The New Frontier

Public Charter Schools as a Tool to Transform Education in Clark County

EXECUTIVE SUMMARY

PUBLIC IMPACT | DANIELA DOYLE AND JULI KIM

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At Opportunity 180, we believe that all children deserve great schools. We find it unacceptable that over 82,000 children in Clark County attend low-performing public schools and are committed to solving this problem. As a nonprofit organization, we offer resources to launch and support high-performing schools and organizations that will provide students with outstanding educational opportunities and help prove that every child can achieve, regardless of ethnicity, zip code, or family income. For more on Opportunity 180, please visit http:// opportunity180.org.

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Executive Summary

The number of Clark County residents has more than doubled in the past 25 years.¹ As a result, Clark County School District (CCSD) has become the fifth-largest in the country, and nearly two dozen public charter schools now serve local students.

Such tremendous growth has not always lent itself to thoughtful planning that supports high levels of student achievement, however. In 2013–14, only 64 percent of Clark County public school students who took the state exam were proficient in reading, and only 59 percent were proficient in math.² Moreover, an array of metrics consistently and strongly correlates school ratings, which are based largely on student performance and growth on the state exam, with student wealth and ethnicity. For example, only 10 percent of students qualifying for free or reduced-price lunch attended a top-rated school, even though they constituted more than half of all public school students.³ The data look similar for black and Hispanic students. The inverse is also true: Poor and minority students were consistently overrepresented in the county's lowest-rated district and public charter schools.

Meanwhile, the consequences of an education system that fails to prepare its students extend well beyond each person's outcomes. By some estimates, cutting the number of high school dropouts by even a quarter would contribute more than \$12 million to the economy each year for each graduating class, and as much as \$56 million if those students go on to earn a college degree.⁴ The quality of public education is also linked to home values, civic participation, and spending on social programs.⁵

Public Charter Schools as a Tool for Education Reform

The good news is that something transformational happened in 2015. Under the leadership of Governor Brian Sandoval, legislators passed 25 bills aimed at advancing student learning. Several of these recognize and support the expansion of high-quality charter schools — those with demonstrated potential or records of success in getting students on track to graduate ready for college or careers — as a key strategy to turn around failing schools and create excellent ones anew.

To date, the county's charter schools tend either to produce poor outcomes or serve low percentages of high-needs students, including poor students and English language learners, who make up 55 and 16 percent, respectively, of public school students in Clark County.⁶ But it does not have to be this way. A small but growing group of charter networks across the nation, including Achievement First in Connecticut and New York and YES Prep in Texas, has demonstrated some of the best success serving high-needs students at scale.⁷ But for Clark County to attract and grow great charter schools, its politicians and policymakers must create the right conditions.

Access to Key Resources Poses Obstacle

To realize the promise charter schools offer of increasing students' access to a great education, everyone involved must first believe that Clark County *can* offer *all* its children a



great public education: Zip code, wealth, or the language spoken at home does not determine whether a child can learn.

Then, county and state leaders must put that belief and commitment into action. Clark County has many of the necessary conditions in place to grow a high-quality charter sector — namely a robust charter school law, strong accountability measures, and generous start-up funding for new charters. But the county would be in a much better position if it could offer charter schools three key resources identified in dozens of interviews, case studies, and reports:⁸

- **Competitive per-pupil funding.** In 2013–14, charter schools received about \$6,600 per student in non-federal public funds. For some charter operators, \$6,600 is simply not enough to make ends meet. That figure is also comparatively low. Nationally, the average charter school receives about \$7,800 in non-federal public funds.⁹ The figure is lower for other western states \$7,000 but still about 6 percent above what Clark County charter schools receive.¹⁰ Clark County's current charter funding levels put it at a competitive disadvantage in attracting proven charter operators.
- Access to free or low-cost facilities. Charter schools in Clark County seldom have access to high-quality, low-cost facilities. While traditional district schools typically use bond levies to cover capital costs, Clark County charters do not have access to these or other facilities funds. Accordingly, charters often lease facilities and must spend operational funds about 12 percent for the average Clark County charter school to do so.¹¹
- A ready supply of excellent teachers and leaders. Teachers and school leaders affect student achievement more than any other school factor.¹² Highly effective teachers and principals are in short supply in Clark County, however. Since the 2008 recession, Nevada's talent pipeline has suffered from layoffs, pay freezes, and cuts to educator training programs. As a result, the Clark County School district had nearly 800 teacher vacancies on the first day of the 2015–16 school year.¹³ Though the state has taken steps to shore up its teacher and leader pipeline, including funding programs that train prospective teachers and expanding leadership development programs,¹⁴ it still has a way to go to ensure that every student has access to a great teacher and that every teacher has access to a great leader.

