Evaluation of the Michigan Public School Academy Initiative

Final Report

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The Evaluation Center
Western Michigan University

January 1999
Foreword

This is the final report of the one year evaluation of the Michigan public school academy (PSA) initiative. Over the past year, we have immersed ourselves in this reform, visiting schools, conducting interviews, reviewing documents, gathering and analyzing data in many forms, and talking with stakeholders both in PSAs and in the traditional public schools. We have followed the debate both at an academic level and at a political level. We have been treated with great suspicion in some places and warmly welcomed in others. It is—in fact—for us, one of the most complex school reforms that we have had the opportunity to evaluate. The polarized nature of the reform and the strong divisions that exist between the proponents and opponents made our task difficult. We expect that both opponents and proponents will be happy with some of our findings and upset with others. Our real concern is that the evaluation’s results will be used to shore up each side’s arguments. As readers will see, there are negative and positive outcomes, and there is considerable diversity among the schools that we studied. We identified both the strengths and weaknesses of the schools and the initiative, and we hope that decision makers understand and make full use of the findings to strengthen the PSA initiative and the public education system as a whole.

At The Evaluation Center, we are most interested in advancing the theory and practice of evaluation. It is not our business to engage in an advocacy role for any of the stakeholder groups of this or any other education reform effort. The intent of this evaluation of the PSA initiative is to “improve, not to prove.” We hope the readers of this report will consider ways in which the public school academies can be strengthened, through additional legislation to steer and regulate the schools so that they can fulfill their original expectations; through the development of more effective routines to oversee and support the schools; through more effective efforts to govern and administer the schools; and through more effective policies to support teachers and strengthen the quality of instruction in the classroom.

We welcome the readers of this report to supply us with feedback in the form of comments, corrections, and compliments. Our contact information can be found below. The final version of this report will be delivered to the Michigan Department of Education in January 1999.

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Acknowledgments

We want to thank all the parents, staff, and students of the 51 charter schools we worked with in Michigan who contributed to this study. In times of extreme pressure and heavy demands on their time, the school directors and teachers provided the evaluation team with information and insights that they alone could describe.

The task of collected qualitative and quantitative data for such an extensive evaluation requires support from many persons and agencies. We conducted interviews with representatives from other stakeholder groups, such as authorizing agencies, management companies, traditional public schools and their administrative offices, and persons in the communities where the public school academies are located. We are grateful to all those persons who provided us with information and documentation.

We were fortunate to recruit four qualified and dedicated Traveling Observers who helped with the data collection in the field: Ms. Sarah Barratt from the Bay City area, Ms. Audrey Brown from Frankfort, Dr. Michael Mintrom from Lansing, and Ms. Maggie VandeVelde from Grand Rapids. They were persistent and thorough in their work and in completing the wide range of tasks at each schools. At Western Michigan University, William Post provided assistance in merging data sets and conducting the analysis of data obtained from the Department of Education.

There are a number of persons we wish to recognize and thank at the Michigan Department of Education. First of all we would like to recognize and thank Dr. Donald Weatherspoon, who was our contact for the evaluation. He met with us regularly and provided oversight and guidance. Carolee Mikulcik was able to provide answers to many of our questions, and she served as a continuous link to information and persons at MDE. Gary Cass, Joan May, and Kim Sidel in the charter school unit at MDE answered numerous questions and provided information. Glenda Raider, who works in the State Aid and School Finance office assisted us in securing financial data on the PSAs and their host districts.

At The Evaluation Center, we express our appreciation to Ms. Sally Veeder for her expert editing of the many documents and forms and for her personal interest in this project. Other Center personnel who worked on various aspects of the administration of the project are Ms. Mary Ramlow, Ms. Maxine Robb, Mr. Krishna Kalluru, and Ms. Kristin Kutter. We also thank Dr. Daniel Stufflebeam, Director of The Evaluation Center, for his support and encouragement as well as his expert advice on various aspects of the evaluation.

Finally, we want to recognize and express our appreciation to the leadership of this state for its commitment and courage to initiate an evaluation of this groundbreaking educational reform movement.

On behalf of The Evaluation Center,

Jerry G. Horn and Gary Miron
Chapter One
Background and Methodological Frame of the Evaluation

At The Evaluation Center, we are most interested in developing the theory and practice of evaluation. It is not our business to engage in an advocacy role for any of the stakeholder groups of this or any other education reform effort. We hope the results from this evaluation can be used to strengthen the public school academy1 (PSA) initiative; for example, through additional legislation to steer and regulate the schools so that they can fulfill their original expectations, through the development of more effective routines to oversee and support the schools, through more effective efforts to govern and administer the schools, and through more effective policies that can support teachers and strengthen the quality of instruction in the classroom.

The Evaluation Center was one of two organizations asked by the Michigan Department of Education (MDE) to evaluate the charter school initiative in Michigan. In evaluating the overall initiative, we have collected data and information from charter schools, authorizing agencies, management companies, MDE officials, as well as representatives of traditional public schools and intermediate school districts. While we have not been charged with the task of evaluating individual schools, we have collected a large amount of school-specific data from the 51 schools that we visited. This particular evaluation was started in October 1997 and was completed in December 1998. The data collection in the schools only took part during the 1997-98 school year. The analysis reflects only the schools that were in operation during that time.

Like most of the studies conducted by The Evaluation Center at Western Michigan University, this evaluation is marked by the following characteristics and principles:

- We wish to promote an appreciation of and capacity to conduct evaluations that can be used and developed by each participating school in the future.
- We perceive evaluation to be the systematic investigation (assessment) of the worth or merit of an object.
- The most important purpose of the evaluation is not to prove, but to improve.
- The evaluation has a holistic approach in that aspects of both formative and summative evaluation are included.
- Both qualitative and quantitative methods of data collection are used and interwoven during both the field work and report writing.
- The design and conduct of the evaluation meet the applicable utility, feasibility, propriety, and accuracy standards of The Program Evaluation Standards (Joint Committee, 1994).

1 In the state of Michigan, the terms “charter schools” and “public school academies” are used interchangeably. Both terms are used in this report. The legislation refers only to public school academies.
The legislative and regulatory actions that created the initiative, policies, and procedures to guide the development and operation of public school academies in Michigan provide a clear intent that the initiative is to be monitored and evaluated in a quality manner. In addition, there is a promise to the people of Michigan and a responsibility to the professional practice of education that this innovative initiative be submitted to the highest quality of evaluation and standards. Evaluation and oversight of charter schools are shared responsibilities of school personnel, the authorizers, and the Michigan Department of Education. While the emphases and general audiences for the evaluations are different, it is in this collective manner that the fullest knowledge and understanding of this significant reform effort (i.e., the charter school initiative) will be realized. To ensure objectivity and credibility, it is important that a third party evaluator, without vested interests or direct involvement in creating, operating, or providing services to charter schools, be engaged to conduct an overall evaluation of the initiative.

An overriding goal for this evaluation is to provide the state-level decision makers with the necessary information to determine if the charter school movement is meeting its statutory objectives, as stated in The Revised School Code, 1995 Public Act 291, Part 6A. Additionally, the evaluation has the following objectives:

1. To provide information about the effectiveness of the authorizing process
2. To provide charter schools with guidance regarding effective processes that are being used in other charter schools
3. To provide students and parents with information about how well their charter school is doing relative to other charter schools and traditional public schools

During both the planning and conducting of the study, we have been conscious of the widespread and diverse interests of the various stakeholder groups. Michigan has played a leadership role in shaping the legislation and developing the infrastructure for the development of charter schools. This evaluation was designed to serve the needs of the various stakeholders and provide quality information to strengthen the reform. We have worked cooperatively with the MDE, authorizing agencies, and charter schools to ensure that this effort provides positive contributions to the information base about charter schools and evaluation of innovative schools/agencies.

The charter school movement across the United States is of interest to educators, researchers, legislators, parents, and the press. Since Michigan is one of the pioneers in this movement and because the initiative has expanded at a rate greater than in most states, the charter schools in Michigan and the evaluation of this initiative have/will receive substantial attention. In this report, we have identified both the strengths and weaknesses of the schools and the initiative, and we hope that decision makers understand and make full use of the findings to strengthen the PSAs initiative and the public education system as a whole.

1.1 Background

Charter schools offer students alternative and diverse educational programs, with the goal of improving academic achievement. The intention behind this new form of public schooling is that by
providing further autonomy to schools, they can pursue innovative teaching practices and create a diversity of school options from which parents can choose. During the last three years, the number of charter schools (i.e., public school academies) in Michigan has grown rapidly and currently includes 137 operating schools across the state with approximately 34,000 students enrolled.

Selected assumptions about charter schools. In evaluating the charter schools for any given year, there are certain regulations and considerations that should be appropriately recognized in the data collection and interpretation. Below we list some of these. It is important to note that these were considered in the design and conduct of our evaluation.

1. Schools have existed for varying lengths of time and are in different stages of becoming fully developed and maximally efficient and effective. Each school is authorized for a particular mission and has identified goals and purposes unique to that mission.
2. Generalizations cannot easily be made among PSAs since they differ in so many respects from one another.
3. Teachers must be certified just as they are at other public schools, except as allowed by laws, rules, or regulations.
4. Schools may not screen students, but they may limit the number of students they serve. If more students apply than can be enrolled, students are chosen through a random selection process.
5. Neither the state board of education nor the state legislature mandated a core curriculum for Michigan. However, a Michigan core curriculum was recommended as a framework for all public schools to use.
6. Charter schools are subject to all laws and regulations that apply to public schools generally, including The Revised School Code, 1995 PA21, Part 6A, and other related laws. These schools may not teach religion.
7. Charter schools receive the state foundation grant on a per-pupil basis. This level of funding cannot exceed the amount received by the local school district in which the charter school is located. Charter schools cannot charge tuition. However, they can raise funds through legal foundations, receive grants, etc., as any public school can do.

1.2 Evaluation Questions

Since the charter school initiative is relatively new in Michigan and schools are in various stages of development, the evaluation plan incorporates elements of both formative and summative evaluation. The purpose of formative evaluation is to provide information to improve the charter schools by assessing their ongoing activities. It should be conducted continuously throughout the duration of a school’s existence. Typical questions that would be asked within the context of formative evaluation are listed below:

- Are the schools being operated as proposed/authorized?
- Were the appropriate persons selected and included in the planned activities?
- Are the schools’ management plans being followed or adjusted for defensible reasons?
- Are students moving toward the anticipated/planned goals?
- Which elements/factors of the schools are aiding students to move toward these goals?
- Are the resources being appropriately directed to fulfill the goals of the schools?
Within the framework of summative evaluation, the following questions would be appropriate to consider:

- Did the schools meet their goals and the goals of the initiative?
- Have the needs of the students and community been met?
- Can the schools and the initiative be continued/perpetuated under existing conditions?
- Were there unintended or unanticipated outcomes as a result of these schools? What are their value and merit?

Further, there is an implicit monitoring element within this plan. However, the purpose is not to monitor the operations or activities of individual schools. This is one of the designated responsibilities of the authorizers and should be an important element in their judging the quality of the educational programs in the schools they have authorized and in their decision to continue or withdraw charters. The monitoring process of the statewide evaluation in this plan relates to the overall initiative.

In recognition that the public school academies are new, operating with small administrative staffs, and of considerable interest to researchers and the general public, the comprehensive evaluation plan is designed to make maximum use of existing/statutorily required data and to be as unobtrusive as possible into the daily activities of the school. However, there is a substantial need to ensure that information derived from secondary sources is accurate and credible.

The evaluation plan is designed to address the primary purposes for which charter schools and the associated legislation and regulations were created. To determine whether or not these purposes have been fulfilled, evaluation questions answerable through this evaluation plan have been created. These questions as specified in the RFP are included in the following section. Answers to these questions are provided throughout the text of the report. A concise summary of these key questions and answers based on the evaluation results are also summarized in the concluding chapter and in the executive summary of the report.

Primary evaluation questions as specified in the RFP.

A. Legislation
   1. How have the changes since the original charter school legislation affected the operation of charter schools?
   2. Has the legislation been helpful in responding to individual charter school operations?
   3. Has the legislation provided parents and pupils with greater choices among public schools, both within and outside their existing school districts?

B. Michigan Department of Education (MDE)
   1. Has MDE staff provided appropriate support and guidance for charter schools and authorizing agencies?
   2. Has MDE provided leadership and supervision for charter schools and authorizing agencies?
   3. Is MDE viewed as reasonable in its data requests?
C. Authorizers
   1. Are the authorizing agencies providing appropriate oversight of charter schools?
   2. How expensive is the application process?
   3. How long does the application process take?
   4. How many visits have the authorizing agencies made to each charter school?
   5. Are the visits by the authorizing agencies to charter schools helpful?
   6. Is written feedback of the school visitation provided to MDE when requested?
   7. Has MDE been provided with an analysis of the line item expenditures from the authorizing agencies’ 3 percent fee, when requested?

D. Charter Schools - Broad Questions Regarding Effectiveness
   1. How effective are charter schools that have large amounts of start-up moneys, compared with charter schools that have insufficient money to begin operating?
   2. Will the lack of affordable buildings be a significant obstacle to the charter school movement?
   3. What are the affective and effective outcomes for students attending charter schools with a cultural focus?
   4. Have new professional opportunities for teachers been created in a new type of public school in which the school structure and educational programs have been innovatively designed and managed by teachers at the school site level?
   5. Has accountability for the educational performance of students been assumed at the school site level?
   6. To what extent is each charter school fulfilling its performance contract with its authorizing agency?
   7. What are the students’ and parents’ perceptions and levels of satisfaction with their charter school?
   8. Is the climate of the charter schools perceived by the students and parents as safe and conducive to learning?
   9. What, if any, impact occurred in the local school district in which the charter school is located?
  10. Why have local school districts, intermediate school districts, and community colleges used their statutory authority to authorize public school academies to such a limited extent?
  11. What other obstacles have charter schools faced in organizing and operating?

Additional evaluation questions added by The Evaluation Center are listed below:

  1. What, if any, innovative teaching methods or educational practices have been stimulated by the charter schools? To what extent are these transportable to other schools?
  2. To what extent and in what ways have parents become involved in the charter schools attended by their children?

To fully understand the context of the charter schools in the annual descriptive report, basic information on charter schools operating on or before the MDE first student count of the school year
under investigation will be included. This includes information about the schools’ missions, activities, various demographic figures, as well as any additional information that the Department of Education deems appropriate.

Further, the study will result in a set of recommendations identifying

- exemplary programs
- successful variables to be emulated by other charter schools
- unsuccessful charter schools, listing a set of variables that need improvement

1.3 Design and Methods of the Evaluation

Scope and duration of the evaluation. The evaluation was limited to the 1997/98 school year. Only schools that were in operation during that school year were considered in the study. Some data for these schools from previous school years (i.e., such as enrollments, test scores, etc.) have been included where available and relevant.

In terms of the scope of the study, 51 charter schools were included. This includes all of the operating charter schools in the geographic area designated for the study. The specific area designated for the study included all of the state of Michigan except for Detroit and its surrounding counties. The 51 schools included in the study were found in the following counties: Allegan, Bay, Berrien, Branch, Charlevoix, Chippewa, Eaton, Emmet, Gladwin, Grand Traverse, Ingham, Ionia, Iosco, Isabella, Hillsdale, Jackson, Kalamazoo, Kent, Manistee, Marquette, Menominee, Midland, Muskegon, Oceana, and Ottawa.

The intermediate school districts in which the 51 charter schools were located included the following: Allegan, Bay-Arenac, Berrien, Branch, Charlevoix-Emmet, Clare-Gladwin, Delta-Schoolcraft, Eastern U.P., Eaton, Gratiot-Isabella, Ingham, Ionia, Iosco, Jackson, Kalamazoo Valley, Kent, Lapeer, Manistee, Mason-Lake, Midland, Muskegon, Ottawa, and Traverse Bay.

General phases of the evaluation. There were three overlapping phases of the evaluation, i.e., planning, data collection, and report writing. The planning and preparation for the study were completed by mid-December 1997. This included the development, testing, and revision of data collection instruments, as well as finalizing the plan for data collection. Most of the data collection took place between mid-December 1997, and the end of May 1998. There were two rounds of school visits during which the surveys were administered and interviews conducted. The first round of school visits extended from December 15, 1997, to February 20, 1998, and the second round of school visits took place between April 27 and May 29, 1998. The time between and after these two rounds of school visits was devoted to meetings/interviews with representatives from (i) the Michigan Department of Education, (ii) authorizing agencies, (iii) management companies, (iv) intermediate school districts, and (v) traditional public schools. Initial data analysis of the survey results took place after each round of school visits. Summarized results for each school were returned to the schools in August and September 1998. A review of relevant documentation and
Evaluation of the Michigan PSA Initiative

The Evaluation Center, WMU

Evaluation team. The evaluation team was comprised of a project director, project manager, traveling observers (TOs), and resources persons. The project director was responsible for overseeing all aspects of the project as well as participating in many of the activities. The project manager was responsible for the day-to-day conduct of the evaluation. The project director and project manager made a total of 71 visits to the charter schools.

As a part of the evaluation team, we utilized the services of four part-time traveling observers who participated directly in the collection of information from identified sources, provided on-site assistance and consulted with the schools regarding the collection of data. In many respects, they were the daily “eyes and ears” of the core evaluation team. The TOs did not make evaluative judgments regarding charter schools or other related agencies, i.e., authorizers; rather, they served as a conduit for information about the charter schools to the project director and manager. The TO concept has been used extensively in The Evaluation Center on a variety of projects.

The evaluation project benefited from the advice and support of a number of resource persons. Some of these resource persons are employed or associated with The Evaluation Center, and some are from other departments and even other universities.

Metaevaluation. We believe that the evaluation of the charter school initiative in Michigan is of such importance and potential impact that a metaevaluation is not only appropriate but should be mandatory. Therefore, we included this as a part of our study. A further description of metaevaluation, as taken from The Program Evaluation Standards (Joint Committee, 1994), is found below.

Metaevaluation is evaluation of an evaluation. The program evaluation should be evaluated by those who design and carry it through. And, inasmuch as program evaluations often are subject to outside scrutiny, criticism, and legal action by program supporters, detractors, and metaevaluators, separate concurrent review of the program evaluation process by external metaevaluators can help program evaluators avoid critical mistakes. Clients can also conduct metaevaluations. Documentation of the effective/ineffective application of program evaluation procedures facilitates the proper interpretation of data. Regular employment of metaevaluation should enhance the credibility of particular program evaluations and the overall evaluation profession (p. 185).

In this project we will have a summative metaevaluation conducted by an external evaluator near the close of the evaluation. The summative metaevaluation report will be submitted to The Evaluation Center after ample time is allowed for review of the final report. This metaevaluation report will be available for review by the MDE as requested.
Technical assistance and evaluation capacity building. While not specifically called for in the RFP, we perceived a need to engender the cooperation and assistance of all the charter schools in the collection of data that are essential to this study. Otherwise, the costs to meet the expectations of this study would far exceed those available. Further, we expected that charter schools and authorizers will have continuing responsibilities for reporting evaluative information, and we hope they will evaluate the schools and make improvements based on valid information in the future. Therefore, we provided basic technical assistance and facilitated capacity building in the area of evaluation and its use for school improvement.

