Positive Outliers
Scaling Colorado’s Most Successful Schools
Executive Summary: A Path for Creating More High-Quality Schools in Colorado

Every kid deserves access to a great education, regardless of their background. At Colorado Succeeds, we understand that this is both a moral and economic imperative. In just a few short years, about three quarters of Colorado jobs will require some education beyond high school, but less than one quarter of Colorado students will go on to receive that level of training. We must provide more opportunities for kids to gain the skills they need to succeed in a modern economy. This starts with having a high-quality school in every neighborhood. This brief sketches out one proven path for making that vision a reality: Expand high-quality public charter school options.

Positive Outliers—Where we can look for examples of success

The chart below displays the performance and affluence of every school in Colorado. Schools with affluent students tend to perform better. However, the chart also clearly shows that there are examples of success across the spectrum. Particularly interesting are the schools in the top left quadrant, which are high-performing, low-income schools.

Positive Outliers: Schools Excelling with Low-Income Students

School Performance vs Percent of low-income students in that school.

- Public Charter School (12)
- Traditional Public School (5)

This chart compares performance on Colorado's school accountability framework on the vertical access (percentage of points earned) and the percentage of students in a school that qualify for free or reduced lunch on the horizontal access (a proxy for poverty) using data available at the time of this publication. New data should be available in February.
What can we learn from the positive outliers that break the mold by excelling with low-income kids? The majority of these positive outliers—12 of 17—are public charter schools. This is especially compelling considering that public charters only account for about 10% of all Colorado public schools.

The charter schools identified in this chart are shining examples of what is possible. They stand as a clear rebuke to those who argue that poverty is the sole cause of poor academic performance and prove that every child, regardless of background, can succeed.

If Colorado wants to make sure every student has access to a great school, we need to dramatically increase the number of high-quality schools available to students and their families. Charter schools currently provide one viable option for replication and expansion of high-quality schools.

So, what is holding us back from scaling charter success stories like the positive outliers highlighted above? There are three primary obstacles:

1. Students attending charter schools receive less funding and do not have equal access to school facilities.
2. A myriad of bureaucratic barriers prevent new quality charter schools from opening.
3. Colorado’s educator pipeline is producing too few quality educators.

This brief takes a close look at the actions Colorado’s policymakers can take to solve these problems and ensure that every student has access to a great school. Broadly speaking, Colorado should take these three steps to improve:

1. Provide charter students with equal access to school facilities and funding.
2. Create additional opportunities to replicate successful schools by removing bureaucratic barriers that prevent community members from opening new, high-quality schools.
3. Invest in programs to recruit, retain, evaluate, and reward great teachers and school leaders.

The rest of this brief expands on these strategies for scaling successful charter schools, providing clear examples from other states. It also provides some basic information on what public charter schools are, how they are opened, and how they are held accountable for student performance.
Chart schools are free, non-discriminatory, public schools that are bound by federal and state public school laws.

What is a Charter School? 
Background on Charter Schools in Colorado

In Colorado, a charter school is a public school created and controlled by parents, community members, and educators. A charter school opens and operates under a “charter,” or contract, with a local public school district authorizer that establishes a school’s performance goals. Charter schools are schools of choice, meaning that students must affirmatively choose to attend. They cannot discriminate based on a student’s academic ability, income, race, or background. Charters receive more operational freedom but, in exchange, are held accountable for student performance; failure to perform can result in a revocation of their charter contract and school closure.

Colorado passed the Colorado Charter Schools Act in 1993, permitting charters to open in the state. Today, there are more than 108,000 students attending 226 charter school campuses in Colorado, a number that continues to grow each year. In many cases, charters represent the forefront of education innovation in Colorado. Examples of successful innovation include Science, Technology, Engineering, and Mathematics (STEM) focused schools, Early College Programs where students earn college credit by taking accredited classes in high school, and classical liberal arts programs, just to name a few.