Strategies for Improving Access to Key Resources

So what can state and local policymakers do to improve public charter schools' access to key resources? While there are many possibilities, seven strategies stand out:

To overcome the funding obstacle:

- **1. Make funding levels more competitive** by increasing state per-pupil funding for all students, supplementing state charter funding to compensate for the local funding that charters cannot access (approximately \$500 per pupil), and/or sharing local levy dollars with charter schools.
- **2. Recruit within your means** by targeting charter networks that already successfully operate in states with funding levels similar to Nevada.

3. Grow your own charter operators built to survive (and thrive) on available funding by creating a charter school incubator, identifying and training promising school leaders, or identifying successful local charters and supporting their expansion.

To overcome the facilities obstacle:

- **4. Provide facilities funding**, either through a new funding stream or by requiring that school districts set aside a proportionate share of new bond proceeds for charters.
- **5. Include charters in the siting process for new CCSD buildings**, giving them access to a low-cost facility.

To overcome the talent obstacle:

- **6. Give teachers an opportunity to grow and reward them for it** by creating career pathways that recognize their skills, enable professional development and advancement, and offer the chance to have a greater impact for more pay.
- **7. Invest in strategies that fully use existing talent** by offering education entrepreneurs opportunities, such as paid fellowships, to develop new, groundbreaking school models that allow the best teachers to reach more students.

Creating the Will

Knowing what Clark County will need to attract proven charter operators is only half of the challenge: Political leaders, educators, parents, students, and other community members must also create the will for change, both at the grassroots and grasstops levels. Lessons from other states, such as Louisiana, New Jersey, and Tennessee, demonstrate that community engagement and advocacy cannot be an afterthought.¹⁵ Clark County must be deliberate and proactive in developing strategies that help create the will for change.

Next Steps for Clark County

Excellent charter schools offer one tool for improving education options, and the Silver State has recently taken several steps to make it easier and more attractive for the best charter operators to open schools and grow in Nevada. But much more work remains to ensure that charter schools capable of preparing students for college and successful careers have access to the critical resources they need to grow — competitive per-pupil funding, access to free or low-cost facilities, and a ready supply of excellent teachers and leaders.

Accomplishing those things will demand that all members of the Clark County community take action.

• State and local education agencies need to follow through on policies already in motion by ensuring that new high-quality charters have access to the resources they need to be successful, and holding chronically low-performing charters accountable for student outcomes.



- Legislators and other policymakers need to support a mix of initiatives that not only provide immediate relief to the challenges charters face today, but also emphasize sustainability and a role for charters over the long term.
- Education advocates, including teachers, parents, and students, need to engage the public and stoke its will to do the hard work necessary.
- Philanthropy and business leaders need to catalyze both the grassroots and the grasstops by using their dollars to illuminate critical issues and amplify the demand for better education options.

Nevada has taken many of the first difficult steps to a better education system, but has much more to accomplish. Creating more schools that prepare students for a productive future is within Clark County's reach so long as community members build on the momentum that has started.

NOTES

1. US Bureau of the Census. *Population of counties by decennial census: 1900 to 1990*. Retrieved from https://www.census.gov/population/cencounts/nv190090.txt; United State Census Bureau. *Quickfacts: Clark County, Nevada*. Retrieved from http://www.census.gov/quickfacts/table/ PST045214/32003,00

2. Based on Public Impact analysis of Nevada assessment data retrieved from http://nevadareportcard.com/di/ and http://nspf.doe.nv.gov/.

3. Based on Public Impact analysis of Nevada School Performance Framework (NSPF) data retrieved from http://nspf.doe.nv.gov/ and demographic data retrieved from http://nevadareport-card.com/di/.