To assist the schools in continuous school improvement efforts, gathering information for required and optional reports, and helping to meet the needs of this study, we developed and distributed to each charter school in our evaluation area a School Self-Evaluation Kit. The following items were included in the kit:

- Rationale and explanation for the evaluation
- A description of the general steps and procedures for conducting the evaluation
- A bibliography of printed resources and a list of electronic resources
- Directory of support services
- Reporting forms/instruments
  - School basic information/reporting form
  - Parent survey (master and laminated copies)
  - Student survey for grades 5-12
  - Teacher survey
  - School climate battery
- Schedule for administering instruments
- Overall plan for school self-evaluation
- Step Guide for the Program Evaluation Standards (pocket booklet)

The systematic collection of information, as described in the school portfolio component of the kit, could serve as a useful response format to organize and prepared information for others requesting information/documentation from the school.

Six half-day workshops were conducted around the state during the first few months of the project. The workshops focused on the Program Evaluation Standards, the school-level expectations for data collection, and the broader concept of school self-evaluation. Charter school representatives were given a thorough review of the School Self-Evaluation Kit and a general overview of data collection activities that took place through the 1997/98 school year. Representatives of authorizing agencies and MDE were also invited to participate in the workshops.
Electronic access to the evaluation team and The Evaluation Center was available via e-mail and the web site for the evaluation. Beginning in 1997, a specific web site was made available for the evaluation project. This web site contained information about the evaluation, copies of all the instruments and documents concerning the data collection, and information about resources for the participating schools. We also intend to use the web site as a means for dissemination of the final report for the evaluation.

1.4 Data Collection

The bulk of the data collected was through the surveys of teachers/staff, students, and teachers. Below a brief description of the questionnaires and targeted informant groups is included as well as information about the timing of the administration of the questionnaires and the actual data collection process. To ensure the collection of consistent information across all charter schools, we developed the following schedule for data collection with questionnaires (see Table 1:1).

Each school was encouraged to add questions or items to the standard questionnaires that we used. None of the schools took advantage of this opportunity to have specific questions asked, analyzed, and reported back to them. The summarized results from each survey were returned to each school for its own planning purposes.

Table 1:1 Schedule for Data Collection

<table>
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<th>Instrument</th>
<th>Period for Administration and Targeted Informants</th>
<th>Description of Data Collection</th>
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<tr>
<td>Basic Information Form and School Portfolio</td>
<td>Ongoing activity with final copy due by May 29, 1998. This form and portfolio were compiled by the school principal/administrator.</td>
<td>The basic information form and the school portfolio included a number of items for which responses and supplemental documentation could be provided. Will be available at various times during the year.</td>
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<td>Parent/Guardian Survey</td>
<td>15-20 randomly selected parents sampled between December 15, 1997, and February 20, 1998, and an equal number of parents between April 27 and May 29, 1998.</td>
<td>Parents were randomly selected by the external evaluator based upon information provided by the school. This was usually done by randomly selecting students from a roster of all those enrolled in the school. If two students from the same family were selected one was replaced by another randomly selected student. Specific information about how the parents were selected can be found on the evaluation web site in the document entitled “Instructions for Administering the Parent/Guardian Survey.” Half of the sample parents received the Parent/Guardian Survey during the first round of school visits. The second half received this survey as well as the School Climate Survey during the second round of data collection. A cover letter explained the purpose of the survey, and each parent received an envelope in which to enclose the survey.</td>
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</table>
### Instrument Period for Administration and Targeted Informants

#### Student Survey
**Description of Data Collection**
The administration of the student questionnaire took between 20 and 40 minutes. These questionnaires were administered by a member of the evaluation team. The purpose of the survey and the manner in which the results would be used were explained to the students before they began completing the forms. Students in grades 7-12 could typically complete the questionnaires on their own, after initial instructions. Because some students in grades 5-7 had difficulty understanding some of the concepts appearing in the questionnaires, the persons administering the surveys were instructed to progress item by item and read each question/item aloud.

Students were assured that they could respond in an honest and straightforward manner without concern about retribution. Before accepting the surveys from the students, each completed survey was checked by the person administering the survey to make sure that all bubbles were completely filled in and no stray marks appeared on the forms.

**Between December 15, 1997, and February 20, 1998.** One representative classroom of students was selected from each grade level (grades 5-12) in each school. All of the students in these selected classes were asked to complete a questionnaire. Due to limitations of time and the coinciding scheduling of MEAP testing, some grade levels were not sampled in a few schools. Missing classes were included during the second round of data collection.

#### Teacher Survey
**Description of Data Collection**
New teachers or others who could not complete this survey during the first round of school visits were asked to complete this survey during the second round of visits.

All teachers and school personnel involved with instruction, including administrative and professional support personnel, were asked to complete this questionnaire. The respondents were asked to complete the survey, enclose it in an envelope, and then return it to a designated person at the school. Teachers were instructed not to place their names on the questionnaire, although they were asked to check off their name from a list so that we could trace and follow up missing respondents. Since the completed forms were to be collected, sealed, and mailed to the external evaluator by a designated person at each school, ample assurance was given that the responses would be anonymous. Specific instructions about the selection and administration of the teacher survey can be found in the document entitled “Instructions for Administering the Teacher Survey.”

A cover letter explained the purpose of the survey, and each teacher received an envelope in which to enclose the survey.

**Between December 15, 1997, and February 20, 1998.** All teachers and school personnel involved with instruction, including administrative and professional support personnel, were asked to complete this questionnaire.

#### School Climate Survey
**Description of Data Collection**
This is a commercially developed instrument by the National Association of Secondary School Principals. Dissemination and data analysis functions are provided by The Evaluation Center at Western Michigan University. The administration of this instrument was coordinated by the external evaluators or by a traveling observer who worked as part of the evaluation team.

**Between April 27 and May 29, 1998 (i.e., the second round of school visits), this survey was given to a sample of parents, students, and teachers at all participating schools.**

Beyond the surveys described above, qualitative data were collected through interviews and/or focus groups with various stakeholders and through school visits made by the external evaluators or by the traveling observers. (Traveling observers are field workers based in various parts of the state who will assist in the data collection.)

**Target and achieved samples.** Tables depicting the target and achieved samples can be found in Appendices A, B, and C. Furthermore, a description of the sample of teachers and staff is contained in Chapter 3, and a description of the samples of students and parents/guardians can be found in Chapter 4. The data were weighted to account for disproportionate samples in some schools. The appendices (A, B, and C) also contain a description of the weights that were applied to each group of informants.

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10 Evaluation of the Michigan PSA Initiative

The Evaluation Center, WMU
Data analysis. Quantitative and qualitative data were collected and analyzed according to professionally acceptable standards of practice. The data were encoded for analyses at The Evaluation Center at Western Michigan University. In order to assure confidentiality we have avoided referring to names of schools when discussing the results. In Appendices D-I, the summarized results for each of the instruments is included. In all cases, expectations of the Program Evaluation Standards have been followed in the conduct and operation of this study.

1.5 Limitations to the Evaluation

There are a number of limitations to this study that need to be weighed and considered. These are described in the following paragraphs.

Polarization. The most important limitation is perhaps the very polarized nature of the reform and the strong vested interest on the part of many of the informants. Due to this, there is a tendency for information to be painted “black” or “white.” For an evaluator, this makes such a study a challenge.

Sampling. Overall, the response rate was extremely good. Appendices A-C contain information on the samples. Nevertheless, the response rates from parents and guardians were not as high as for the other informant groups. Likewise, response rates on the school climate survey were not as good

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The data set for parents was relatively weaker than the other data sets. The overall response rate was lower, and there were more instances where the questionnaires were opened at the school in violation of instructions. Because the response rate for parent/guardian surveys was so low in a handful of schools, a decision was taken to exclude schools with less than a 45% response rate. This resulted in 10 schools whose data were not included in the charter school data set and 21 schools whose data were not included in the school climate survey data set. The schools excluded from the charter school data base, with their respective response rates are: da Vinci Inst., 26.3%; Gateway Middle High School, 20%; Island City Academy, 40%; Lakeshore Public Academy 0%; Nah Tah Wahsh PSA, 0%; Pansophia Academy, 21.4%; Sankofa Shule Academy, 14.3%; Vanderbilt Charter Academy; 30%; Walter French Academy, 5%; and West Michigan Academy for Hospitality Sciences, 30%.
as those for the charter school survey. We did extensive follow-up to raise the response rates but, since the school climate survey was administered in May 1998, there was less time before the close of the year to follow up on persons not responding. Schools with a response rate lower than 45 percent were removed from the data set.

We opted to have the PSAs assist us in distributing and collecting questionnaires. While this helped us to obtain a higher response rate, it also limited the data, since some informants thought that the questionnaires would be opened and read at the school before they were returned to WMU. In fact, even while we had strict instructions not to open any of the sealed envelopes, this occurred at more than 15 schools. In two instances, we were told by school staff who had left their school that some surveys were removed before they were forwarded to WMU. We cannot estimate the extent of any tampering, but knowing the measures that were taken, think that this was still rather limited.

Because of the strong vested interests, there is obviously the possibility of misleading information being provided by those we interviewed. Wherever possible, we tried to double-check information, or when references were made to financial issues or testing results, we attempted to confirm such information using the databases we obtained from MDE.

**Timing.** The fact that the evaluation was so short in duration is also a limitation, since the impact of the charter schools can hardly be measured over so short a period of time. We have used MEAP test scores as one indicator of success, but mostly view this as an indicator of the type of students enrolling in the charter schools. Furthermore, due to the time that is required to prepare and recheck school statistics before they are released, we have often been dependent on interpreting older data on school characteristics.

A considerable portion of the schools we visited were in their first year of operation. We are well aware of the growing pains of opening a new school and the heavy demands on the personnel who run these schools. For many of the school personnel who were less than cooperative, we attribute it to the fact that they were overwhelmed with immediate tasks at hand.

**Absence of a standard requirement for demonstrating accountability and evidence of student achievement.** Some states such as California and Massachusetts are ahead of Michigan in terms of having standard requirements for how schools will demonstrate success. We have encouraged the schools to demonstrate success in terms of their mission and in terms of student achievement with alternative indicators. Unfortunately, only a small number of schools had the time, interest and/or ability to do so. Having standard expectations in terms of how schools will demonstrate success will make the task of evaluating the public school academies less complicated.
Chapter Two
Public School Academies

2.1 Description of the Schools

There were 106 operational Public School Academies (PSAs) in operation during the 1997/98 school when the fieldwork for this evaluation was conducted. The scope of our evaluation included 51 schools across the state of Michigan, except Southeastern Michigan, which was covered by Public Sector Consultants.

Number and size. The number of PSAs has increased rapidly in the state. While only 38 were operating during the 1995/96 school year, this number increased to 137 during the 1998/99 school year (see Figure 2:1). Total enrollments have increased from 5,100 during the 1995/96 school year to approximately 34,000 in 1998/99. While the increases in enrollments in PSAs are largely due to the establishment of new schools, we can also see that the schools have been increasing in size, with an average of 135 students per PSA in 1995/96, 170 per school in 1996/97, and 197 students per PSA in 1997/98. In the state as a whole, the PSAs account for approximately 2 percent of the total enrollments in public K-12 schools. While this figure indicates that the PSA initiative is still quite limited in size, in some urban districts–where the PSAs are more heavily concentrated–the proportion of students in PSAs is considerably larger.

Figure 2:1 Growth in the Number of PSAs and Students Enrolled in PSAs
Note: Data are largely derived from the Michigan School Report. Only operational schools included. Projections of number of PSAs for 1999/2000 is an estimate based upon information provided by several of the authorizing agencies.
Determining the specific number of public school academies and the number of students enrolled in them is actually quite difficult. For example, different figures are provided by MDE than those provided by the Michigan Association of Public School Academies (MAPSA). Even for the Department of Education, it is a difficult task to keep track of the number of schools and the key contact information related to those schools. Many schools have changed locations, and even more have changed principals or primary contact persons. Several schools have also changed names. In some cases, PSAs have even changed the host school district in which they lie.

The task of keeping up-to-date information on the schools is further complicated by the fact that the authorizing agencies, who are more likely to have current information, are not always sharing this information in a timely fashion. In some instances, the audit unit at MDE has been able to alert the charter school unit at MDE of changes. When inconsistencies or an absence of information turns up, the audit unit follows up with an inquiry. Some of these inquiries revealed that the schools in question were no longer in operation.\(^3\) As indicated in Figure 2:1, we have decided to count only those schools that are currently in operation.

There has also been some confusion about whether or not the University School at Wayne State University is a public school academy. Due to the presence of this school, some sources also list Wayne State University as an authorizing agency. In fact, the University School, which was established under the State School Aid Act, is similar but falls under another category.

Table 2:1 includes a list of PSAs that have a charter but are not currently in operation. The first three schools on the list are schools that obtained a charter but did not open as scheduled. All of these school intend to open in 1999. The following two PSAs are schools that formerly were in operation but which are now, reportedly, “taking a pause.” We cannot understand why the two schools that are taking a pause are not closed. According to the regulations, since they had no students during the last official head count, they cannot receive a full per student grant if/when they have students at the next head count. According to the State School Aid Act, Section 6 (4), those schools would use a 40/60 blend of last February and the fall count from 1998-99 to determine pupil memberships for the current year. Since the PSAs had no fall count, 60 percent of the blend would be equal to 0. Under current law, the schools would be severely limited in state school aid revenue if they should open any time after the fall count date.

The schools listed in Table 2:2 were formerly in operation but are now closed and no longer have charters. In the case of Saginaw Preparatory, this school was closed by the authorizer just as it was about to open, since the building did not meet the approval of the fire marshal. The decision for Northlane to close was apparently a decision on the part of the PSA school board. At this point, we do not know the reasons for the closing of Kenquest and Turtle Island Learning Circle.

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\(^3\) In the case of one school, we found the building empty, the telephone number changed and then canceled. According to persons we contacted at both MDE and--initially--at the authorizing agency, this school was still in operation. Further inquiries to present and former board members revealed that the school was no longer in operation. We were later informed that this school was taking a “pause.”
Table 2:1 PSAs That Have a Charter But Are Not Currently in Operation

<table>
<thead>
<tr>
<th>School Name</th>
<th>Grades (FTE)</th>
<th>Authorizing Agency</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>New School for Creative Learning (Grand Rapids)</td>
<td>K-6 (51)</td>
<td>CMU</td>
<td>Authorized 9/95, opened 9/5/95, pause during 1997/98 school year</td>
</tr>
<tr>
<td>Sierra Leone Educational Outreach Academy</td>
<td>K-5 (227)</td>
<td>CMU</td>
<td>Authorized 8/95, opened 9/20/95, pause during 1998/99 school year</td>
</tr>
</tbody>
</table>

Table 2:2 PSAs That Have Closed and No Longer Have a Charter

<table>
<thead>
<tr>
<th>School Name</th>
<th>Grades (FTE)</th>
<th>Authorizing Agency</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kenquest Academy (Grayling)</td>
<td>9-12 (13)</td>
<td>CMU</td>
<td>Authorized and opened in September 1995, operated one year as a charter.</td>
</tr>
<tr>
<td>Saginaw Preparatory (Saginaw)</td>
<td>5-8 (34)</td>
<td>SVSU</td>
<td>Authorized in 1997. Due to lack of approval by fire marshal, the authorizor revoked its charter and the school was closed.</td>
</tr>
<tr>
<td>Northlane Math and Science Academy (Freeland)</td>
<td>K-6 (34)</td>
<td>CMU</td>
<td>Authorized 4/95, began operation 9/95, closed by school board due to low enrollments, perhaps partially due to facility problem</td>
</tr>
<tr>
<td>Turtle Island Learning Circle (Southgate)</td>
<td>6-1 (51)</td>
<td>Oakland University</td>
<td>Authorized 1997, opened 9/22/97, closed before 1998/99 school year</td>
</tr>
</tbody>
</table>

Nature and types of schools. The PSAs operating in the state are extremely diverse. In fact, there is greater diversity among the charter schools than between the charter schools and the traditional public schools. Therefore, any generalization about the charter schools must be made very cautiously.

The charter schools range from those that are striving to be as “public” as the traditional public schools to those that are striving to create profiles that resemble elite-oriented private schools. Some schools focus on serving at-risk students or students with special needs, while others develop a profile to attract a very homogeneous group of students. While some schools celebrate diversity and strive to increase the racial and social diversity of the students, others have few if any minorities or students with special needs.

The individual leaders and groups of people drawn to the reform come from extremely varied backgrounds. On the one hand you have businesspeople with investment plans, and on the other you have groups that are “anti-establishment” in nature who are attracted to the initiative because they believe they can retain complete control of the instruction provided in their school. While some schools only cater to elementary grades, others provide only upper secondary education. Some schools have a strong desire not to grow in size, while others intend to expand on a large scale as soon as they can.
There are four distinct groups of charter schools, each with their particular characteristics.

- **Converted private schools.** This group of schools was largest among the first charter schools in operation. In fact, some authorizing agencies only considered charter applications from conversion schools initially. Within this group, there is a number of schools that were parochial schools and others that were private schools.

- **Converted public schools.** There are a handful of PSAs in the state that were formerly public schools which “opted out” to become a PSA. In all cases that we are aware of, these were former alternative high schools.

- **“Mom and Pop” schools.** These include the many small schools started by individuals or small groups of concerned adults. These schools, because of their small size and because of their limited economic clout, have struggled to secure buildings for their schools. Fewer and fewer of these types of schools are receiving charters, since the authorizers understand that they will require more assistance and their small size will make them more vulnerable to shifts in enrollments. Many of these schools have sought the services of management companies.

- **“Franchise” or “Cookie cutter” schools.** These are schools that are started by management companies and must follow the established curriculum and management prescribed by their plan.

**Demographics of the schools.** Many claim that the PSAs are particularly targeting minorities. When comparing the ethnic composition of the charter schools with the ethnic composition of all students in the state of Michigan (see Figure 2:2), we can see that this is true. In the 62 PSAs that reported data for the 1996/97 school year, 51 percent of the students were minorities as compared with the total state enrollments in K-12 schools, which include approximately 33 percent minorities.
Nevertheless, since the charter schools are largely in urban areas where the concentrations of minorities are much higher, we cannot claim that the schools are necessarily attracting more minorities. Figure 2:2 also depicts the ethnic composition of the host districts where the 62 PSAs are located. In relation to the host districts, the PSAs have fewer minorities. Thus, there is support for those who argue that the charter schools are skimming and increasing segregation. Nevertheless, since the PSAs are so very different, it is recommended that the schools are compared individually to their host district. Appendix J contains a table with the ethnic composition of all the charter schools in operation during the 1997/98 school year along with figures on the ethnic composition of the host districts. Here we can see a very mixed picture, with many PSAs enrolling more minority-ites than their host districts, as well as many PSAs enrolling fewer minorities than their host district.