The Three Main Barriers to Expanding Quality Charter Schools in Colorado

1. Equalize Access To Facilities And Funding For Students
2. Improve Charter Authorizing
3. Attract, Reward, and Retain Great Teachers and Leaders

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BARRIER 1: Equalize Access To Facilities And Funding For Students

THE PROBLEM: Charter School Students Receive Less Funding Than Other Public School Students And Lack Equal Access To Public Facilities.

Unlike traditional district-zoned schools, public charter schools usually do not have equal access to public buildings and often lack access to local taxes to supplement funding. This means that charters often spend a significant portion of their operating revenues on facilities—leaving less money to be spent in the classroom. Over 43,000 students attending public charter schools in Colorado receive less funding than their peers in other public schools.

How Colorado is currently trying to address the problem:

Colorado has taken some minor steps to address this problem. Colorado charters have access to limited state money for facilities via the Charter Capital Construction Fund. In the 2013-2014 academic year a total of seven million dollars was divided between eligible charter schools on a per pupil basis. In 2014, the legislature decided to increase the amount invested in this fund. These investments amount to approximately $276 per charter student, well short of the $660 per student that public charter schools spend on facilities—money that should be spent in the classroom.

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Even worse, as charter enrollment grows, the amount available per student decreases. Colorado charters, like all public schools, are also eligible to participate in the Building Excellent Schools Today (BEST) grant program. BEST funds can be used for the construction of new schools as well as general construction and renovation of existing school facility systems and structures. The bottom line is that despite these investments, public charter students still receive significantly less funding than other public school students.

Some local school districts have also taken proactive steps to address these issues. For example, Denver Public Schools, Boulder Valley School District, Jefferson County Public Schools, and Douglas County School District all share their additional local tax revenue with charter students. Among districts that raise additional local mill levy funding, only 12 share locally raised mill levy revenue equally with their charter students.

How other states are addressing the problem:
Many states are facing similar challenges. On average, public charters across the country receive 28% less funding than traditional schools. In an attempt to close this funding gap, other states provide charters with access to public facilities. For example, in New York City, state law gives public charter schools guaranteed access to facilities. There, the law allows new or expanding charter schools to co-locate with traditional district schools or gives them access to separate facilities at no cost.

Other states address the funding gap by providing additional money directly to charters. Arizona allocates up to $1,990.38 in additional per pupil funding directly to charters that can be used for operational or facility costs. In New Mexico, the state requires districts to share local facilities funds with public charter schools on a proportional basis. It is worth noting that, even in these states, public charter schools still receive less total funding than traditional schools.
THE SOLUTION:
Public Charter School Students Should Receive Equal Funding And Equal Access To Facilities

Education funding should follow a child to their school. This helps ensure that every student gets the resources they need to succeed, regardless of which type of public school they attend. Put simply, we should fund kids, not systems. While Colorado has taken some key steps in the right direction, there are concrete actions the state could take to ensure that we invest equally in all kids. Here are a few examples:

- Colorado should equalize funding for public charter school students.
  - Every district should have to share locally-raised mill levy revenue equally with charter students in schools that the district authorizes.
  - The state should create a fund to backfill missing local mill levy revenues for Charter School Institute Schools, which cannot raise local revenue because they aren’t authorized by a traditional school district.
  - Policymakers should also increase charter facilities funding to make sure every student’s school has the resources needed to build and maintain facilities, and then index that funding stream to charter enrollment.

- Districts should prioritize facility allocation to schools with a proven track record of success, regardless of whether the schools are charter or traditional.

We should fund kids, not systems.
BARRIER 2: Improve Charter Authorizing


In Colorado, local school districts are usually the only governing body allowed to open a charter school. Each school district must approve or “authorize” charters separately and can exclude charters from opening, even when those charters are top-performers. This structure prevents the replication and expansion of successful charter schools.

Charter Authorizing in Colorado

In Colorado, there are only two ways charter schools can receive approval to open. The first is through local school districts. Nearly all school districts (169 of the 178) hold absolute authority in the charter school authorization process. A school district’s monopoly over charter authorizing is referred to as Exclusive Chartering Authority (ECA).