4. Difference between earnings of a high school dropout, high school graduate, and college graduate based on 2014 earnings data for Clark County. Estimate assumes individuals save 5.5 percent of earnings (based on estimate from St. Louis Federal Reserve Bank) and that between 43 percent and 68 percent of money spent gets recirculated in the local economy. Each new graduate therefore adds between \$7,615 (low estimate for high school graduate) and \$33,246 (high estimate for college graduate) to the economy. Estimate also uses 2012–13 graduation data, when 6,800 students did not graduate. Cutting the dropout rate by 25 percent would therefore create 1,703 new graduates each year. Source: United States Census Bureau. (n.d.). *B20004 Median earnings in the past 12 months (in 2014 inflation-adjusted dollars) by sex by educational attainment for the population 25 years and over.* Retrieved from http://factfinder.census.gov/; Federal Reserve Bank of St. Louis. (n.d.). *Personal savings rate, 2015-12-01.* Retrieved from https://research.stlouisfed.org/fred2/series/PSAVERT; Civic Economics. (2004). *The Andersonville study of retail economics.* Chicago, IL: Author. Retrieved from https://bealocalist.org/sites/default/files/Andersonville%20 Study%200f%20Retail%20Economics_0.pdf

5. Baum, S., Ma, J., & Payea, K. (2013). *Education pays 2013*. College Board. Retrieved from http://trends.collegeboard.org/sites/default/files/education-pays-2013-full-report-022714.pdf; Black, S. E. (1999, May). Do better schools matter? Parental valuation of elementary education. *Quarterly Journal of Economics. 114*(2), 577–99; Chiodo, A. J., Hernandez-Murillo, R., & Owyang, M. T. (2010, May/June). Nonlinear effects of school quality on housing prices. *Federal Reserve of St. Louis Review. 92*(3), 185–204. Retrieved from https://research.stlouisfed.org/publications/ review/10/05/Chiodo.pdf; Gibbons, S., Machin, S., & Silva, O. (2013). Valuing school quality using boundary discontinuities. *Journal of Urban Economics. 75*, 15–28.; Carroll, S. J., & Erkut, E. (2009). *The benefits to taxpayers from increases in students' educational attainment*. Vol. 686. Rand Corporation.

6. Public Impact analysis of demographic data retrieved from http://nevadareportcard.com/di/.7. For example, both Achievement First and Yes Prep charter networks serve more than 10,000

students, the vast majority of whom are low-income and either black or Hispanic. Both of these charter networks consistently outperform surrounding district schools serving similar student populations, and often rival top schools in the state that serve far more advantaged student populations. Achievement First. *Annual report 2014–15.* (n.d.). Retrieved from http://www.achievementfirst.org/fileadmin/af/resources/images/AF_AR_2014_15.pdf; YES Prep. (n.d.). 2014 annual report. Retrieved from http://www.yesprep.org/sites/default/files/media/YES_Annual_Report_2014.pdf; Yes Prep. *Results.* (n.d.). Retrieved from http://www.yesprep.org/about/results