Free or reduced lunches. The proportion of students in a given school that qualify for free or reduced lunches (FRL) provides an indicator of economic status of the families of enrolled students. The PSAs and their host districts were compared according to this figure. Unfortunately, data is only available for 41 of the 106 PSAs that were in operation last year. From the data obtained from MDE we could not distinguish which schools had no students qualifying for free or reduced lunches due to the fact that the school did not apply for this federally funded program or due to the fact that no students qualified. A number of the schools indicated that they had not applied for FRL since they had no hot lunch program or due to the fact that too much paperwork and administration was required in order to apply for FRL.

Of the 41 PSAs that had data available, 18 had a lower proportion of students qualifying for FRL than their host districts, and 23 had higher proportions of students qualifying for FRL than their host districts. A school by school comparison of this is provided in Appendix K contains figures for the last three school years.

Figure 2:3 Changes in the Ethnic Composition of PSAs Between 1995/96 and 1998/99.
Note: The figures for 1998/99 are estimates, since official data on ethnicity have not yet been released.

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4 It is important to note that a limitation with this method of comparison is that many PSAs attract students from districts outside of the one in which their school lies.
Over the past few years, one can see that there is a clear trend toward fewer and fewer minorities in the PSAs. In some schools this is due to a changing ethnic composition in the schools (high attrition with fewer minorities included in the new students). At one PSA where the composition of students has changed considerably, some individuals referred to this as “ethnic cleansing.” Nevertheless, the trend toward including fewer minorities is largely due the establishment of new PSAs that enroll fewer minorities, particularly many of those started by management companies. Figure 2:3 illustrates the trend in ethnic composition between 1995/96 and 1996/97. Between these two years, the proportion of minorities decreased by 12.5 percent. We do not have the figures for 1997/98 yet, but seeing the ethnic composition of the new schools that began operating that year as well as in 1998/99, we can only assume that the percent of minorities has decreased to around 40 percent.

2.2 Mission of the School

In Section 511a of the Revised School Code, the primary purposes of public school academies are defined. In an abbreviated form, they generally focus on the following areas and are intended to

- improve pupil achievement
- stimulate innovative teaching methods
- create new professional opportunities for teachers
- achieve school (level) accountability for educational performance
- provide parents and pupils with greater choices among public schools
- determine whether state funds may be more effectively, efficiently, and equitably utilized by allocating them on a per pupil basis and directly to the school

Reasonably, one would expect the mission of the schools to generally reflect these intentions, yet maintain a sense of uniqueness that is expected among these new schools. A list of key phrases extracted from more lengthy mission statements of the mission/purposes/goals of the schools is shown below.

- To provide the highest quality education and maximize personal and intellectual development.
- To educate all students with “high levels of expectation in academic performance and thinking skills” while encouraging social and emotional development.
- To inspire and challenge students in an environment of critical and creative thinking with a strong emphasis on fine arts.
- To prepare students with basic learning skills with an emphasis on agricultural science and math.
- To prepare students to be thoughtful and well-educated and to become self-directed learners who contribute to the community and are employable.
- To develop students with high moral standards who are “superb communicators.”
- To prepare responsible and respectful citizens of a global community.
- To educate and nurture each student to achieve his/her maximum potential. Every child, through the development of positive self-concept, self- and group-discipline, self- and community-responsibility, with enhanced learning opportunities, will overcome every barrier and limitation to academic and social success.
To equip all students with the necessary skills and experiences that will empower them to be positive and productive citizens of a global community in the twenty-first century, while fostering an understanding of, and an appreciation for, contributions of all people to our world.

To provide an educational choice in XXX County that includes a comprehensive education emphasizing arts, literature, service, learning, and individual academic programming using technology and creative, flexible teaching strategies.

To enable students to reach full potential and be contributing members of society.

To provide quality education within a multicultural environment.

To provide an enriched, caring environment that supports the natural and joyous learning process where children, families, and educators will flourish as a community of learners.

[The XXXX Academy] is founded on the principles of academic excellence and strong character development. The Academy will focus on academic excellence, character development, competence, conservative family values, citizenship principles, environmental awareness and development of lifelong skills.

To provide a transitional education program for students with cognitive impairments and to provide assistance for such student in developing a full range of skills for success in the community and the workplace.

To create a school that achieves quantum gains in students’ academic performance and in the quality of their lives.

To provide a values-driven, rigorous academic learning environment that challenges each student to reach his/her full academic potential.

To provide an education for young children based on their individual development needs and learning styles and real life experiences–where the constructive, interactive process of learning will encourage growth, cooperation, and the joy of learning.

To provide inner-city elementary children with a better prospect in life through education.

To provide a nurturing, individualized learning environment in which every child can grow and excel personally and intellectually.

To provide an alternative environment for at-risk students.

To provide an education for young children based on their individual development needs and learning styles and real life experiences–where the constructive, interactive process of learning will encourage growth, cooperation, and the joy of learning.

To provide inner-city elementary children with a better prospect in life through education.

To provide a nurturing, individualized learning environment in which every child can grow and excel personally and intellectually.

To provide an alternative environment for at-risk students.

To educate and nurture all students to achieve their maximum potential while developing future world leaders.

Obviously, there is quite an array of mission statements. These statements are required in the PSA application process. The exact statement about the mission statement in CMU’s application materials is as follows.

Mission and vision. Why is the school being formed? What is its philosophy and broad objective? What will it accomplish? Why is the school needed?

In the main, these mission statements are much like those describing the mission statements of many traditional public schools. In some instances, there are some unique emphases that may not be widely used and/or carried out as the major theme for traditional public schools. Examples of this would be specific emphases on an African-American centered-approach, a targeted at-risk student clientele, a fine arts theme, etc. Of importance is the fact that almost every mission statement focuses on the child (student). At the same time, there is little evidence that the major missions of these
schools include other critical elements of the purposes of PSAs as set forth in the legislation such as teaching methods; more effective, efficient/equitable use of funds; greater accountability at the local school level; and/or the creation of new professional opportunities for teachers. While the lack of including these elements in the missions does not prevent their occurrence, there is some evidence that the legislative purposes have been prioritized in practice.

2.3 Basis or Reasons for the School

Through on-site visits and interviews with key informants in PSAs, we have discovered a rather long list of reasons why particular schools were developed. For the sake of brevity, we have simply identified representative reasons that are followed by a brief discussion of these findings.

- Dissatisfaction by a group of parents with the educational program being provided by the local school district, which may include perceived failure to provide an acceptable level or quality of special services, lack of emphasis or support for a particular student activity, larger than desired class size, failure to include certain languages or study areas within the curriculum, etc.
- Opportunity to obtain a more stable financial base for a private school by converting to a PSA with state support
- Personal mission of one or more individuals to develop a school with a particular emphasis, e.g., environment, agriculture, service learning component, etc.
- Opportunity to create a school that is perceived to be more safe, drug/crime free, etc.
- (In concert with a local board to be created) Opportunity to create a financial profit by one or more entities from the private sector
- Response to a group of parents who wish to send their children to a school that emphasizes certain values
- Response to/by a group of parents who wish to enforce certain disciplinary codes and regulations for student behaviors
- Response to/by a group of parents or an organization that believes that the traditional public schools are unable to educate their children

If the PSAs are created as a part of a free market environment, then one must assume that the schools that have been successful in attracting students have attended to the desires of the parents of potential students. However, we know that the PSAs are not equally available to all students for reasons of geographic location, availability of transportation, etc., and that some schools have been heavily marketed. In essence, certain management companies and even individuals identify potential areas for a charter school (public school academy) and conduct market surveys and campaigns to generate interest. With an acceptable response, they facilitate the development of the nonprofit entity and the other requirements for the charter application. Whether or not this approach was envisioned by the designers of the legislation in Michigan is unknown to these evaluators. Likewise, we have no indication as to whether this is a desirable or undesirable outcome. Clearly, this approach is quite a departure from the rather small and tightly held PSAs that developed in some communities during the early period of this initiative.
It is probably appropriate to say that parents have chosen to send their children to PSAs for “good” reasons, i.e., the potential for a better learning environment for their children. Whether the founders of PSAs have decided to create these schools for the purposes of the legislation is not nearly as easy to answer. Discussions with “for profit” management companies clearly indicate that they intend to turn a profit within a given time period and, while a charter can only be granted to a “nonprofit corporation,” it is clear that the impetus for these schools came from outside the community in many cases. Some persons with whom we have discussed the idea of profit taking from the operation of PSAs reply that if it is not illegal, there should not be a problem. Others find it repugnant that anyone or a company would be permitted to profit by withholding monies for their own use from those intended to be spent on the education of K-12 students in public schools.

In summary, there are many reasons why charter schools or PSAs have formed. Compared with the smaller group of PSAs that The Evaluation Center included in its preliminary study in early 1998, there has been a dramatic shift to the utilization of management companies to provide contractual services. In some cases, this is as little as financial accounting services, while in other cases it includes contracting for almost total management of operations. The motives for developing the schools can be put into two categories—one relates to a group with profit motives and the other includes a mix of reasons, i.e., desired focus of curriculum, dissatisfaction with the local public school, attractiveness of a stable base of resources for converted private schools, expectations of a safe school environment, etc. The latter group can only be described on a case-by-case basis.

2.4 Governance

The governance of public school academies (PSAs) is one of the most radical changes from the traditional structure of public schools throughout the history of the United States. School boards elected by eligible residents of a school district have been the pattern to which we are accustomed. However, the legislation that provided for the creation of PSAs indicates that there must be a governing board at the local level. The authorizing body is responsible for setting out the parameters for the selection process, length of service, qualifications, etc. Generally, the authorizing bodies in Michigan ask the entity that is requesting a charter or contract to operate a PSA for a list of proposed members of the board of directors and a description of the qualifications and method for appointment or election of members of the board of directors. Most often, the list is expected to include at least two nominations for each available position on the board. In addition, a set of bylaws is submitted to the authorizing body; and these bylaws, after approval, serve to guide the action of the board of directors. However, as noted in Attorney General Opinion No. 6996, “The Michigan Supreme Court held that ‘public school academy board members are public officials and are subject to all applicable laws pertaining to public officials.’” (Council of Organizations and others for Education v Governor, 455 Mich 557, 585, 566 NW2d 208, 1997). Thus, the roles and responsibilities of board members may be specifically defined for a particular school, but individuals and the board itself are subject to state and federal laws and regulations applicable to any board of education of a public school, charter/public school academy, or otherwise. At the same time, PSA board members have the same protection provided under the law for other public officials.
Most often, PSA boards of directors are officially appointed by the authorizer and not elected by parents or any other specified group of stakeholders or persons. Initially, the founding members of most PSAs identified or selected persons to serve as members of the board of directors. In some cases, there appears to have been an attempt to identify persons who represented particular stakeholders of the school, i.e., identifiable groups of parents, persons with a particular interest in the emphasis of the school, etc. In other cases, persons were selected or placed on the nomination list because of their particular area of expertise or position in the community, i.e., a member of the law profession, banker, city council member, accountant, educator, etc. Obviously, there are advantages to each approach; and it is reported that considerable thought and discussion went into the nomination process. In a few cases, difficulties in getting persons to serve were reported. When the list of nominees is submitted to the authorizing body for its actual appointment of the board members, a number of factors are considered, including the recommendation of the PSA’s primary founder or president/head of the nonprofit entity involved in the development of the proposal. As we examine the information requested by authorizers about nominees, it is clear that the process is becoming more sophisticated; and demand for information is being expanded. For example, one authorizer has a structured, 6-page form for interested applicants. The applicant form includes questions about relationships with the PSA, ethical issues, and inquiries/statements about a criminal background check, as well as more generally recognized qualifications, i.e., education, experience, etc.

The roles and responsibilities of the PSA board of directors are defined in the bylaws as approved by the authorizing body. However, the primary responsibility appears to be the setting of policies and establishing the operational procedures of the PSA. As an authorizer, Central Michigan University (CMU) states on its Application for Appointment to the Board of a Public School Academy, that

The boards of these schools play a vital role in their future. Board members set policy, ensure the schools live up to their charters and help direct the ongoing vitality of the school, its staff and its children. They help ensure that the school remains focused on its vision.

In another CMU document (Application to Charter, September 1998), the following information is provided under the “Governance and Management” section.

As the planning process unfolds, a governing authority must emerge. The development team begins the governance process with decisions it makes in creating the school. Shortly thereafter, the Academy Board (likely to include development team members) formally takes over and plays a vital role in the school’s future. As public officials, board members set policy, are responsible for compliance with the charter and applicable laws, and help guide the ongoing vitality of the school, its staff and its students. The board’s primary job is to ensure adherence to the philosophy and mission of the school.

In the application itself, CMU asks responses to questions like the following.

- What broad skills does each team member bring to the development effort?
- What specific experience, including budgeting, does the team have in planning, direction and operating businesses?
What relationships do the team members have to each other? To the management company, if the school will use one?

Describe the role of the school board.

What role will the lead administrator have in relation to the board and the management company?

Also, boards approve contractual arrangements and are generally responsible for oversight of the financial affairs of the schools. In the early stages of a new school and during the period in which this study was completed, boards of directors played major roles in identifying and obtaining financial resources, selecting at least the major leadership personnel, engaging in the development of operational manuals, etc. In other words, they engaged in work more normally conducted by paid employees of the school. Practically, many board members worked in relatively close concert with the school’s director and often served as spokespersons for the school in a variety of settings. As a result, there appears to be considerable ownership of the school among board members, especially those who participated as a part of the founding group.

Schools initiated by management companies seem to have board members nominated on the basis of their positions/reputations in the community. Locally developed PSAs are more likely to have members who are closely related to the school and/or the founding group, i.e., parents, leaders of a converted private school, etc.

When there is a need to replace a board member, procedures often call for the sitting board of directors to select nominees. While this procedure may help ensure compatibility and other desirable characteristics, it also has the potential for “closing the door” to others with high interest and leadership responsibilities. In a practical sense, the founders of PSAs have considerable influence on the composition of the boards and direction of the school. In some cases, conflicts arose between boards and founders when boards were reconstituted with members whose visions were different from that of the founder, who may now be the director of the school, and who may have considerable financial investment in the school.

In our study, it was reported and confirmed that some boards found considerable difficulty in working effectively as a group and/or with a designated school director or top administrator. In some cases, conflict rose to the point that divisive actions threatened the stability of the school. In other cases, open conflicts within the board and between the board and the school director were aired in the media. As a result of these situations, personnel changes among the schools’ staff and board have occurred, and the schools’ reputations were damaged.

In some cases, we surmise that problems within or related to actions of boards of directors are related to the inexperience of members in this role, the urgency and critical nature of some of the immediate issues that had to be addressed, and the vested interests of some individuals in the schools’ missions, financial futures, and the extent of idealism that pervades many of the schools.

The selection process of board members created some interesting situations that beg for an explanation. For the most part, they are in regard to real or potential conflicts of interest. Among these situations are those in which one spouse holds a leadership position in the school and the other
one serves on the board and in contractual arrangements when services and/or property is leased or purchased by the board from entities owned by spouses or in which a family member of the school director or board member has substantial financial interest or involvement.

Table 2.3 Comparison of Traditional School Boards and PSA Boards of Directors

<table>
<thead>
<tr>
<th>Issues/Item</th>
<th>Traditional School Board</th>
<th>PSA Board of Directors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advocacy</td>
<td>May or may not work together to advocate a specific mission or structure for the school</td>
<td>More generally identified as advocates for this particular school and its mission, structure, and approach to education</td>
</tr>
<tr>
<td>Conflicts of Interest</td>
<td>Covered in board policies and laws. Board members are subject to public scrutiny and review through the election process.</td>
<td>Subject to review by authorizer and the nominating body, but not the public as a whole</td>
</tr>
<tr>
<td>Breadth of Governance</td>
<td>Have governance responsibilities over more than one school/building, including a complex set of school services, i.e., food service, transportation, etc.</td>
<td>Governance confined to one school/building with a defined range of grade levels and responsibilities</td>
</tr>
<tr>
<td>Steering Function</td>
<td>Role focuses on policy development, with implementation of policy provided by administration, and minimal engagement in school management</td>
<td>Assumption of broader role including policy development, direction of the curriculum, and more face-to-face involvement with the school personnel, which leads to micromanagement of the school in some cases</td>
</tr>
<tr>
<td>Representation</td>
<td>Elected by public body representing the voting populace of the defined area</td>
<td>Appointed or elected by a group that is not necessarily representative of the parents or the community(ies)</td>
</tr>
<tr>
<td>Terms/Number of Members</td>
<td>Defined by state law</td>
<td>As defined or acceptable to authorizing body</td>
</tr>
<tr>
<td>Training</td>
<td>Required by board policy and/or prevailing public laws</td>
<td>Optional or as required by board policy or condition of the charter</td>
</tr>
</tbody>
</table>

In one PSA that was chartered by the local public school as a part of its total system, the bylaws call for the board of directors to include 5 parents, 4 students, 1 community/business representative, 1 public school educator from a district other than the authorizing school district, 1 local college representative, and a designated person from a local museum. The principal of the school and the deputy superintendent of the authorizing school district serve in an ex officio capacity on the board. All parents and students are invited to express interest in being considered for the board, and they are given an opportunity to be heard by the four “standing” members of the board. The latter group then elects the parents and students for the board.

Information and documentation gathered from site visits indicates that usually 4-6 members constitute a board, with the director serving in an ex officio, nonvoting capacity. However, the procedures for selecting the persons and the types of persons who are nominated and eventually serve on the boards range considerably.
While some might describe the governance of PSAs to be an evolving role, it is clear that PSAs are authorized with the expectation that there will be a fully functioning governance structure, at the center of which is the board of directors or some similar body. While the selection/appointment process varies from the traditional school board member, the board members are considered to be public officials and are subject to the same regulations and laws as other public officials. However, some differences are summarized above.

Some descriptive information about individual PSA boards of directors is shown below.

The Board meets on the third Thursday of each month, in the 5-12 building at 7:00 p.m. Meetings are open to the public, and a time is set aside during each meeting for public comment. Directors are appointed by the Board of Trustees at Central Michigan University, from a list of nominees submitted by the sitting Board. At least two nominations are made for each occurring vacancy. XXXX is a public school, and the XXXX’s finances are openly discussed at each Board meeting, along with the other business affairs of the XXXX.

The Board of Directors will be the policy making group for the XXXX Academy. The primary responsibility of the Board will be to assure that the long term goals of the organization are met and that the Program Director meets the academic, legal, moral, and administrative functions outlined in the academy agreement between Central Michigan University and XXXX Academy. The Board is empowered to hire the Program Director, set long-range goals for the organization and to hold the Program Director accountable for the day-to-day administrative and academic performance of the school. The Program Director will be responsible for hiring staff and holding them accountable for the educational goals of the students.