The second way to acquire authorization is through the Colorado Charter School Institute (CSI). CSI can only authorize charters where the local school board has given permission for it to do so or the district has lost its ECA. CSI employs a rigorous application process for opening charter schools; it approves less than 50% of charter applications it considers.

<table>
<thead>
<tr>
<th>Colorado Charter Authorization</th>
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<tbody>
<tr>
<td>Exclusive Chartering Authority (ECA)</td>
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<td>169 Districts</td>
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<tr>
<td>Authorization is overseen by the local school board</td>
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<tr>
<td>Colorado Charter School Institute (CSI)</td>
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<tr>
<td>9 Districts</td>
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<tr>
<td>Statewide Authorizer</td>
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<tr>
<td>Authorization is overseen by CSI</td>
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How Colorado is currently trying to address the problem:
The development of CSI is one step Colorado has taken to expand access to quality charter schools.10 CSI is governed by a nine-member Board of Directors: seven board members are appointed by the Governor of Colorado and two by the Colorado Commissioner of Education. The Colorado Senate confirms the Governor’s board appointments.11

As a statewide authorizer, CSI can more effectively manage charter schools by allowing the replication of successful charters across district boundaries. But CSI’s limited authority prevents it from having a major impact.

How other states are addressing the problem:
Other states have adopted innovative models that demonstrate effective and replicable models for charter authorizing.

Georgia and New Mexico both empower statewide commissions to authorize schools anywhere in the state, which creates the conditions that allow high-performing charters to expand across district borders.

Louisiana has created an inventive inter-district authorizer run by the State Board of Education.12 During the 2003 Legislative Session, the Louisiana Legislature created the Recovery School District (RSD). Traditional public schools that fail to meet their academic mark for four consecutive years are turned over to the RSD.13 In 2005, following Hurricane Katrina, the Louisiana legislature transferred 107 of the worst-performing public schools to the RSD. These schools, most of which become charters, are held to high standards of achievement and growth to ensure schools start serving their students as quickly as possible.14 In 2016, the legislature passed legislation to return these schools to the control of the local school district. Louisiana’s RSD shows how a statewide recovery school district can help turn around low-performing schools by creating favorable conditions for opening new quality schools and closing underperformers.

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10 Districts and Authorizers, Colorado Department of Education, http://www.cde.state.co.us/cdechart/distauthinfo
14 /d.
THE SOLUTION:
The State Should Eliminate Bureaucratic Barriers To Opening New Schools

State policymakers need to offer successful charter schools access to an efficient, statewide authorizing process to expand high-quality options for students. Empowering a statewide authorizer like CSI will enable effective governance options that allow for replication of successful charter schools.

There are several improvements that can be made to ensure every student has a high-performing school in their neighborhood:

- The legislature should empower a quality statewide authorizer like CSI to operate across district lines, eliminating the current monopoly on opening schools.
- To ensure new schools are high-quality, the state should encourage districts to take bold action to close low-performing schools, both charter and traditional. School districts should follow the authorizing practices laid out in current statute.
- The state should also create an inter-district authorizer to specifically oversee the turnaround of failing and low-performing schools.
- The legislature, State Board of Education, and local districts should streamline the authorizing process for school operators with a proven track record of success.
THE PROBLEM:

Colorado Needs To Recruit More Teachers And Leaders To Staff New High-Quality Schools

Finding enough high-quality teachers to staff classrooms is an incredible challenge for many schools in Colorado. The National Council on Teacher Quality (NCTQ) found that over 50% of schools and prep programs nationwide are identified as inadequate teacher preparation programs. This is part of the reason why top-performing teachers account for only 20% of teachers in the classroom nationwide. If Colorado wants to rapidly increase students’ access to high-quality seats, then it must do a better job of recruiting, developing, and retaining effective teachers and school leaders.

Low teacher pay and inflexible benefits also contribute to the problem. When comparing teacher wages to professional wages with a similar level of education, Colorado ranks last in the country.