8. See, for example: Public Impact: Kim, J., Field, T., & Hargrave, E. (2015). The Achievement School District: Lessons from Tennessee. Chapel Hill, NC: Public Impact and New Orleans, LA: New Schools for New Orleans. Retrieved from http://achievementschooldistrict.org/publications/; Public Impact: Holly, C., Field, T., Kim, J., & Hassel, B. C., and New Schools for New Orleans: Runyan-Shefa, M., Stone, M., and Zaunbrecher, D. (2015). Ten years in New Orleans: Public school resurgence and the path ahead. New Orleans, LA: New Schools for New Orleans. Retrieved from http://www.newschoolsforneworleans.org/10years.pdf; Public Impact: Hassel, B. C., Locke, G., Kim, J., Hargrave, E., & Losoponkul, N.; and The Mind Trust. (2015). Raising the bar: Why public charter schools must become even more innovative. Indianapolis, IN: The Mind Trust. Retrieved from www.themindtrust.org/raising-the-bar; Zinmeister, K. (2014). From promising to proven: A wise giver's guide to expanding on the success of charter schools. Washington, D.C.: The Philanthropy Roundtable. Retrieved from http://www.philanthropyroundtable.org/file_uploads/PromisingtoProven_interactive_book.pdf; Public Impact: Hassel, E. A., Hassel, B. C., and Ableidinger, J. (2011). Going exponential: Growing the charter school sector's best. Chapel Hill, NC: Public Impact and Washington, D.C.: Progressive Policy Institute. Retrieved from http://www.progressivefix. com/wp-content/uploads/2011/02/2.2011_Hassel_Going-Exponential_WEB1.pdf; Kania, J., Kutash, J., Obbard, J., & Albright, R. (2011). Promise of citywide charter strategies. Washington, DC: National Alliance for Public Charter Schools. Retrieved from http://www.publiccharters.org/ wp-content/uploads/2014/01/2011_Final_The-Promise-of-Citywide-Charter-Strategies 20110517T143333.pdf; Public Impact: Doyle, D., & Steiner, L. (2011). Developing education talent: A citywide approach. Washington, DC: National Charter School Resource Center. Retrieved from www.charterschoolcenter.org/resource/developing-education-talent-citywide-approach; Education Sector. (2009). Growing pains: Scaling up the nation's best charter schools. Washington, DC: Author. Retrieved from https://www.newamerica.org/documents/721/growing-pains; Kowal, J., Hassel, B. C., and Crittenden, S. (2009). Investing in charter schools: A guide for donors. Washington, D.C.: The Philanthropy Roundtable. Retrieved from http://www.publicimpact.com/ publications/Investing in Charter Schools A Guide for Donors.pdf

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10. Comparing New Mexico, Texas, California, Colorado, Arizona, Utah, Oregon, and Idaho. Batdorff, M., Maloney, L., May, J. F., Speakman, S. T., Wolf, P. J., & Cheng, A. (2014). *Charter school funding: Inequity expands*. Fayetteville: University of Arkansas. Retrieved from http://www.uaedreform.org/wp-content/uploads/charter-funding-inequityexpands.pdf. Adjusted for inflation to reflect 2014 dollars.

11. Based on figures shared from the State Public Charter School Authorizer, December 1, 2015. 12. Marzano, R. J., Waters, T., & McNulty, B. A. (2005). *School leadership that works: From research to results*. Alexandria: VA: Association for Supervision and Curriculum Development; Sanders, W. L., & Rivers, J. C. (1996). *Cumulative and residual effects of teachers on future student academic achievement* (Research Progress Report). Knoxville, TN: University of Tennessee Value-Added Research and Assessment Center. Retrieved from http://beteronderwijsnederland.net/ files/cumulative%20and%20residual%20effects%20of%20teachers.pdf

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14. For example, Nevada Senate Bill 474 (2015) (retrieved from https://legiscan.com/NV/bill/ SB474/2015) established a \$10 million fund to support Teach For America and TNTP to prepare 100 teachers each to teach in Clark County. Nevada Senate Bill 511 (2015) (retrieved from https:// legiscan.com/NV/text/SB511/2015) allocated \$2.5 million per year to fund a scholarship program for prospective teachers to attend state colleges or universities, and \$10 million per year to pay incentives for new teachers to teach in high-need and low-performing schools.

15. See, for example: Glazer, J. & Egan, C. (2016). *The Tennessee Achievement School District: Race, history, and the dilemma of public engagement.* Vanderbilt Peabody College: Tennessee Consortium on Research, Evaluation, and Development. Retrieved from http://www.tnconsortium.org/data/files/gallery/ContentGallery/ASD_Dilemma_of_Engagement.pdf; Center for Reinventing Public Education. (2016). Roots of engagement in Baton Rouge: How community is shaping the growth of new school options. Retrieved from http://crpe.org/sites/default/files/crperoots-of-engagement-4-2016_0.pdf; Public Impact: Kim, J., Hassel, B. C., Hargrave, E., Boast, L., Holly, C., & Ellison, S. (2015). *Early lessons from Newark's experience with charter schools.* Menlo Park, CA: Startup:Education. Retrieved from http://publicimpact.com/web/wp-content/uploads /2015/08/Early_Lessons_from-Newarks_Experience_With_Charter_Schools-Public_Impact.pdf