Our school board members are the voices of our community and guide our school to establish Procedures and Policies which are in the best interest of our students. The guidelines they set forth are for all children equally, so everyone has a sound and stable learning environment with which to gain knowledge.

The Board of Education members are a very vital part of the XXX Public School Academy in the operation of its educational system. There are seven board members appointed by the authorizing agent, XXXX.

All Board of Education meetings are open to the public, and the public may request that concerns be addressed by the Board under new business. The regular Board of Education meetings are posted and published in the community newspaper. Special Board meetings or work study sessions will be called according to need, with dates, times and locations announced according to Board policy.

(Notes from interview) The selected board members must be approved by the authorizing agency. Three members of the board must have served on other school boards. Currently,
all board members hold membership in MASB. The board is just like regular school boards, i.e., it meets monthly, makes decisions, approves handbooks and finances, and hires employees. Board members from the (authorizing agency) are invited to attend (this school’s) board meetings, which helps with communications.

(Section of contract between the PSA and a management company) Article IV Obligations of the Board–A. Good Faith Obligation. The Board shall be responsible for its fiscal and academic policy. The Board shall exercise good faith in considering the recommendations of (the management company), including but not limited to, (the management company’s) recommendations concerning policies, rules, regulations, procedures, curriculum, and budgets, subject to constraints of law and requirements of the Contract with (the authorizing agent). The Board shall retain the authority, as provided in Section 1300 of the Code, to make reasonable regulations relative to anything necessary for the proper establishment, maintenance, management, and carrying on of the Academy, including regulations relative to the conduct of pupils while in attendance at the Academy or enroute to and from the Academy. The Board shall further retain the obligation as provided in Section 1274 of the Code, to adopt written policies governing the procurement of supplies, materials, and equipment.

(Pertinent sections/excerpts from the contract between a PSA and the board of control of a university acting as authorizing agent.) Section 2.1. Method of Selection and Number of Members of the Board of Directors. The University Board has adopted the Resolution providing for the method of selection, length of term, number, qualification of members, the procedure for removal of members and the names of the initial Academy Board.

The Academy shall act exclusively as a governmental agency.

Section 6.1. Governance Structure. The Academy shall be organized and administrated under the direction of the Academy Board and pursuant to the governance structure as set forth in the Bylaws. The Academy’s Board of Directors shall meet monthly unless another schedule is mutually agreed upon by the President of the Academy.


Section 2.4. University Board as Fiscal Agent of the Academy. The University Board is the fiscal agent for the Academy. The University Board shall promptly, within three (3) business days, forward to the Academy all state school aid funds or other public or private funds received by the University Board for the benefit of the Academy. The University shall retain any amount owed to the University by the Academy pursuant to this Contract. For purposes of this section, the responsibilities of the University, the State of Michigan, and the Academy are set forth in the Fiscal Agent Agreement incorporated herein as Schedule 7.
Neither the State Board of Education nor the state Legislature mandated a core curriculum for Michigan. However, a core curriculum has been recommended as a framework for all public schools to use. Evaluation of the Michigan PSA Initiative

The Evaluation Center, WMU

We have not been able to fully investigate the role of management companies in the governance of PSAs, other than what has been described. During the course of the current study, we have observed a dramatically increasing presence of management companies. This is an area that needs considerable study because of the range of services provided by management companies across the state and within a particular school. For example, some management companies provide a restricted list of contracted services, while others appear to be a dominant force in operating the school. It is important for decision makers to understand the real and potential impact these many arrangements have on policy and operating procedures. Further, there is a need to better understand the extent to which authorizing decisions are influenced by the makeup of the proposed board.

2.5 Curriculum

The areas within the curricula of the PSAs that occur most often are the traditional discipline areas of the respective levels of the schools. For example, elementary level schools indicate that their curriculum includes language arts (reading, writing, listening, spelling, etc.), math, social studies, science, and physical education. Within each of the areas, one can identify some specific emphases that mark the unique approaches of some of the schools. Such unique areas are cultural development, attitude development, values and character education, problem solving, languages, and special areas of the arts.

At the secondary level PSAs, one generally finds the core subjects plus an additional array of special areas of study, e.g., computer technology; economics and business; food, agriculture, and natural resources; visual and fine arts; the humanities; life management education; career explorations; career and employability skills; health care; international studies, etc. Of course, this is not to say that all students are able to enroll in all or even a choice of these many unique, specialized subjects. Again, one must examine the curriculum on a school-by-school basis.

Since most of the schools began as newly founded schools (as opposed to a conversion), the curriculum is still evolving. Teachers have spent many hours engaged in selecting, adapting, and developing curriculum. In many cases, this work had to be done during the summer and at other times in which they were not employed by the PSA. In other PSAs, a prepackaged curriculum with a particular emphasis and a prescribed teaching methodology has been implemented. In those schools operated by an outside management company, it is common to find a prescribed curriculum identified and developed/approved by a committee as a condition of the contract with the local nonprofit entity.

In the parent survey, 75.1 percent of the respondents agreed or strongly agreed with the statement “I am satisfied with the school’s curriculum” in the school in which his/her child attended. To this same question, only 9.6 percent strongly disagreed or disagreed. Among the 1,880 students who were surveyed, 54.3 percent of the respondents agreed or strongly agreed with the statement “I wish

5 Neither the State Board of Education nor the state Legislature mandated a core curriculum for Michigan. However, a core curriculum has been recommended as a framework for all public schools to use.
there were more courses I could choose from.” Yet almost half (41 percent) of the 723 surveyed teachers were unsure, dissatisfied or very dissatisfied with the school’s curriculum. As is true with most of the cases, it is difficult to generalize across the schools; much more meaning can be derived from a case-by-case examination of each school. In interviews with teachers, we heard comments about the curriculum that ranged from excitement and enthusiasm about the freedom they had to choose/develop what they perceived as an appropriate curriculum for their students, to total disgust and resentment about the heavy-handed control of a prescriptive curriculum by the director, board, or others in an authority position, to a confession of almost hopelessness in trying to teach all day and somehow develop curriculum and teaching materials at night.

It is important to understand that the schools are encouraged to identify unique missions, but at the same time their students and the schools will be held accountable for achievement in recognized areas of study and as reflected in the statewide testing program (MEAP). Thus, each school must be concerned about the curriculum to ensure that the school provides students with the opportunity to study and learn and develop the skills for which they will be held individually and collectively accountable.

**Decision making about the school curriculum.** In each of the schools we visited, we made an effort to inquire about the decision making process surrounding the curriculum. Decisions about curriculum in the PSAs is often determined by the principal. If this is not a school established by a management company, the principal is usually one of the founders. In those school established by a management company, particular Type 5 EMOs (Section 5.5, which deals with management companies, explains this more clearly), nearly all aspects of the curriculum are pre-determined by the management company. Some of the schools reported that the teachers’ input is included in the curriculum decision-making process and a few schools reported that parents’ input is included in a formal manner.

In some cases, the principals reported having control over the decision making of the curriculum; however, provisions were made for the teachers to adapt and coordinate their efforts concerning the curriculum. In a few schools, principals reported that the curriculum was decided by the board of directors with input from other stakeholders. One principal commented that he developed and implemented the curriculum with suggestions offered by the teachers and parents. Some of the schools also noted using the Michigan Department of Education core curriculum as a set of minimum standards to which the teachers are able to adapt their teaching styles.

The principal of one school said that there was a lot more teacher input into school decision making than you would find in a traditional school. He said “this is real site-based management.” He said that consensus is the goal, and that reaching this can often be time-consuming. There is some minimal parental input into curriculum decision-making. He said that so far they have not really worked out a satisfactory way to make good use of parental input. One parent sits in on the curriculum meetings when she can. She is also on the school board. Twice a year, the school asks parents for suggestions on how to improve the school program.
After one site visit, a field researcher wrote the following comments about one school: “There are several mechanisms allowing for parental and teacher input into school decision-making. It really seems like the principal runs the school, and it is clear that she is in charge of most that goes on. Even on something as basic as administration of the parent and teacher surveys, the principal wanted to keep control.”

“The basic structure of the curriculum in our school was set by the first principal. Teachers now have the opportunity to interpret the curriculum guidelines and translate them into lesson plans.”

“The curriculum is decided by the board, with input from the principal. There is a school management team that makes suggestions for school improvement. . . . But clearly there is some dissension in this school between the board and the teachers.” An opinion piece in a local paper written by one of the teachers at this school was extremely critical of the practices in the school: “[u]nfortunately, there is no shared vision, there is only the board’s vision. It does not ask or give credence to the opinions of the faculty. Decisions are made about duties, class load, pay scale, calendar and benefits without input or regard for professional educators in its employ. The teachers aren’t even public school employees anymore.”

According to a board member at one urban school, the curriculum was controlled by the principal. “But she believes that she is doing what parents want. The principal has some fairly distinctive views about how the school should be run and what should be taught. This has caused some conflicts.” The board member said that “they are now seeing a lot of teachers coming out of college who are not prepared for this situation. . . . there seems to be something lacking in the teachers colleges. [The principal] likes to see lesson plans for each student as opposed to each class. . . . There have also been tensions in the school between the certified teachers and the noncertified teachers. The noncertified teachers have been around for a long time.” [Noncertified teachers are presumably working as classroom assistants and/or pre-K instructors.]

The principal at another school said that teachers would bring their ideas to the board, and the board would think them over. The principal at this school appeared not to be well informed about educational issues. The situation at the school has, reportedly, evolved over time. The school principal said that there had been some problems with parents being on the board and wanting to “run the place.” Clearly, one board member who is now a teacher has played a huge role in the establishment and the vision of the school. The management company appears committed to letting the people in the school continue to have input and make the major decisions about the direction of the school. So there appears to be potential for teachers and parents to make a difference.

“Broad strategies for the school are set primarily by me [the principal]. But there is much room for teachers to reach their own understandings of how to turn that curriculum into the practice of teaching.”

The principal at one school decided to work with the Michigan Department of Education curriculum benchmarks. Teachers are free to decide what to do from there as long as they stay within the school vision.
One school principal said that the management company handles the curriculum. Further, “the school is bound by its charter to adhere to particular math and reading programs. Deviation would have to be approved both by the school board and by the authorizing agency.”

The school handbook contains several curriculum mission statements. The principal said that she made sure that the teachers cover the material contained in the Michigan Department of Education curriculum guidelines. These benchmarks were seen as a minimum standard upon which to build.

### 2.6 Quality of Instruction

In the surveys of students, teachers get generally high marks on items related to the quality of instruction. A summary list of some of these survey items and the percentage of students who agreed or strongly agreed with each item is found below.

- I am learning more here than at the previous school (64.3 percent).
- I thought the teachers at this school would be better (51.1 percent).
- My grades are determined by tests (28.4 percent).
- My teachers encourage me to think about my future (58 percent).
- If the teacher left the room, most students would continue to work on their assignments (37.6 percent).
- Almost every assignment that I turn in to the teacher is returned with corrections and suggestions for improvement (50.2 percent).
- My teacher is available to talk about academic matters (72.2 percent).
- We work in groups most of the time (30.2 percent).
- At this school, a mistake is understood as a learning experience (59.6 percent).

Among the survey parents, 69.1 percent agreed or strongly agreed that they “were satisfied with the instruction,” and 71.8 percent agreed or strongly agreed that “Teachers are challenged to be effective.”

While we have no comparison with other public schools or for these students or parents from previous experiences, we recognize the ratings of elements related to instruction by students and teachers as quite high. On-site observations and interviews with students, teachers, and parents confirm this general indication. However, like any school, the range of satisfaction varies from school to school and from teacher to teacher. We learned of some resignations and dismissals of teachers that were reportedly related to ineffective instruction. At the same time, queries and reviews of documents indicate that there are generally very weak personnel (teacher) evaluation procedures in place in most schools.
2.7 Safety at School

“Safety for my child” was one of the factors reported by parents to be most important in considering whether to enroll their child in a PSA. From among 15 factors, safety was rated the third highest with 73.9 percent indicating that it was important or very important. When these same parents were asked to indicate the extent to which they agreed with the statement “Students feel safe at this school,” 77.9 percent agreed or strongly agreed.

Among surveyed students, we have a somewhat different response pattern when they were asked the extent to which they agreed or disagreed with the statement “Students feel safe at this school” (see Figure 2:4).

From this information and across all schools, these schools are perceived to be safe. However, this is not to say that all schools are alike and that no one feels unsafe in the Michigan Public School Academies. It is clear that safety is an important consideration among parents and likely a desire shared by students.

2.8 Barriers and Challenges

Other than complaints about the lack of start-up monies and the charter schools’ perception that the traditional public schools receive more money to do the same job, the most often mentioned challenge or problem for the near future is space. This particular topic is discussed in detail in the following section (Section 2.9).

A public relations challenge is manifested in several ways. One, certain schools have been “tagged” in a certain way because of the focus or the targeted audience of students. Some feel a need or a challenge to change their image with the media and the public. “Bad press” regarding real or reported problems in the school and with the governance structure has been and continues to be a challenge in some locations.

While it is not clearly understood by these evaluators, there is a reported challenge or problem between “certified” and “noncertified” teachers. In at least one case, the problem relates to the newly
certified teachers with recent degrees and a sense of idealism that clashes with the “noncertified personnel who have gained their knowledge through practice.” Since all teachers, with certain specified exceptions, are required to be certified to teach in Michigan, we are not sure how to interpret this reported challenge unless it pertains to volunteers, aides, and noncertified administrative personnel.

While addressed in a number of ways, a general challenge across almost all schools relates to what is often referred to as the “bureaucracy.” From information received in many interviews, we think these concerns relate to an overload of information that is sent by the MDE (see Section 5.2), the inexperience and lack of formal preparation of many PSA administrators, and lack of efficient databases and qualified staff to respond to the large array of requests for information and completed reports. Other views of the bureaucracy relate to incidences of micromangement by boards or individuals on the boards and the arrangements made with management companies. However, there is evidence that concerns about the bureaucracy is not as apparent in externally managed schools, which would be an expected result.

Over time, we see a substantial challenge in retaining and attracting quality teaching personnel. As discussed elsewhere in this report, PSA teachers are currently paid far less than the teachers in the local public school district in which the PSA is located, and there are few plans that will provide sufficient financial incentives for teachers to remain employees of most charter schools. The end result of the present situation will be a continuous turnover of teachers, which will not be conducive to the continuity of the school or quality of the services provided to students. We fear that the profit motive may dictate the types of teachers who are employed as opposed to the quality of the instruction. Granted, there are sporadic efforts to reward productivity with bonuses, which might evolve to a performance-based salary structure. From observations at meetings of PSA administrative personnel, there is outward evidence of considerable concern about unionization and how that might impact the schools. In fact, programs have been presented at professional meetings that provide information as to how to recognize and prevent personnel from forming unions within schools. We are not suggesting that unionization will improve or not improve the quality of teachers, but it would be naive to think that continuing low salaries will not be an issue related to future considerations in contracts and union discussions.

While we have not collected quantifiable information, indications are that many schools did not expect the number and variety of students with diagnosed special needs who enrolled or sought enrollment. We find that not only did many of the schools not expect these considerable needs, they have found considerable difficulty in responding. At the national level, it is reported that many charter schools are “counseling out” students with disabilities and thus avoiding a considerable outlay of resources. We have not conducted any in-depth investigation of this issue in Michigan, but it is certainly worthy of further study, both in terms of whether enrolled students are receiving the services they need and for which they are legally eligible and whether there is an unacceptable selection mechanism operating in practice. However, it is only fair to say that it is also reported to us that in some cases the local public schools counsel/advise students with certain problems or those of a particular type to seek admission in a PSA. At the same time, we have to recognize that parents
chose to move their children from the local public school to the PSA for a reason, and some form of dissatisfaction may have been the overpowering factor in this decision.

One final area in which schools are especially challenged is the need to demonstrate school success, especially student achievement. This is almost universally found to be a challenge, if not a major problem. This topic will be discussed in Chapter 7.

In summary, each school has its own challenges. Some are more critical than others; but generally, we see the major challenges to be resources/space, accountability to the public, and the need to demonstrate effectiveness. While this may be a short list, the magnitude and seriousness of these for the individual schools and the initiative cannot be overemphasized.

Will the lack of affordable buildings be a significant obstacle to the charter school movement? While the need for better and/or additional space varies from school to school, it is evident that there are important decisions to be made in the very near future. The decisions fall within the purview of the authorizers, state government, and the schools themselves. Some schools have leased facilities for a short time, such as 2-3 years, and these leases will expire before the conclusion of the charter. Affordable facilities that met local and state codes were difficult to find and not very suitable for instruction or for meeting the needs of the students, parents, and school staff. The rush to identify a location and start the school was apparently a higher priority than the acquisition of long-term, functional facilities for a school as authorized. Because many of the schools have waiting lists of students and have plans to increase enrollments and to add grade levels, they also identify space as a challenge and barrier to fulfilling their current plans. Decisions with regard to enrollment growth, indebtedness, school location, chartering restrictions, etc. are all related to the space issues that are reported as challenges.

When we talk with charter school leaders, they indicate that there is significant space available in most communities; but there are obstacles to overcome before this space can be utilized. Among these considerations are zoning codes, remodeling to accommodate the handicapped and specialized instructional needs, lack of adequate and safe playgrounds and parking lots, willingness of the owner to lease the property for a school or to make the necessary modifications, potential for negative external influence (drugs and crime), and objections by neighboring businesses or private citizens. Many schools obtained short-term leases for buildings and almost immediately had to begin looking for different or additional space. Several schools leased portable classrooms for immediate use and availability; but most schools consider portable classrooms as only a temporary, short-term solution.

In several instances, loans were obtained by the founders, or nonprofit corporations of the schools or management companies built and leased back new facilities for the PSAs. These buildings are generally attractive and functional for the purpose for which they were intended. While they are attractive and of a style that is acceptable by neighbors, they are of relatively low-cost construction and designed to be more easily modified, enlarged, or expanded. These buildings are being built for about a 20-year lifetime, as opposed to a much longer period for most traditional schools built by school boards.
It was reported that the building for a K-5 enrollment of about 300 students was built in 95 days at “half the cost of the equivalent sized traditional public school.” This building was described by one observer as “having no frills, but it is carpeted and air-conditioned.”

Another school with an enrollment of about 500 students in grades 6-12 pays $600,000 per year for rent. This amounts to approximately 20 percent of its base allocation of ~$5,700 per student. In other terms, the amount of this rent is approximately equivalent to the salary and fringe benefits for 16 teachers based on a salary of $30,000 and fringe benefits of $7,500 (25 percent of the salary).

The lack of available and affordable buildings could be a detriment to the goal of free choice and equal access in some locations. For example, a potential founder of a charter school might identify a target group of students or parents; but if affordable and usable facilities are not available in that area, either the school may not develop or it will be established in an area that is unacceptable for the target audience. There is already some evidence that charter schools may be responding as much to the market or profit potential as they are for the educational needs of a particular area. In potentially high market areas, several for-profit management companies vie for students with high geared marketing campaigns, while areas with less potential are left without any type of school of choice. Of course, one could argue that any student could apply to a charter school, but convenience and distance to the school are influential or even essential considerations for some and they really can’t exercise a choice.

