	Yes	24 P.S. § 25-2574.3	Provides lease reimbursement
State does not impose any facility-related requirements on charter schools that are stricter than those applied to traditional public schools	No		

Supports for Other Innovative Schools

Virtual High Schools. To provide opportunities for students in small, rural, or low-wealth school districts to take specialized courses that might not be available to them otherwise and to meet the needs of students with special learning challenges, the Pennsylvania General Assembly established the Virtual High School Study Commission within the Pennsylvania Department of Education (PDE) in 2008. The main focus of this legislative commission was to examine the feasibility and costs associated with creating a state-operated, Internet-based virtual high school program, to provide secondary education students throughout the commonwealth with access to a wide range of learning services, including:

- Expanded curricular offerings such a higher mathematics and science courses
- Foreign languages and Advanced Placement (AP)
- Scholastic aptitude testing preparation programs
- Enrichment and tutoring courses

vocational-technical schools. The Department of Education shall pay annually an amount determined by multiplying the aid ratio of the charter school by the approved reimbursable annual rental (PA School Code 25-2574.3).

- Increased options for at-risk, homebound and alternative education students; and
- Dropout prevention and “credit recovery” offerings.

Based on research and promising practices within Pennsylvania and other states with virtual learning programs (particularly Florida and Kentucky), the commission's recommendations reflect support for the creation of:

- A supplemental Pennsylvania virtual learning program, administered through the Pennsylvania Department of Education, with its mission being the enhancement of curricular offerings to public school students throughout the commonwealth, while providing equitable access to such learning opportunities for all of the state’s high school students. The virtual learning program will be aligned to Pennsylvania's Standards Aligned System; and,
- A centralized database listing virtual learning programs and opportunities available to Pennsylvania students, after reviewing and ensuring the effectiveness of these programs.

The next step to creating virtual high schools is online courses which we propose in this application.

Key Pennsylvania Attributes

- Pennsylvania has no charter caps of any kind
- Pennsylvania provides state support for charter school lease payments to defray capital costs
- Charters schools in Pennsylvania receive per student payments of state funds under the statutory funding requirements which are on average 107.3% of the per student rate that traditional public schools receive
- Despite not being defined as LEAs under state law, Pennsylvania has established a \$12 million fund in our RTTT proposal specifically for charter schools to enable them to receive RTTT funds in the same amount as if they were defined as LEAs
- Pennsylvania has a coherent strategy for comprehensive pre-k to 12 reform