Colorado ranks last nationally in providing teachers a competitive wage

Teacher compensation vs professions with similar education

High-performing teachers can generate 5 to 6 more months of learning each year than a low-performing teacher.

Sources:

Educators also have limited options when it comes to retirement. Teachers in Colorado are part of Colorado PERA’s defined benefit program, which only puts about 15% of teachers on a path to secure retirement.¹⁸

**How Colorado is currently trying to address the problem:**

By lessening the regulatory burdens on teachers, Colorado has allowed charter schools to expand the pool for teacher recruitment. Teachers working in charter school environments do not need to earn a teaching license, but must demonstrate “highly qualified” status by receiving a passing score on the PRAXIS or PLACE exams. This flexible model, when combined with strong back-end school accountability and teacher development, helps charters select the best teachers for their schools while ensuring solid outcomes for kids.

Teach for America (TFA) is one example of a nontraditional preparation program that uses a highly-selective recruitment process to place teachers in both traditional and charter schools in Colorado. Including TFA alumni, there are currently more than 600 TFA teachers impacting more than 36,000 students across the state.

High-quality educators are not limited to teachers. Attracting and training high-quality principals and assistant principals is a critical component of school success. In 2011, The Wallace Foundation funded six districts to participate in the Principal Pipeline Initiative, including Denver Public Schools as a participating district.¹⁹ The initiative created a platform designed to strengthen school leadership. In another effort to deepen training programs, Denver Public Schools and the University of Denver created the Ritchie Program for School Leaders in 2003. Recruitment and admissions are carried out collaboratively; applicants’ performance data are shared with the district and curriculum and assessments are aligned with the district’s leader standards.²⁰ Graduates of the program are, as a result, better aligned with district standards and vacancy needs. This partnership model is one that is being replicated in districts across the country.

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²⁰ Id.
Colorado is also looking at ways to expand the diversity of the teaching workforce. In the 2012-2013 school year, the proportion of minority students was 43%, while the proportion of minority teachers was only 10%.21 Recent policies like HB 14-1175 seek to help schools recruit, prepare, develop, and retain high-quality minority teachers.22 Although Colorado is beginning to expand the pool of teacher applicants, it needs to do a better job hiring and retaining a diverse teacher population.

**How other states are addressing the problem:**

Many states are turning their attention to teacher preparation programs in order to fill their teacher pipelines. For example, Match Charter Public School (Match), a high-performing charter school network in Boston,23 has created an innovative teacher-training program that incorporates a yearlong school-based residency, coursework, individualized coaching, and a year of fulltime teaching.24 Match effectively trains and develops teachers in-house to ensure they are delivering high-quality instruction and meeting performance standards.

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22 Id.
24 A Different Kind of Graduate School, Match Education, http://www.sposatogse.org/about/overview/
THE SOLUTION:
The State Should Invest In Programs To Recruit, Retain, And Reward Great Teachers And School Leaders

In order to ensure high-quality teachers are entering and staying in Colorado classrooms, education leaders need to increase the applicant pool of high-quality teachers, strengthen preparation and development programs, and reward top-performers. Here are a few examples:

- The state should expand alternative licensing programs to increase the pool of potential teachers.
- Local districts and the state should support in-house teacher development programs such as Boston’s Match system.
- The state, local districts, and schools should provide financial rewards to teachers that take on leadership roles and/or have a track record of effectiveness.
- All stakeholders should continue to support programs like TFA that bring dynamic leaders into the teaching profession.
Conclusion

This brief suggests a few critical steps Colorado can take to scale some of our most successful school models, which would provide additional quality education options to thousands of Colorado students.

First, Colorado should ensure every public school student has equal access to facilities and funding, regardless of the type of school they attend.

Next, the state should create additional options for public charter schools to open, which will enable successful charters to expand throughout the state.

Finally, in order to staff these new schools, Colorado must boost the quality of its educator pipeline by investing in training programs and creating additional pathways for highly-qualified candidates to enter the classroom.

The state should learn from the positive outliers in Colorado and take these actions immediately. These changes would help ensure more students have access to a high-quality education and strengthen the economic future of our state.