In some of the more rural areas that are common to the region where The Evaluation Center’s study was directed, there may simply not be usable facilities. Some founders have reported spending months searching for facilities with mixed success. Again, transportation and distance to the school are important considerations.

2.9 Financial Status of the Schools

The PSAs are very “loud” in expressing their need for more resources. Of greatest concern is the need for start up funds. In terms of resources, the greatest disparities among PSAs is clearly visible in the facilities they have for instruction. While the majority of PSAs do not have a permanent site for their school, some are still struggling after a few years of operation to secure a permanent building site for renovation or a new building. Of course, for many of the schools in this situation, the problem is not one of finding an available site; rather, it is a problem of securing sufficient resources with which to renovate or build. The schools started by management companies have sufficient capital to secure a building. The private school conversions retain their facilities from when they were a private school, and the public school conversions (alternative high schools) typically can rent the facilities they used previously or else they can secure a facility through the local school district with which they usually have good relations.

Grants. Figures from the Michigan Department of Education indicate that the PSAs typically received between $20,000 and $40,000 for the 1997/98 school year from the Michigan Charter
School Grant Program (these grants are from federal funds intended to help charter schools with start-up costs).

In addition to the Michigan Charter School Grant, most schools were awarded two or more other grants. Nevertheless, the schools vary considerably in terms of qualifying and applying for and securing grants. While one school was able to secure as much as $570,000 in a single year, most schools receive between $40,000 and $100,000 in a single year from external grant. Examples of these grants are listed below:

- Goals 2000 grants
- Title I
- Title VI innovative educational program strategies
- Drug Free Formula grants
- Technology literacy grants
- Eisenhower formula grants

**Foundation grants.** In terms of the foundation grants, the PSAs are to receive the same per student allocations as does the host district in which their school lies, or a maximum of $5962 during the 1997/98 school year. During the 1997/98 school year the average per pupil foundation grant for the whole state was $6,061. In more than half of the schools, the foundation grant is the same as for the host districts. In 37 PSAs, the host district received additional funds that exceeded $100 per pupil, and in 21 cases the additional per pupil foundation grant exceeded $500. In a few cases, the host districts had such high foundation grants that they ended up receiving as much as $2,000 to $3,000 more per student than did the local PSA. These cases typically occurred in the Detroit area where foundation grants range from $6,000 - $9,900. In Appendix L the list of foundation grants for the PSAs and their host districts is included. From this table, a case-by-case comparison can be made for each of the 106 PSAs that were in operation during the 1997/98 school year.

**Revenues.** In terms of total revenues for the 1996/97 school year, we find 15 of the 73 PSAs had more resources per pupil than did their host district. For most PSAs, however, the additional funding that host districts had available per pupil (based solely on the foundation grant) remained larger or actually increased. During the 1996/97 school year the average state per pupil revenue was $7,050.

Interestingly, the two PSAs in Michigan’s Upper Peninsula which are operated by Native American Indian groups, had substantially more total revenues than did their host districts. In fact, their total

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6 Foundation grant refers to the combination of state and local monies that each school district is allocated per pupil under Article 9, Section II of the Michigan Constitution.

7 Total revenues per pupil refers to the total amount of funds per pupil received by the school for use in general and school food operations. Although we were able to secure data on foundation grants for the previous school year, we were dependent on using 1996/97 data on revenues and expenditures. This is because 1997/98 data on revenues and expenditures were not yet officially available and were subject to change.
revenues, which were $13,239 and $14,146, were more than double the per pupil revenues in their host district and ranked highest in the state. These schools, which have multiple sources of regular funding from the state and federal governments, have been effective in securing external grants. When a director of one of the Native American Indian schools was asked to comment on the extreme advantages in terms of resources that their school had, the director said that “when we were dependent on BIA funds and had less resources than the public schools, we didn’t hear anyone complain that we were receiving too little money, so why should anyone complain now when we have more?”

**Expenditures.** In terms of expenditures\(^8\) in 1996/97, seven of the 73 PSAs were spending more per pupil than their host districts. On the average, the host districts were spending between $900 and $1,800 more per pupil than the PSAs located within their district. Obvious differences in spending would be the costs of transportation, which many PSAs do not provide, as well as the large difference in teacher’s salaries. Appendix L contains the data on revenues and expenditures for each PSA as well as their host districts. For the 1996/97 school year, the average state per pupil expenditure was $6,507.

According to the findings of a study conducted by an employee in the House Fiscal Agency (Prince, 1998) the PSAs reported spending a higher proportion of funds on support services than did comparable districts. They also spend more on administrative activities. Over time, there also appears to be a trend toward reduced spending on general administration and school administration, but increased spending by the business office. This is likely to be due to the increased involvement of management companies.

**Average Teacher Salaries.**\(^9\) Disparities in salary between the PSAs and host districts are extremely large. A number of PSAs have teachers’ salaries as large as their host district, and in at least two cases, the average salaries of PSA teachers are one-third the size of average salaries of teachers in their host district. The teachers in five PSAs had average salaries that were $30,000 or more lower than their counterparts in the host districts. Table 2:4, as well as Appendix M, includes school-by-school data on the average salaries of teachers in PSAs and in their host districts.

The salary levels vary widely around the state and tend to be higher in metropolitan areas and lower in rural areas. The PSAs clearly have lower salaries. Even for starting salaries of beginning teachers with comparable training, the PSAs reported that they pay 10-20 percent less than their host district. There are a number of factors that can explain—in part—the large differences between the PSAs and host districts.

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\(^8\) Expenditures per pupil refers to the costs for basic programs, salaries, and other support and administrative services. District figures include districtwide activities such as instruction, transportation, operations and maintenance, as well as food service operations reported in a district's school service fund.

\(^9\) Average teacher salary refers to classroom teachers’ average salaries. It is computed by dividing the total basic classroom teacher salaries reported by the school by the total number of basic classroom teachers (FTEs) reported by the school. This number does not reflect employee benefits.
their host districts. This factors, mentioned below, also include limitations in the quality of the information reported.

- Teachers in host districts are more experienced and are more likely to have advanced degrees than their PSA counterparts.
- A larger proportion of the teachers in host districts are teaching at the upper secondary level, which typically has higher salaries.
- The quality of data reported by PSAs was poor. The reporting of financial data by the PSAs is a new activity. With time, we will see more consistent patterns in financial data reported by PSAs.

The state average teacher salary was $47,009 for 1996/97. This average is substantially higher than that for PSAs. In terms of overall expenditures, the PSAs clearly have an advantage over their host districts with substantially lower salaries and lower costs for benefits.

Compared costs. A comparison of costs between PSAs and schools in their host district is complicated by a number of matters. Basic costs are rather similar. While PSAs initially have to spend more for facilities, they have considerably lower costs for instruction as is evident in the

| Table 2:4 Average Teacher Salaries: PSAs and Host Districts |
|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| **PSA Name**               | **Grad Ave. Teacher Salary in 1996/97** | **PSA Host Ave. Teacher Salary in 1996/97** | **Difference** |
| Black River Public School  | 6-10 17359 47578 -30219 | Creative Learning Academy  K-6 28481 39657 -11176 |  
| Discover Elementary School | K-5 32633 38220 -5587 | El-Hajj Malik El-Shabazz Academy  K-8 29473 48826 -19353 |  
| Excel Charter Academy      | K-6 32976 49248 -16272 | Horizons Community High School  9-12 45674 49024 -3350 |  
| Island City Academy        | K-8 24370 42493 -18123 | Lake Bluff Acad. (Newland Academy)  K-5 31820 39127 -7307 |  
| Lakeshore Public Academy   | K-12 29452 37922 -8470 | Learning Center Academy        K-8 34290 43547 -9257 |  
| Michigan Early Elementary Center | K-3 32376 48826 -16450 | Mid-Michigan PSA  K-5 42073 48826 -6753 |  
| Nah Tah Wahsh PSA          | K-12 32008 49291 -17283 | New Branches School  K-12 27802 49248 -21446 |  
| New School for Creative Learning | K-5 27631 49248 -21617 | Northside Preparatory School  K-2 23066 45439 -22373 |  
| Northwest Academy          | 6-12 19734 47003 -27269 | Pansophia Academy  K-12 30592 44721 -14129 |  
| Renaissance PSA            | 5-8 28824 42340 -13516 | Sankofa Shule Academy  K-4 50524 48826 1698 |  
| Sunrise Education Center   | K-6 19000 42455 -23455 | Traverse Bay Comm. Sch.  K-7 17998 50153 -32155 |  
| TriValley Academy          | 5-10 26588 49378 -22790 | Vanderbilt Charter Academy  K-5 31390 47578 -16188 |  
| Vanguard Charter Academy   | K-5 31918 49024 -17106 | Vista Charter Academy  K-5 30627 50951 -20324 |  
| Windover High School       | 9-12 37701 52873 -15172 | Michigan Automotive Academy  10- 34304 38882 -4378 |  
| Michigan Health Academy    | 11- 28122 53242 -25120 | MLK Jr. Education. Center  K-6 28518 43379 -14861 |  
| Nataki Talibah Schoolhouse | K-5 27136 38882 -11746 | Oasis Academy  K-4 30047 69869 -39822 |  
| Plymouth Educational Center | K-3 26057 38882 -12825 | Questar Academy  K-6 19167 53989 -34822 |  
| Sierra Leone Ed Outreach    | K-6 34143 38882 -4739 | St Clair Learn Academy  6-12 27762 47001 -19239 |  
| Summit Academy             | K-5 21381 45581 -24200 | Thomas-Gist Academy  K-8 35067 38882 -3815 |  
| Warwick Pointe Academy     | K-5 41256 48033 -6777 | Woodward Academy  3-6 29279 38882 -9603 |  

NOTE: Source of data is the Michigan School Report. All host district figures are based on K-12 enrollments.
comparison of salaries. While the traditional public schools have to devote a portion of their state aid for such things as transportation, meals, and other support services, this is optional for PSAs. Most PSAs provide instruction at only the elementary level, which is considerably less expensive than the secondary level. The traditional public schools are obligated to provide instruction for all students.

In terms of economic planning, the PSAs have an advantage in that they can accept only as many students as economically planned for while the presence of PSAs poses problems in planning for the traditional public schools since it is more difficult to plan for a specific number of students.

Particular areas where there is a lack of knowledge and information to make comparisons include the costs for such things as start-up and facilities. Likewise, it is difficult to determine the value of in-kind services. Both traditional public schools and PSAs claim that the “playing field is not level.” Further research into this area would be helpful in determining measures to distribute resources fairly.
Chapter Three
Teachers and Staff

3.1 Description of Sampled Teachers and Staff

For the purpose of our evaluation, we defined the teachers and staff to be surveyed as those working more than half time in the classroom or in the administration of the school. There were 728 teachers and staff sampled. While official statistics for the number of teachers and staff working more than half time at the schools do not exist, figures provided by the schools indicate that the target population was 812 teachers and staff. That makes the total response rate for teachers and staff on the charter school survey to be 89.7 percent. This response rate was deemed to be quite satisfactory. The item response for each question in the survey was typically 96 percent or higher. The response rate for each item in the survey can be found in Appendices D - I.

There were three schools—all from Lansing—with rather low response rates. One school, Michigan Early Elementary Center, was sufficiently low (i.e., 44.4 percent) that we considered removing it from the analysis. Nevertheless, since the school was so small and four out of nine staff answered the survey we decided not to remove it since it would have little or no impact on the total figures for the state. The other two schools with lower than desired response rates were Mid-Michigan Academy with 57.1 percent and Walter French Academy with 57.9 percent, respectively.

The surveys from each school were weighted according to their proportion of the target sample of teachers and staff. Calculations for total samples of schools reflect weighted data. The achieved and targeted sample of teachers and the weighting formula and individual school weights applied to teacher and staff data are found in Appendix A.

Among the 728 teachers and staff sampled, 69.3 percent indicated that they are teachers, 12.4 percent teaching assistants, and 7.3 percent specialists. There were no student teachers in the schools during data collection. Just under 4 percent indicated that they were principals or school directors, and nearly 20 percent indicated that they had some other title or position. Many of the teachers and staff have more than one role. The information for those individuals who indicated more than one role was classified together with those who did not indicate any role. There were 18 individuals who had missing data, many because they indicated more than one role.

Of the 488 staff who indicated they are teachers, 92 percent reported that they are currently certified to teach in the state, 2 percent were certified in another state, 3.9 percent indicated that were working to obtain certification, and 2 percent indicated that they were not certified and were not working to

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10 All classroom teachers must be certified just as they are at other public schools, except as allowed by laws, rules, or regulations.
obtain certification. This information should be considered indicative and not conclusive. For example, among those 19 teachers who are working to obtain certification, many may be working for a second certification. It may also be the case that the “teachers” who are working to obtain certification are, in fact, only teaching assistants and did not answer the question on role in school correctly. Because the surveys were anonymous, there is no way to follow up on this particular issue. Nevertheless, in four schools we were informed by teachers or other staff members that classes in their schools were being led by uncertified staff on a regular basis. One way in which this was hidden was by having the students of two classes listed as enrolled in a certified teacher’s class (this typically amounted to 30-35 students), even though the two groups of students sat in different rooms with different instructors. In at least two of the schools in question, these classes were led by school administrators who were not certified to teach. Table 3:1 below provides data on the role and certification status of teachers and staff in the charter schools.

Table 3:1  Role and Certification Status Among Teachers and Staff

<table>
<thead>
<tr>
<th>Role</th>
<th>Currently certified to teach in this state</th>
<th>Currently certified to teach in other state</th>
<th>I am working to obtain certification</th>
<th>I am not certified and not working to obtain certification</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Teacher</td>
<td>92% (449)</td>
<td>2% (10)</td>
<td>3.9% (19)</td>
<td>2% (10)</td>
<td>100% (488)</td>
</tr>
<tr>
<td>Teaching assistant</td>
<td>8.3% (7)</td>
<td>0% (0)</td>
<td>27.4% (23)</td>
<td>64.3% (54)</td>
<td>100% (84)</td>
</tr>
<tr>
<td>Specialist</td>
<td>67.3% (33)</td>
<td>8.2% (4)</td>
<td>6.1% (3)</td>
<td>18.4% (9)</td>
<td>100% (49)</td>
</tr>
<tr>
<td>Principal/director</td>
<td>79.3% (23)</td>
<td>0% (0)</td>
<td>6.9% (2)</td>
<td>13.8% (4)</td>
<td>100% (29)</td>
</tr>
<tr>
<td>Other</td>
<td>32.6% (14)</td>
<td>0% (0)</td>
<td>2.3% (1)</td>
<td>65.1% (28)</td>
<td>100% (43)</td>
</tr>
<tr>
<td>Total</td>
<td>75.9% (526)</td>
<td>2% (14)</td>
<td>6.9% (48)</td>
<td>15.1% (105)</td>
<td>100% (693)</td>
</tr>
</tbody>
</table>

Note: Figures based upon weighted sample of teachers and staff. There were 35 surveys with missing data, several due to the fact that the informants indicated more than one role, even though they were instructed to indicate their principle role in the school.

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11 This is not to be confused with the practice in many schools where the uncertified administrator serves as substitute teacher on a temporary basis.
Most teachers reported that they were teaching in a subject area in which they are certified to teach. Approximately 5 percent of all staff working in the classroom indicated that they were not teachers certified in the subjects they taught. When we disaggregate and include only teachers (i.e., exclude specialists, teaching assistants and administrators and others), only 2.5 percent of the teachers indicated that they were teaching in subject areas in which they were not certified.

The teachers and staff were asked to indicate which grade they work with most. The teachers and staff appear to be evenly distributed between grades K-8 with between 5 and 10 percent of the teachers and staff working primarily with these grades. The proportion of teachers working with the high school grades dropped considerably, with the average being around 3 percent of the teachers and staff working with grades 9-12. Nearly 19 percent of the staff indicated that the grade level with which they were working was not applicable because they worked in administration or in the provision of support services. Figure 3:1 illustrates the distribution by grade level of all teachers and staff who indicated which grade they primarily work with as well as the distribution of only those staff who indicated that they were teachers.

From Figure 3:1 above we can see that most teachers are working at the elementary level as are classroom assistants and specialists. A considerable number of schools at the primary level had classroom assistants working with the certified teachers who led the classes.

Table 3:2  Role and Age Distribution Among Teachers and Staff

<table>
<thead>
<tr>
<th>Role</th>
<th>&lt;20 years</th>
<th>20-29 yrs.</th>
<th>30-39 yrs.</th>
<th>40-49 yrs.</th>
<th>&gt; 50 years</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Teacher</td>
<td>0.0%</td>
<td>47.8%</td>
<td>24.1%</td>
<td>21.0%</td>
<td>7.1%</td>
<td>100%  (490)</td>
</tr>
<tr>
<td>Teach. assistant</td>
<td>4.5%</td>
<td>30.7%</td>
<td>23.9%</td>
<td>33.0%</td>
<td>8.0%</td>
<td>100%  (88)</td>
</tr>
<tr>
<td>Specialist</td>
<td>0.0%</td>
<td>26.9%</td>
<td>23.1%</td>
<td>42.3%</td>
<td>7.7%</td>
<td>100%  (52)</td>
</tr>
<tr>
<td>Principal/director</td>
<td>0.0%</td>
<td>10.7%</td>
<td>17.9%</td>
<td>32.1%</td>
<td>39.3%</td>
<td>100%  (28)</td>
</tr>
<tr>
<td>Other</td>
<td>0.0%</td>
<td>32.0%</td>
<td>28.0%</td>
<td>34.0%</td>
<td>6.0%</td>
<td>100%  (50)</td>
</tr>
<tr>
<td>Total</td>
<td>0.6%</td>
<td>41.5%</td>
<td>24.0%</td>
<td>25.4%</td>
<td>8.5%</td>
<td>100%  (708)</td>
</tr>
</tbody>
</table>

Note: Figures based upon weighted sample of teachers and staff. There were 20 surveys with missing data on one or both items.

The age distribution among the Michigan charter school teachers indicated that the teachers and staff are rather young. Among only classroom teachers, 47.8 percent were in their 20s, 24 percent were in their 30s, 21 percent were in their 40s, and 7.1 percent were 50 or older.¹² The classroom teachers were the youngest among the various groups of staff, while the directors/principals were considerably older.

Unfortunately, comparative figures on the ethnic and gender composition of teachers and staff in the traditional public schools were not available. Therefore, we could not compare the teachers and

¹² These data can be contrasted with Connecticut’s charter schools where 27 percent were in their 20s, 27.5 percent were in their 30s, 24 percent were in their 40s, and 21 percent were 50 or older.
In terms of formal education, the charter school staff appear to be well qualified (see Table 3:3). Among those 611 staff which had completed a university degree, 78 percent had a BA as their highest college degree, 17.5 percent had an MA, 3.1 percent had a 5- or 6-year certificate, and 1.3 percent had a Ph.D. Forty-two percent of the staff were working toward another degree. For the most part (i.e., 84 percent) they were working toward an MA.

An item on the teacher/staff questionnaire that provided a related indicator of attrition was the question “Do you plan (hope) to teach here next year?” Interestingly, a considerably higher proportion of principals/directors did not intend to return (18 percent) compared with the teachers (11 percent). While these data from teachers

<table>
<thead>
<tr>
<th>Role</th>
<th>Completed high school</th>
<th>Less than 4 years of college</th>
<th>College grad. BA/BS</th>
<th>Graduate courses, no degree</th>
<th>Graduate/professional degree</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Teacher</td>
<td>0.0%</td>
<td>0.2%</td>
<td>39.8%</td>
<td>43.0%</td>
<td>17.0%</td>
<td>100%</td>
</tr>
<tr>
<td>Teaching assistant</td>
<td>19.3%</td>
<td>51.1%</td>
<td>15.9%</td>
<td>9.1%</td>
<td>4.5%</td>
<td>100%</td>
</tr>
<tr>
<td>Specialist</td>
<td>0.0%</td>
<td>6.0%</td>
<td>18.0%</td>
<td>36.0%</td>
<td>40.0%</td>
<td>100%</td>
</tr>
<tr>
<td>Principal/director</td>
<td>0.0%</td>
<td>7.7%</td>
<td>3.8%</td>
<td>30.8%</td>
<td>57.7%</td>
<td>100%</td>
</tr>
<tr>
<td>Other</td>
<td>8.9%</td>
<td>28.9%</td>
<td>20.0%</td>
<td>24.4%</td>
<td>17.8%</td>
<td>100%</td>
</tr>
<tr>
<td>Total</td>
<td>3.1%</td>
<td>9.5%</td>
<td>32.3%</td>
<td>36.4%</td>
<td>18.7%</td>
<td>100%</td>
</tr>
</tbody>
</table>

Note: Figures based upon weighted sample of teachers and staff. There were 54 surveys with missing data for one or both items.

Table 3:4 Role and Highest Academic Degree

<table>
<thead>
<tr>
<th>Role</th>
<th>Bachelors</th>
<th>Masters</th>
<th>5- or 6-year cert.</th>
<th>Doctorate</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Teacher</td>
<td>82.5%</td>
<td>14.4%</td>
<td>2.5%</td>
<td>0.6%</td>
<td>100%</td>
</tr>
<tr>
<td>Teaching assistant</td>
<td>85.7%</td>
<td>9.5%</td>
<td>4.8%</td>
<td>0.0%</td>
<td>100%</td>
</tr>
<tr>
<td>Specialist</td>
<td>55.1%</td>
<td>34.7%</td>
<td>8.2%</td>
<td>2.0%</td>
<td>100%</td>
</tr>
<tr>
<td>Principal/director</td>
<td>37.0%</td>
<td>44.4%</td>
<td>3.7%</td>
<td>14.8%</td>
<td>100%</td>
</tr>
<tr>
<td>Other</td>
<td>75.9%</td>
<td>20.7%</td>
<td>3.4%</td>
<td>0.0%</td>
<td>100%</td>
</tr>
<tr>
<td>Total</td>
<td>78.1%</td>
<td>17.5%</td>
<td>3.1%</td>
<td>1.3%</td>
<td>100%</td>
</tr>
</tbody>
</table>

Note: Figures based upon weighted sample of teachers and staff. There were 117 surveys with missing data, because a considerable portion of the teaching assistants and staff in the “other” category did not complete a BA degree.
and staff were collected between December 1997 and February 1998, many strong conflicts at the
day of the year caused large number of teachers to quit in some cases in other cases, the teachers or
the director or both were all removed by the school board.

Table 3:6  Years of Experience as an PSA Educator by Role and in Various Types of School

<table>
<thead>
<tr>
<th>Role</th>
<th>Private School</th>
<th>Parochial School</th>
<th>Charter School</th>
<th>Public School</th>
<th>Total Yrs. of Experience*</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Mean</td>
<td>STD</td>
<td>Mean</td>
<td>STD</td>
<td>Mean</td>
</tr>
<tr>
<td>Teacher</td>
<td>1.31</td>
<td>2.61</td>
<td>1.29</td>
<td>2.84</td>
<td>1.82</td>
</tr>
<tr>
<td>Teaching assistant</td>
<td>1.96</td>
<td>2.95</td>
<td>0.63</td>
<td>1.81</td>
<td>1.68</td>
</tr>
<tr>
<td>Specialist</td>
<td>1.50</td>
<td>2.45</td>
<td>0.73</td>
<td>1.63</td>
<td>1.55</td>
</tr>
<tr>
<td>Principal/director</td>
<td>7.01</td>
<td>9.99</td>
<td>3.20</td>
<td>7.93</td>
<td>1.81</td>
</tr>
<tr>
<td>Other staff</td>
<td>3.64</td>
<td>6.51</td>
<td>0.53</td>
<td>0.95</td>
<td>1.81</td>
</tr>
<tr>
<td>Total, all teacher/staff</td>
<td>1.77</td>
<td>3.68</td>
<td>1.21</td>
<td>3.03</td>
<td>1.77</td>
</tr>
</tbody>
</table>

* Total years of experience as an educator in the school types/roles listed

About 40 percent of the accrued experience was in private and or parochial schools. On average,
the teachers and staff had 6.4 years of experience as educators. There is clearly a large gap between
the teachers, with 5.9 years of experience on the whole, and the principals/directors, with 19.5 years
of experience.

The relative age, formal education levels, and amount of working experience of Michigan charter
school teachers is markedly lower than charter school teachers in other states. In Connecticut, where
we are conducting a similar evaluation, the classroom teachers had on average nearly 30 percent
more experience than the classroom teachers in Michigan’s PSAs. The directors/principals had only
17 years of experience as compared with 19.5 years in Michigan. The bulk of the experienced
teachers in the Michigan charters schools are in the conversion schools. If we were to analyze the
data without them, we would find a larger corps of inexperienced teachers. This information also
contributes to the finding that charter school teachers in Michigan are relatively weak when
compared with the directors, who have considerably more experience, education, authority, and
salary than teachers.

Mission of the school. All but 22 staff members (3.1 percent) indicated that they were aware of
the school’s mission. Of those who indicated they were familiar with the mission of the school, 36.8
percent thought the mission of the school was being followed “very well,” while 41.4 percent thought
it was being followed “well,” 18.6 percent “fair,” and 3.2 percent “not very well.” These figures
indicate a general satisfaction of among the teachers and staff in terms of their school’s ability to live
up to its mission.

In another section of the questionnaire, the staff were asked to rate their level of satisfaction with a
number of aspects of the school, including school mission. Here, 41.5 percent of the staff indicated
that they were “very satisfied” with the mission of their school, while another 35.3 percent indicated
that they were “satisfied” with it. While the teachers and staff were generally quite satisfied with the
schools’ missions, they were not equally convinced that the schools could fulfill them. Here, nearly
13 percent of the staff indicated that they were dissatisfied or very dissatisfied with their school’s
ability to fulfill its mission, while 18 percent were uncertain. Still, 40.7 percent of the staff indicated that their school could fulfill its mission, and 22.4 percent were very convinced that their school could do this.

Table 3.7 Level of Satisfaction with the Mission of the School (N=728)

<table>
<thead>
<tr>
<th></th>
<th>Very dissatisfied</th>
<th>Very satisfied</th>
<th>Mean</th>
<th>STD</th>
<th>Don’t know</th>
<th>Missing</th>
</tr>
</thead>
<tbody>
<tr>
<td>School mission statement</td>
<td>1.0%</td>
<td>3.7%</td>
<td>18.5%</td>
<td>35.3%</td>
<td>41.5%</td>
<td>4.13</td>
</tr>
<tr>
<td>Ability of school to fulfill its stated mission</td>
<td>3.3%</td>
<td>9.5%</td>
<td>24.2%</td>
<td>40.7%</td>
<td>22.4%</td>
<td>3.69</td>
</tr>
</tbody>
</table>

When comparing these two items, we found a significant difference in level of satisfaction in terms of the school’s ability to fulfill its mission (Z= -12.428, p=0.00). Hence, there is a significant difference between the “ideal school” represented by the school mission and the “actual school” represented by the perceived ability of the school to fulfill its stated mission.

3.2 Working Conditions for Teachers and Staff

The quality of the school facilities varied extensively among the charter schools. Therefore, it was not surprising to see an even split in the responses from teachers and staff concerning the quality of their school’s facilities. Approximately 45 percent of the staff were satisfied or very satisfied with the school buildings and facilities. On a related item, 42 percent of the teachers and staff agreed or strongly agreed that the physical facilities were good, while the rest were either not satisfied with the facilities or were uncertain.

The results from the surveys indicated that the schools vary widely in the quality of their facilities and the availability of resources. This was also confirmed in site visits and interviews. Just over 37 percent of the teachers and staff indicated that they believed their school had sufficient financial resources. On a related item, 43 percent of the teachers and staff indicated that they were satisfied with the resources available for instruction. Nevertheless, in a few schools, the teachers expressed strong concerns about the lack of textbooks.

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13 Wilcoxon signed ranks test was used to analyze the difference between these two variables. This nonparametric procedure tests the hypothesis that the two related variables have the same distribution. It makes no assumptions about the shapes of the distributions of the two variables.
Thirty-nine percent of the teachers and staff were satisfied or very satisfied with the salaries they received, while 23.9 percent were either dissatisfied or very dissatisfied with their salaries (see Figure 3:2 above). A very large proportion of the staff (37 percent) indicated that they were neither satisfied nor dissatisfied with their salaries. Fringe benefits appear to vary considerably among the schools. This can be seen in the large proportion of teachers and staff who were “very dissatisfied” or “very satisfied” with the fringe benefits they received (see Figure 3:3 above).

One particular area where the teachers were particularly satisfied was the small class sizes. A number of items in the questionnaire addressed class size, and it was clear that this was an important reason for seeking employment at the charter school and an aspect of the schools with which the teachers were particularly satisfied.

While a majority of staff indicated they were not insecure about their future at their particular school, 36 percent of the teachers and staff indicated otherwise. It is not clear if this insecurity is due to uncertainty about the charter school reform or due to the role of the particular school in its community and its ability to live up to its mission. In terms of satisfaction with their jobs, 12.3 percent of the teachers and staff indicated that they did not plan/hope to be teaching in that particular school next year, as compared with 87.7 percent who intended to return. Among those teachers not planning to return next year, a female teacher from one school expressed that she would not be returning due to “frustration with lack of supplies and professional support—mostly the lack of professional support and guidance.”

The survey results indicated that most teachers and staff have many noninstructional duties in addition to their teaching load. During the site visits and interviews, there were some complaints about this and some concerns about burn-out; but on the whole, the teachers and staff were quite aware of the large commitment they needed to make to get the school “up and running” and were willing to make this commitment.
Correlations were run to examine differences between teachers and school principals/directors. As one would expect, the principals had more experience, more training, and were more likely to have worked in private and/or parochial schools. Teachers were less positive about the school and were less likely to think they could influence the direction of the school. As one would expect, teachers did not rate the administrative leadership of their schools as high as did the principals. The charter school principals were less likely to indicate that class sizes were too large and were less inclined to indicate that teachers had many noninstructional duties.

Overall, teachers are too busy to engage in serious curriculum development during the regular school year. In some schools, teachers devoted the full summer to this activity; and, in other cases, they report spending very long days in attempting to develop the curriculum along with regular duties of teaching on a full-time basis. In a few cases, teachers are given full responsibility for developing the curriculum for their students. In other cases, the school is adopting a packaged curriculum from the marketplace or implementing the curriculum prescribed by the management company.

3.3 Expectations of Teachers and Staff

A number of identical items were used in the surveys to examine and compare the charter school staffs’ “initial expectations” as opposed to “current experience” (See Appendix D, Question 16). In general, it is clear that the teachers and other staff were content with their schools and satisfied with the services they provide. It is interesting to note, however, that there were significant differences between what was initially expected and what the educators were currently experiencing. What the staff were reporting as “current experience” was significantly less positive than their “initial expectations.”

The biggest differences between initial expectations and current experience were on the following items:

- The school will have/has effective leadership and administration.
- Students will receive/receive sufficient individual attention.
- Teachers will be able to influence the steering and direction of the school.

This does not infer that teachers were not satisfied with these aspects of their school. Rather, it infers that they had high expectations in these areas that did not correspond with their current experience.

3.4 Factors Influencing Teachers/Staff to Seek Employment at Their PSA

A number of possible reasons for the teachers and staff to seek employment at the charter school were listed, and the staff were asked to rate each reason on a 5-point scale according to how relevant

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14 Because these questions are actually nonparametric in nature and the variables are ordinal, the marginal homogeneity test was used to compare the paired distribution of responses. This also found significant reductions in expectations on all items (p = .01).
evaluation of the Michigan PSA Initiative The Evaluation Center, WMU

among the most important factors for seeking employment in charter schools was the opportunity to work with like-minded educators and interest in an educational reform effort. These are two intrinsic factors. A number of factors that suggest a better working environment were also found to be important in influencing decisions to seek employment at the charter schools; for example, working with small classes, committed parents, safety at school, and high academic standards. Nevertheless, just over 30 percent of the teachers agreed or strongly agreed that “difficulty in finding other positions” was an important factor, which is two times larger than for the teachers and staff in Connecticut.

Table 3.8 Reasons for Seeking Employment at this School (Ranked Ordered According to Means)

<table>
<thead>
<tr>
<th>Reasons</th>
<th>Strongly disagree</th>
<th>Strongly agree</th>
<th>Mean</th>
<th>STD</th>
<th>Missing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opportunity to work with like-minded educators</td>
<td>3.7%</td>
<td>3.2%</td>
<td>15.4%</td>
<td>34.4%</td>
<td>43.2%</td>
</tr>
<tr>
<td>This school has small class sizes</td>
<td>6.5%</td>
<td>3.9%</td>
<td>17.1%</td>
<td>32.1%</td>
<td>40.5%</td>
</tr>
<tr>
<td>Parents are committed</td>
<td>6.1%</td>
<td>7.4%</td>
<td>24.6%</td>
<td>30.6%</td>
<td>31.3%</td>
</tr>
<tr>
<td>My interest in an educational reform effort</td>
<td>6.7%</td>
<td>8.7%</td>
<td>20.0%</td>
<td>35.0%</td>
<td>29.6%</td>
</tr>
<tr>
<td>Safety at school</td>
<td>6.6%</td>
<td>7.8%</td>
<td>25.3%</td>
<td>30.3%</td>
<td>29.9%</td>
</tr>
<tr>
<td>Academic reputation (high standards) of this school</td>
<td>7.5%</td>
<td>6.9%</td>
<td>26.8%</td>
<td>28.8%</td>
<td>30.0%</td>
</tr>
<tr>
<td>More emphasis on academics than extracurricular activities</td>
<td>6.4%</td>
<td>9.2%</td>
<td>29.2%</td>
<td>32.3%</td>
<td>23.0%</td>
</tr>
<tr>
<td>Promises made by charter school’s spokespersons</td>
<td>16.7%</td>
<td>13.4%</td>
<td>24.7%</td>
<td>28.2%</td>
<td>17.0%</td>
</tr>
<tr>
<td>Convenient location</td>
<td>26.2%</td>
<td>13.6%</td>
<td>27.6%</td>
<td>18.0%</td>
<td>14.6%</td>
</tr>
<tr>
<td>Difficulty to find other positions</td>
<td>30.8%</td>
<td>16.0%</td>
<td>23.1%</td>
<td>14.8%</td>
<td>15.3%</td>
</tr>
</tbody>
</table>

Note: N=728 Weighted

3.5 Professional Opportunities for Teachers in a New Type of Public School

In the RFP for this evaluation, the following question is included: “Have new professional opportunities for teachers been created in a new type of public school, in which the school structure and educational programs have been innovatively designed and managed by teachers at the school site level?” A blunt answer to this elaborate question is largely “no.” In the following paragraphs a description of the professional opportunities for teachers is included. The role of teachers in the charter school initiative is also discussed.

Professional activities. The majority of schools indicated that professional development of teachers was primarily received through in-service days, seminars, conferences, and workshops. For many of the schools, this is the only form of professional development while others also provide in-service training before the school year starts. Many of the schools have teachers attend weekly meetings with the administration to determine what the staff need to change or develop. Several of the principals/directors indicated that the work load in charter schools was greater than in traditional
schools, which led to difficulty in scheduling time for training. To remedy this problem, one principal tries to train teachers on the job as opposed to sending them to conferences, etc. One school receives funding to maintain a professional development library. One principal noted that there was unlimited professional development available for teachers, while a few other principals stated that there was no professional development available thus far. Two principals commented that professional development opportunities were evaluated on a needs basis by the principal.

Below are examples of how the schools responded to our inquiry about professional development opportunities for teachers.

- One school has year-round employees who have six weeks of in-service during the summer.
- Teachers have the opportunity to attend several seminars/staff development conferences and workshops to help them develop their skills.
- One school has a professional development library purchased with Goals 2000 grant money, as well as professional development days available to teachers. Teachers get two professional leave days a year, but are given more if it is relevant to the school’s needs. Teachers have attended the Michigan Reading Association Conference, AIMS, ASCD, and Multi-Age Classroom workshops.
- “Teachers go to conferences and workshops for the purposes of training, but this is not done extensively. Instead, the teachers set aside a substantial amount of time to devote to two areas: considering how to measure student success and discussing the curriculum and the instructional process. Typically, the staff meet for one 4 hour meeting on these and related topics each week. In terms of work load, everyone in the school is spread thinly.”
- Teachers at one school attend workshops offered by the state. For example, several teachers attended science teaching workshops. At the school itself, teachers attend workshops on matters such as classroom management, etc. There was considerable staff turnover in the school’s first year of operations, but this has stabilized in the past two years.
- Eventually, one PSA has plans to allow teachers to visit other schools and observe practices within them. Teachers will also attend workshops and so on for professional development. That is not happening at present. The principal explained, however, that the organizational structure of the school and the innovative pedagogic approach are actually giving teachers some impressive opportunities for self-development.
- The teachers at one school have attended a couple of conferences. As a group, they also visited a school in Grand Rapids to observe teaching practices. The principal was quite critical of the staff. All but one of the teachers would not be returning in the Fall of 1998; therefore, plans for additional professional development were not being considered at the time of the interview.
- The principal of one school said that the school offers more opportunities for teachers to improve their professional skills than traditional schools do. For example, he said that teachers can take
days off for professional training; some attended workshops to learn about such things as how to help children with reading and how to manage multiage classrooms.

☐ The principal at one school said professional development for teachers is a challenge. “I try to train the teachers on the job . . . the teachers would like to attend in-service workshops and so on, but I think it is better to do things on the job.” This principal said her school intends to begin sending teachers outside for training, but they will be very careful to see where the money goes.

☐ “Teachers are given 5 professional or sick days per year. There are three in-service days prior to the beginning of school year and there are six days built into the calendar for professional development. The area ISD does some of the charter school professional development.”

☐ “The teachers meet each morning from 8:00 to 8:30 a.m. for professional development. They also have a formal meeting once a month. Along with this, staff can participate in workshops, conferences, etc. Typically, funding for attendance at these events is funded by the school.”

☐ “All teachers attended discipline and personality testing/learning styles in-service training sessions. Every staff member completes an individual goal sheet each school year specifying any training desired. Training is then made available when possible.”

☐ “[Professional development] is on a need-based basis. This year it was computer classes and grant writing.”

☐ In an annual report, one principal wrote, “A crucial development plan must be effected to expose teachers to the management of multiple learning levels in the classroom. This exposure should support teachers in managing the challenging composition of our student body. However, due to lack of funds our staff development efforts have centered on discussions and peer presentations.”

☐ At one school the professional leave days are provided at the principal’s discretion. “All are allowed to go and are provided the opportunity. With four I pull teeth to get them to go; one will go at every chance given.”
Chapter Four
Students and Parents

4.1 Description of Sampled Students and Parents

Student samples. Two surveys were administered to classes of students in the PSAs. The Student Charter School Survey was administered to Grades 5-12, and the School Climate Survey was administered to Grades 6-12. Forty-seven of the 51 PSAs in our part of the state had at least one class of students in Grades 5-12. A total of 1,880 student surveys were collected from these schools. In the classes selected for sampling, there were a total of 2,025 students enrolled (this was our target population). Therefore, 92.8 percent of the students were in attendance and completed the survey. There were 8,904 students in the 47 sampled schools (there were 9,206 students in all 51 PSAs in our part of the state). Our sample of students included 21 percent of the total student population. If the total student population has been restricted to Grades 5-12, we would likely have sampled close to 60 percent of the total student population in Grades 5-12.

For the School Climate Survey, 7 schools were not included because they did not have students in Grades 6 or higher and 4 schools were not included because they were unwilling/or unable to participate in the survey. A total of 1,145 School Climate Surveys were collected from the students in the 40 schools included in the sample, which represented 86 percent of the students selected for administering the survey.

Parent and guardian samples. Two surveys were administered to a sample of parents and guardians at each PSA. The Parent Charter School Survey was administered to different groups of parents at two points in time, the first between December 1997 and February 1998 and the second in May 1998. During the second sample of parents, the School Climate Survey was also included. Considerable effort was put into a follow-up of parents so that we could receive a satisfactory response rate. For the Parent Charter School Survey, 10 schools were not included in the analysis since they had a response rate lower than 45 percent. Appendix C includes specific information about the achieved sample. After eliminating these 10 schools, the overall response rate for parents was 70 percent, which is quite good for this stakeholder group. A total of 981 parents were included in the analysis for this survey.

Because the School Climate Survey was administered only once, at the end of the school year, there were limitations in how extensive a follow-up could be done. A total of 21 schools were not included in the analyses since they had response rates below 45 percent. The overall response rate

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15 The schools not included in the sample are indicated in Appendix B.
for the 30 schools included was 65 percent. A total of 310 parent were included in the analysis for this survey.

Description of students. Of the students sampled, the mean age was 12.5 years. The students were rather evenly distributed over the grades, although Grade 5 had considerable more informants and Grade 12 had considerably less. The students had spent an average of 2.2 years in their charter school. Just over 77 percent of the students had previously attended a public school, while 12 percent attended private or parochial schools and 7.4 percent were home-schooled before attending the PSA. Just over half the students were males (52 percent). In terms of ethnicity, 68 percent were white, 19 percent, black, 5.6 percent were Hispanic, 0.7 percent were of Asian or Pacific Island descent, and 6.9 percent were Native American Indians (see Table 4:1)

Table 4:1 Sampled Parents and Students by Race/Ethnicity

<table>
<thead>
<tr>
<th></th>
<th>Black</th>
<th>Hispanic</th>
<th>Asian/Pacific Islander</th>
<th>Native American Indian</th>
<th>White</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sampled students (N = 280)</td>
<td>18.9%</td>
<td>5.6%</td>
<td>0.7%</td>
<td>6.9%</td>
<td>67.8%</td>
</tr>
<tr>
<td>Sampled parents (N = 188)</td>
<td>14.6%</td>
<td>3.6%</td>
<td>0.4%</td>
<td>2.8%</td>
<td>78.6%</td>
</tr>
</tbody>
</table>

Description of parents. Parents were randomly selected for participation in the survey, and one parent from each of the sampled families was asked to complete and return the questionnaire. Parents included in the sample had children enrolled at all grades levels, although 67 percent of the parents had children in Grades K-6. Just over 86 percent of the parents who completed the surveys were females, and 80 percent were in two-parent families. The annual family income for these informants was spread out among the predetermined categories. Half of the parents had family incomes between $40,000 and $100,000, with 5 percent of the families over $100,000. Only 3.6 percent of the families had annual incomes lower than $10,000. The distribution of parents according to ethnicity is included in Table 4:1.

In terms of the amount of time parents volunteered to work at the school, it was interesting to find that 61 percent of the parents reported that they did not volunteer at all or to a very limited degree (i.e., less than 3 hours per month). On the other hand, a much smaller proportion of the parents reported volunteering quite extensively. Eighteen percent of the parents volunteered between 4 and 6 hours per month, 5.6 percent volunteered between 7 and 9 hours per month, and 7.8 percent volunteered more than 12 hours per month. Most of the schools apparently do not formally require that parents volunteer at the school (25 percent of the parents reported that voluntary work was required), although from interviews it is clear that the schools expect greater support and volunteer work from parents.

The average distance to the charter school was 5.3 miles, while the average distance to the nearest applicable traditional public school was 2.54 miles. Since most of the PSAs do not provide busing, this indicates a high level of commitment on the part of parents.
4.2 Factors Influencing Students and Parents to Enroll in a PSA

In the parent surveys, to which nearly 1,000 responses were received and analyzed, 92.5 percent reported that they were aware of the school’s mission, which would indicate that the mission is important for the development of a PSA. Parents in the same survey indicated that the following 6 factors were most important (highest mean rating when 1 = Not Important to 5 = Very Important) in deciding to enroll their child in a particular PSA. [The mean rating on the 5-point scale is shown in parentheses for each item.]

1. Good teachers and high quality of instruction (4.32)
2. Emphasis and philosophy of this school (4.27)
3. Safety for my child (4.15)
4. Academic reputation (high standards) of this school (4.02)
5. More emphasis on academics than extracurricular activities (3.79)
6. Promises made by charter school’s spokespersons (3.59)

The lowest rated six factors, among the 15 options to which the parents could respond, were

1. Recommendations of teacher/official at my child’s previous school (1.75)
2. Child was performing poorly at previous school (2.46)
3. Convenient location (2.44)
4. Preference for a private school but could not afford it (2.56)
5. Child has special needs that were not being met at previous school (2.64)
6. Good physical facilities (2.88)

From a list of 10 reasons, students provide a mixed response as to why they and their parents chose this school. No single response option was predominant, but the one with the highest rating was “My parents thought this school is better for me.” The complete list of responses by students regarding their reasons to attend their PSA are highlighted in the table below.

Table 4:2 Students’ Rank Ordered Reasons for Choosing Their School

<table>
<thead>
<tr>
<th>Reason</th>
<th>Not important</th>
<th>Very important</th>
<th>Mean</th>
<th>STD</th>
<th>N</th>
<th>Missing</th>
</tr>
</thead>
<tbody>
<tr>
<td>My parents thought this school is better for me</td>
<td>8.1%</td>
<td>15.1%</td>
<td>1.99</td>
<td>1.31</td>
<td>1860</td>
<td>20</td>
</tr>
<tr>
<td>We heard that teachers were better in this school</td>
<td>25.9%</td>
<td>19.4%</td>
<td>1.60</td>
<td>1.31</td>
<td>1843</td>
<td>37</td>
</tr>
<tr>
<td>Teachers at previous school did not help me enough</td>
<td>30.7%</td>
<td>19.0%</td>
<td>1.28</td>
<td>1.40</td>
<td>1849</td>
<td>31</td>
</tr>
<tr>
<td>This school is safer</td>
<td>28.8%</td>
<td>12.7%</td>
<td>1.32</td>
<td>1.40</td>
<td>1843</td>
<td>37</td>
</tr>
<tr>
<td>I was not doing very well at the previous school</td>
<td>43.2%</td>
<td>10.1%</td>
<td>1.59</td>
<td>1.40</td>
<td>1830</td>
<td>50</td>
</tr>
<tr>
<td>This school has small classes</td>
<td>43.7%</td>
<td>11.8%</td>
<td>1.79</td>
<td>1.56</td>
<td>1844</td>
<td>36</td>
</tr>
<tr>
<td>This school has a convenient location</td>
<td>40.9%</td>
<td>23.0%</td>
<td>1.13</td>
<td>1.39</td>
<td>1839</td>
<td>41</td>
</tr>
<tr>
<td>This school has better computers &amp; other equipment</td>
<td>45.8%</td>
<td>16.1%</td>
<td>1.51</td>
<td>1.51</td>
<td>1847</td>
<td>33</td>
</tr>
<tr>
<td>This school is smaller</td>
<td>54.3%</td>
<td>1.5%</td>
<td>1.29</td>
<td>1.50</td>
<td>1829</td>
<td>51</td>
</tr>
<tr>
<td>My friends were attending this school</td>
<td>58.3%</td>
<td>14.2%</td>
<td>1.97</td>
<td>1.34</td>
<td>1842</td>
<td>38</td>
</tr>
</tbody>
</table>
Some parents chose the PSA because of what they wanted to leave behind in the traditional public schools. Many parents chose a PSA because of what the charter schools had promised. Several parents wrote about their belief in the vision/mission of the school and the high expectations that teachers and staff had for students.

4.3 Student and Parent Satisfaction

Just over 58 percent of the students thought they would recommend to a friend that he/she enroll in their PSA. On the other hand, 15.4 percent reported they would not recommend their school to a friend, and 26.5 percent were not sure.

A number of items dealing with student satisfaction were included in the student survey. Those aspects with which the students most strongly agreed dealt with the “smallness” and individual attention the students received. Appendix E contains the results from the student surveys, and the 29 items in question 16 provide further information about the statements with which the students agreed most strongly.

Parents sending their children to a PSA had very high expectations for the school. Table 15 in Appendix F illustrates the distribution of responses from parents on these items. In all categories where we solicited information on parents’ initial expectations and current experience, we found significant decreases. The largest disparities between initial and current expectations were regarding the school leadership/administration, quality of instruction, and individual attention for students. The majority of parents were still satisfied with these areas, but what distinguishes them is that the parent’s initial expectations were strikingly and statistically significantly higher than their current experiences.

Student performance. We asked the students to rate their own performance at their previous school and at their present school. In Table 4:3 below, the frequency distribution of responses is included in percentages. One can see that the students perceived their performance to be much better at the PSA than at their previous school. In fact the difference was statistically significant.\(^{16}\)

<table>
<thead>
<tr>
<th>Table 4:3 Student Self-Rated Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
<tr>
<td><strong>Excellent</strong></td>
</tr>
<tr>
<td>At previous school</td>
</tr>
<tr>
<td>At current charter school</td>
</tr>
<tr>
<td>(N = 1859)</td>
</tr>
</tbody>
</table>

\(^{16}\) Wilcoxon Signed Ranks Test was used to examine the difference between these two items, and the difference was found to be significant \((Z = -7.777, p = .000)\).
When the students were asked to compare their interest in their schoolwork at their current school than at their previous school, 50.6 percent indicated they were more interested in their schoolwork than they were at their previous school, 13 percent were less interested, and 36.4 percent indicated their interest level was about the same.

Safety at school has been an important concern of parents and an important factor for choosing a charter school. Only 13.4 percent of the sampled parents reported they had concerns for their child’s safety at the PSA. Several parents still had concerns about the safety of their children on the school grounds.

4.4 Students With Special Needs

Most of the PSAs work with local ISDs in order to meet the special needs of students within their schools. A small proportion of the schools can provide the necessary special education with only their own staff. A few schools contract with a local center to provide for the special needs of students. One principal commented that the concepts of the school (one-to-one teaching, low teacher/student ratio, etc.) reduce the need to have special education teachers. One principal stated that there are no students receiving special education because the school does not label students in that manner. One school principal stated that they could not afford students with special needs, but would either contract services or refer students back to their local school if there was a need.

☐ One school has three special education students. There is a special education teacher on staff who she works with each student 1½ hours daily.

☐ One suburban school provides excellent opportunities for students who are academically overachieving. These students can take many courses offered by the local community college, and the school pays for the tuition. A quarter of the students take courses at the community college. To meet the special needs of students as conventionally defined, the school works closely with the local ISD. The principal said that 6-10 percent of the students in the school are learning disabled.

☐ “Many students have made a conscious switch to this school to avoid being identified and labeled as special education students. Many high school students are sensitive to being labeled, and by coming to a new school and having something of a fresh start, they can often do better than they otherwise would have. But this does mean that the school has to be aware of the possibility that a student has a learning disability that will manifest itself over time. The school has no resource room and the small classes make it easier for teachers to accommodate students with special needs.”

☐ Several schools make use of the resources of the ISD.

☐ The school has a high percentage of children with special needs. However, it has attempted to avoid labeling students. The small-group work that is a major characteristic of the school might make it easier for teachers to notice if students are having particular learning problems. To help
students with special needs, the school contracts with a local therapy center, which charges $2,000 a month for its services. The school also has contacts with the ISD, which is very helpful. The school intends to hire a special needs teacher to be on site all the time. However, even then, it will continue to work with the ISD and the therapy center.

- “We have few special needs students. The low teacher/student ratio and the one-to-one teaching, plus developmental groupings of students reduce the need to have special teaching for students with special needs. In the future, we expect to be working more with the ISD to accommodate our students’ special needs.

- According to one principal at a PSA that attracted students from several school districts, “we do not have any students with IEPs or with special needs, although a few receive speech therapy services from the ISD.” When asked if the school had “counseled out” students with special needs, the principal alluded that this was the practice before she started working there a half year earlier.

- One principal claimed that more than 20 percent of their students had special needs, and these needs were met with minimal resources. “The special education is provided and funded by the ISD.” In addition, the school has a certified special education teacher on the staff who provides a lot of advice and assistance to teachers and the administrator on special needs issues.

- There is nobody in the school receiving special education because we don’t label children. Parents must request to have their student evaluated for special education. The ISD did tests on the children in one family, but found no special education needs. If needs were identified, the ISD would be used to support the students and provide the help needed.”

- At one suburban school, the special needs coordinator for the management company said that the school has some contracts with two area ISDs. She said that they are very good for helping children with special physical needs and that the school does a lot of work to support children with special needs in-house. She said that the small class sizes mean that children with special needs can often have those needs accommodated within a regular classroom without undue disruption or the reduction of the learning experience for other students.

- According to one principal, “We can’t afford these students [students with special needs].” Although the principal said he did not discourage anyone from attending the school, some students were “IEPed out” prior to enrolling. He said “no families have asked for services and if they did, it would cause a financial nightmare. If this did occur, I would either contract out these services or refer them back to their local school.”
5.1 Legislation

During nearly all our interviews, a number of questions were asked concerning the legislation regulating the charter school initiative in Michigan. In this section we will review the ideas and concerns raised by the various stakeholders.

A clear majority of the informants were generally content with the current legislation and had no specific suggestions for changes to be made in the legislation. The most common concern raised by the representatives of the charter schools was regarding start-up money. Many individuals expressed their wish that the legislation would stipulate that funds be made available to the schools so that they could secure, build, or renovate a facility. Some persons thought the state of Michigan should guarantee bank loans or establish a fund from which schools could borrow money.

Some individuals said that the charter schools received inadequate funds when compared with the public schools.

There should be some type of mandatory time period for planning charter schools before they can open their doors to students so there is not a “rush” to get everything done prior to students’ arrival.

Another area of concern touched upon by several informants including some authorizers was the amount of time required to plan and develop the school prior to opening the doors to students. More mandated time to prepare and plan was thought to be necessary. In the words of one person, “this would allow the school principal and the board to clarify their organizational philosophy and vision and determine the sort of curriculum they wanted before the staff arrived.” A few individuals indicated specific lengths of time required for laying the groundwork ranging from 8 - 18 months. While this issue may be addressed with new legislation, it may be more logical to require this as part of the authorization process.

A number of school leaders mentioned that they thought the cap on the number of charter schools should be removed or raised. Staff from a few of the new schools also thought that a public administrative agency should be established to assist charter schools. One school principal said, “This agency should be different from a management company. It makes no sense that all charter schools currently need to employ their own attorneys, accountants, and so on.”
Below some of the other less often mentioned issues are included:

- “There are two major problems with the legislation at present. First, there is inadequate financial provision made for charter schools. Second, the question of accommodation for charter schools is not appropriately addressed. In the case of our school, it continues to run a deficit because of the initial start-up expenditures. The school continues to lease a building and, in so doing, indirectly pays property taxes back to the state. This is a much different situation than that of a traditional public school.”

- One principal did not really know much about the legislation since she only came to Michigan about a year ago and this was her first job as a principal in the state.

- One principal suggested several changes that would be good for the school in the future: (i) don’t require the 3 percent fee out of gross revenues for oversight, (ii) provide start-up funds for charter schools, and (iii) change the payment system so that you don’t have to borrow money to begin at the start of the school year.

- One principal at a school run by a for-profit management company noted that “the cap on the number of charter schools that can operate in the state should be removed and the amount of per-student compensation from the state to charter schools should be increased . . . . Ultimately, charter schools should be able to receive all the resources that traditional public schools receive.”

- “Charter schools need to have some procedures in place that give them easier access to capital funding. Competition from charter schools was a good way to keep the traditional public schools in check and to ensure that personnel in those schools would not arrogantly follow their own approaches to doing things with little concern from students.”

There are a number of legislative issues that were raised by PSA directors during interviews we conducted. The most prominent legislative issues raised by EMOs and PSA spokespersons include the following:

- Provision of more start-up funds or guaranteed loans
- Allow multiple site charters as in the case of Arizona
- Allow second sites for schools that are performing well, and have long waiting list

Other specific evaluation questions raised in the RFP, are discussed below.

**How have the changes since the original charter school legislation affected the operation of charter schools?** The few nonconversion charter schools that went into operation during the first year of the initiative were negatively affected by the Supreme Court ruling that delayed funding for the first year. Many of the schools that were preparing to open were negatively affected by the general uncertainty of the initiative.
Has the legislation provided parents and pupils with greater choices among public schools, both within and outside their existing school districts? Approximately 2 percent of the compulsory level students in Michigan’s public schools now attend PSAs. While this is a low figure indicating limited choice, there is a much wider awareness of the presence of PSAs. The PSA initiative is widely discussed and debated across the state, both in districts that have several PSAs and in those with none. One can clearly note that choice has increased in urban areas where most of the PSAs are located. In Grand Rapids, a family can choose from several very distinct PSAs, with a wide range of specific profiles. Some of these schools even provide busing, which makes them a viable option for a large proportion of families.

In rural areas of the state, there is a limited presence of PSAs. The few rural PSAs that exist are in the proximity of a town from which they can attract students. In many of the smaller cities and towns, particularly those in the northeastern half of the lower peninsula and in the upper peninsula, the availability of choice provided by PSA is very limited or nonexistent.

5.2 The Role of the Michigan Department of Education

In the RFP, three specific evaluation questions regarding the Michigan Department of Education were included: (1) Is MDE viewed as reasonable in its data requests? (2) Has MDE staff provided appropriate support and guidance for charter schools and authorizing agencies? and (3) Has MDE provided leadership and supervision for charter schools and authorizing agencies? These three evaluation questions will be addressed in this section, with particular attention given to the first question.

Is MDE viewed as reasonable in its data requests? During the site visits to the charter schools, the school principals/directors were asked about how they perceived the requests for data from the Michigan Department of Education. A wide range of responses resulted. On the whole, most principals indicated that they thought there was too much paperwork and too many reporting requirements. There were a number of schools where the principals were extremely vocal in criticizing the extensive reporting requirements.

Even in terms of routine reporting practices, the principals said they had more reporting to do than the public schools. While this is not likely to be the case, this perception appears to be due to the fact that the principals were not aware of the reporting requirements that all public schools and school districts are required to complete. In some cases, the charter school principals were former public school administrators and complained that they never had such reporting requirements when working in traditional public schools. In one such case, the principal referred to criminal background checks of teachers. Obviously when these persons were employed in a similar role in a traditional public school, the checks were done by district-level rather than school-level staff.

In terms of the quantity of the documentation and information sent by MDE to the schools, the charter schools are—in their own words—being swamped with mail from MDE, most of which they claim is irrelevant to their particular school. One principal said the message he wanted MDE to hear...
was “Save trees!” He claimed that in the space of a year he could accumulate more than a four foot stack of paper from MDE. Because each charter school is also a district, the department of education sends all paperwork for principals and school superintendents. It also seems that schools receive copies of all mailings regardless of whether or not they are appropriate to the level of education each school provides.

Probably the charter schools will be able to develop routines to more efficiently deal with the burden of excess information. Because the Department of Education is concerned that it not be accused of overlooking any particular school in terms of access to information, it will likely continue to send copies of all documentation to all schools and districts regardless of its immediate relevance to each school.

The role of MDE in the charter school initiative. During the site visits to the charter schools, the school principals/directors were asked how they perceived the role of MDE in the charter school initiative. It was clear that MDE had a minimal role in terms of oversight. The principal requests for information concerned applications for grants (federal and or state) that were distributed through MDE.

While most schools reported that they had never had a single visit from a representative from the MDE, there was widespread agreement that the response to telephone requests for support and guidance was quite good. The schools were particularly satisfied with the ability of Gary Cass, who headed the charter school office at MDE, to reply to all their requests for information.

A number of the schools indicated that they had virtually no contact with the MDE, and some principals said they wanted to keep contact to a minimum. Below is a summary of some of the responses by charter school principals to the questions asked about MDE.

- One school principal said that his only contact with the Department of Education had been over compliance issues. He said he thought the Department’s reporting requirements were reasonable, and he noted that they were trying to make things easier for the schools by introducing reporting through the Internet.

- One principal said that he has had virtually no contact with Michigan Department of Education other than responding to their reporting requirements. He said that initially he thought the reporting requirements were burdensome, but reasonable. He also said that the introduction of electronic (on-line) reporting had required him to learn some new systems and to make some new computer purchases. However, he was learning his way with this and now did not think that the reporting requirements were too bad.

- One school principal said that the information requests from the Department of Education take time, but that MDE helps on all the financial information, making things easier for him.

- One principal reported that their school has had very good relations with the Department of Education. She attributed the good relations to the fact that the former principal had worked for
the Department of Education twice at earlier points in his career. This former principal was able to help arrange the leasing of the school property from the Department of Education.

One school principal said that she tries to keep contact with the Department of Education to a minimum . . . “no news is good news.” She said that “a major problem right now is that you have these organizations like the Department of Education breathing down your neck, but none of them are actually there to help the charter schools.”

One school principal was scathing of the Michigan Department of Education, suggesting that its energies are spent mostly on “self-adulation.” She said that it requires too many reports, yet does not seem to read them. She gave as evidence of this a panel that she attended. During the meeting, staff from the Department asked representatives of charter schools for information that, in fact, the schools had already provided to them in written notes before the meeting took place.

Two final questions in the RFP concerned the role of the MDE and asked whether MDE staff provided appropriate support and guidance and whether MDE provided leadership and supervision for charter schools and authorizing agencies. The charter school representatives indicated that MDE did provide support and guidance when requested. The schools reported that the charter school office was exceptionally good in providing support and guidance and other units in MDE were sufficiently good, although comments varied.

In terms of whether MDE provided leadership and supervision to charter schools and authorizing agencies, the answer is not so clear. In fact, representatives at MDE thought it was important to treat the charter schools equally with the traditional public schools and not to provide any more leadership and supervision than the traditional public schools received. The authorizing agencies appear to be receiving a considerable amount of support and guidance from one another.

5.3 Authorizing Agencies

There are currently 137 PSAs operating in Michigan. Of these, 109 of these are authorized by universities, 1 by a community college, 15 by intermediate school districts, and 12 by local public school districts. Among the state universities, there are five that have not authorized charter schools (i.e., University of Michigan, Michigan State University, Wayne State University, Western Michigan University, and Michigan Technological University). The Board of Trustees at Western Michigan University has decided to development a policy to begin chartering schools, possibly as many as 6 by the 1999/2000 school year.

The decision to have universities authorize PSAs is rather unique. In most states, the local educational authorities or a state authority, or both, issue charters. Many point out that this attribute in Michigan is due to a political decision: since the governor wants charter schools, and since the governor appoints the members of the boards of all state universities (aside from Michigan State University, The University of Michigan, and Wayne State University), this is a political arena that the governor can control. The president of Eastern Michigan University stated in December 1998
that he was against charter schools but when the governor threatened the university’s allocations, he changed his mind (Shelton, 1998).

Approximately 90 percent of the total charter school enrollment is in schools authorized by universities. There are advantages and disadvantages for the universities and for the charter school initiative with this particular arrangement. While university boards tend to mandate involvement in chartering schools, the colleges/departments of education at these universities tend to oppose charter schools and their university’s involvement in authorizing charter schools. The involvement of university staff is usually limited to staff in the charter school office and does not include a broader exchange. At a few universities, opposition by the faculty has reportedly decreased.

Northern Michigan University decided to start authorizing PSAs after new board members appointed by the governor pushed the issue at board meetings. This university took a compromise position and approved a policy stating the conditions under which it would authorize charter schools. The main points of this policy include the following points: (1) only authorize schools in the U.P., (2) only authorize charter schools that do not compete with traditional public schools, and (3) only authorize schools whose mission or curriculum is of particular interest to faculty in the Department of Education. NMU has chartered only three schools to date, and the cooperation of the Department of Education is very good.

The role of authorizer is inconsistently understood and applied across the state. The value of authorizer oversight and assistance varies considerably among the authorizing agencies.

In some cases the authorizers attempt to conceal rather than reveal weaknesses or problems at their schools. One authorizer has had several schools that have run into a number of serious problems. The head of this authorizing office reported that it has little power to steer the schools. Another authorizer has taken a very different course by initiating a process of investigation that led to a decision not to renew one school’s charter.

In this section an overview of the nature and roles of the authorizing agencies is included. Additionally, a number of evaluation questions originating from the RFP will be addressed. These questions include the following:

- Are the authorizing agencies providing appropriate oversight of charter schools?
- How expensive is the application process?
- How long does the application process take?
- How many visits have the authorizing agencies made to each charter school?
- Are the visits by the authorizing agencies to charter schools helpful?
- Is written feedback of the school visitation provided to MDE when requested?
- Has MDE been provided with an analysis of the authorizing agencies’ expenditures from the 3 percent fee, when requested?

Description of the authorizing agencies. There are four potential authorizing agencies in Michigan: public universities, community colleges, intermediate school districts, and local school
districts. Authorizing agencies are responsible for overseeing those schools to which they grant a charter. A contract is written up between the authorizer and the school in question, and the authorizer is responsible for seeing that the charter school lives up to the charter and is in compliance with applicable rules and regulations.

For the 1998/99 school year, universities authorized 109 schools, which was an increase of 30 from the previous year. Most charters to this point have been issued by universities, with several granted by intermediate school districts and a few by local school districts.

Below are included some excerpts from the interviews with school principals regarding the role of their authorizing bodies:

- “Many of the things our authorizer had offered are redundant because of the actions taken by the management company. Thus, we do not get more value for our money . . . . the 3 percent fee from the authorizers is basically a tax.”

- “In the current academic year, CMU personnel have visited the school twice. CMU has come simply to do oversight. They performed criminal background checks on all the staff. They make sure that financial reports are in order. They inspect the facilities and services for special education students. CMU asks for a large amount of information and that they must have quite a large dossier on the school and its day-to-day operations.”

- “This kind of oversight of the school is good and all schools should be subjected to it. The major problem with the accountability requirements are that they are being placed only on charter schools and not traditional public schools as well.”

- “Our school needs to strengthen its accounting procedures and it would be good if CMU could provide some technical advice in that area.”

- “There are few site visits from the authorizers, and the school pays too much to the authorizers in terms of the administration fee.”

- “The role played by Central Michigan University, as the sponsoring agency, is terrible. We get nothing for the 3 percent fee that is being taken.

<table>
<thead>
<tr>
<th>Authorizer</th>
<th>Number of Schools</th>
</tr>
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<tbody>
<tr>
<td>Central Michigan Univ.</td>
<td>46</td>
</tr>
<tr>
<td>Grand Valley State Univ.</td>
<td>16</td>
</tr>
<tr>
<td>Saginaw Valley State Univ.</td>
<td>15</td>
</tr>
<tr>
<td>Oakland University</td>
<td>5</td>
</tr>
<tr>
<td>Eastern Michigan Univ.</td>
<td>4</td>
</tr>
<tr>
<td>Ferris State University</td>
<td>0</td>
</tr>
<tr>
<td>Northern Michigan Univ.</td>
<td>3</td>
</tr>
<tr>
<td>Lake Superior State Univ.</td>
<td>0</td>
</tr>
<tr>
<td>Washtenaw Comm. College</td>
<td>1</td>
</tr>
<tr>
<td>Wayne County RESA</td>
<td>2</td>
</tr>
<tr>
<td>Saginaw ISD</td>
<td>3</td>
</tr>
<tr>
<td>St. Clair ISD</td>
<td>2</td>
</tr>
<tr>
<td>Hillsdale ISD</td>
<td>1</td>
</tr>
<tr>
<td>Bay-Arenac ISD</td>
<td>1</td>
</tr>
<tr>
<td>Midland County ESD</td>
<td>1</td>
</tr>
<tr>
<td>Washtenaw ISD</td>
<td>1</td>
</tr>
<tr>
<td>Detroit Public Schools</td>
<td>3</td>
</tr>
<tr>
<td>Inkster Public Schools</td>
<td>0</td>
</tr>
<tr>
<td>Manistee Area Public Schls.</td>
<td>1</td>
</tr>
<tr>
<td>Wyoming Public Schools</td>
<td>1</td>
</tr>
<tr>
<td>Total</td>
<td>106</td>
</tr>
<tr>
<td>1997/98</td>
<td>137</td>
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Table 5.1 Authorizing Bodies by Type and Number of Schools.
Rather, the school ends up with double the paperwork of a traditional public school. CMU typically just sends letters of noncompliance to the school and the regulations are overwhelming.”

“CMU works mostly with the Leona Group, and that is because Leona Group deals with all financial issues pertaining to the school. Representatives of CMU visit the school about 2 or 3 times a year. They have been helpful in giving advice on things like the organization of support for students requiring special education.”

In many cases, the school principals’ claims are out of perspective. For instance, because many of these principals are so overwhelmed with their multiple roles, any amount of paperwork can be perceived as overwhelming. Many of the principals have backgrounds as teachers or in another field and do not have a great amount of experience with administering a public school. Many simply underestimated just how much organization must go into the running of a school.

The authorizers receive three percent of the state grant to each school. The charter schools pay a 3 percent administrative fee to the authorizing agency. This fee covers costs for reviewing applications, issuing charters, and providing oversight to the schools. Many of the authorizers, especially those with small schools and or few schools, feel that this amount of money is barely sufficient or not sufficient enough to conduct the oversight required. There is one authorizer, however, which is taking steps to return money to the schools since they feel they receive too much money for the oversight and technical assistance they provide.

Services provided by the authorizers include the following:

- Monthly newsletters. In the case of SVSU, these newsletters have contained, among other things, suggestions for professional development.
- Monthly or quarterly workshops or meetings for school directors. These sessions cover topics such as the organization of budgets, salary decisions, developing benefits packages, and so on. Department of Education staff have been invited to many of these training sessions since they can best explain many of the reporting procedures and provide a solid rationale for why schools need to report reliable data on a regular basis.
- In some cases, the PSAs can also receive assistance of third-party consultants paid for by the authorizing agencies.

Are the authorizing agencies providing appropriate oversight of charter schools? Oversight is a rather new activity, and in many respects, it is fair to say that the authorizers are learning as they go. Given the experience of the first few years, many of the authorizing agencies are developing rather effective routines that help to streamline oversight activities. They have also been able to develop comprehensive packages of information to facilitate the schools’ operation in terms of compliance issues. The authorizing agencies that started later have benefitted from the learning experiences of the initial authorizers.
How expensive is the application process? Many of the authorizers indicated that it is not possible to distinguish specific expenses, although they indicated that the processing of applications can consume between 10 and 25 percent of their total expenditures, depending on the authorizer.

How long does the application process take? After requesting an application form for submitting an application for a charter, it usually takes 5-6 months before successful applicants receive a contract with an authorizing agency. There is, of course, considerable differences among the authorizers as well as differences that occur from year to year. Once again, it can be pointed out that the authorizers that have been working for a few years are establishing sound routines and procedures to expedite such procedures.

How many visits have the authorizing agencies made to each charter school? At each of the schools we visited, we asked the school principal/director to describe the number and nature of the visits made by authorizing agencies. Generally, the schools reported receiving between 3 and 7 visits per year from representatives of the authorizing agencies. Most of the authorizing agencies arrange for the same person to visit the school each time so that there is some continuity. CMU was not using this practice during the previous year; rather, they sent a number of persons to the schools, each with responsibility to review specific areas. Some CMU-authorized schools noted that they preferred how CMU had earlier used regional representatives who made all the site visits. Documentation provided by CMU indicated that the number of visits they made to their PSAs ranged from 4 to 27 during the 1996/97 school year. Other authorizers also indicated that they made far more visits to the schools than the schools themselves had indicated. For example, many of the authorizers have a representative attend PSA board meetings.

Are the visits by the authorizing agencies to charter schools helpful? At the 51 schools where we conducted interviews, the comments from the school principals regarding their particular authorizing agencies varied extensively depending upon which authorizer they had and how certain they were that their comments would remain confidential.

Among the four state universities that were authorizing in our part of the state, the schools chartered by Grand Valley State University and Saginaw Valley State University were clearly most satisfied with the oversight and support they were receiving. The comments from the directors of the three schools chartered by Northern Michigan University were generally quite favorable, although one director was quite negative. This was most likely due to the director’s position that no oversight should be required and that the staff at his particular school were more qualified than anybody sent by the university.

The comments regarding Central Michigan University’s role as an authorizing agency were rather negative. Questions regarding the role of authorizers were discussed in interviews during our first round of school visits. The extensive audit of CMU had pushed into an uncomfortable position, and a number of schools claimed that CMU went from treating them in a protective fashion to using them—as in the words of one school director—as its “whipping boy.” “The communications from CMU had turned from friendly letters to legalistic letters demanding compliance.”
The CMU charter school office also had a quick turnover of directors. Many of the schools, even the one located in Mount Pleasant, were astonished by the fact that the previous director of the charter school office had never visited their school. When the new director, Jim Goenner, took over the leadership of the CMU charter school office, a moratorium on authorizing new schools was issued. Priority was to be given to rebuilding relationships with the schools and putting things in order before authorizing more schools.

In some cases, the schools did not feel that the persons sent to the their schools were sufficiently knowledgeable to provide assistance. In line with such criticism, a number of PSA leaders indicated that they would prefer to be “free” from their authorizer at some point since they believed that after they have established a functioning school they should be treated as any other school district. These schools were also interested to retain the 3 percent administration fee that the authorizers receive for providing oversight.

Is written feedback of the school visitation provided to MDE when requested? Unfortunately, we have not been provided access to this information by MDE. This information is to be contained in the legislatively mandated annual report of the charter schools. Since this (these) reports have not yet been approved for release, we were not allowed to review the information. Some comments about this information were provided by an MDE employee. Based upon these comments we can report that the length and quality of the information provided by the authorizing agencies vary extensively. Not all authorizing agencies have provided the requested information to MDE. It was reported that CMU provided extensive information about its visits, while the information from other university authorizers is less extensive. Some of the ISDs that authorized schools provided so little information about their visits that it could fit on a single sheet of paper.

Has MDE been provided with an analysis of the authorizing agencies’ expenditures from the 3 percent fee, when requested? The Michigan Department of Education does not receive financial statements from the authorizing agencies. These entities are generally universities with no reporting responsibilities to the MDE. Public school districts that charter schools may receive the administrative fee; however, they report expenditures and revenues in total, not by individual revenue source.

Public School Academies are directed to report the 3 percent fee on their Form Bs as “purchased services” under the function code for General Administration (230). No detail of the types of services they receive is currently available in reporting documents.

To what extent is each PSA fulfilling its performance contract with its authorizing agency? This is a difficult question to answer since the schools vary considerably in their performance and in their ability to demonstrate concretely how well they are performing. On top of this, the authorizing agencies vary considerably in the expectations they set for their schools. Large differences exist between authorizers, and differences exists in contracts from the same authorizer. Several authorizing agencies noted that they have become more stringent in setting high expectations and requiring more standardized testing.
As was mentioned earlier in this chapter, there has been a tendency for some authorizers to conceal rather than reveal schools that are not living up to their contracts. This fact has also complicated answering this question.

Why have local school districts, intermediate school districts, and community colleges used their statutory authority to authorize public school academies to such a limited extent? There are a number of reasons why eligible organizations have chosen not to exercise their authority to authorize PSAs. For the local school districts, the list might include the following:

- view that charter schools are competitors
- potential conflicts with the union
- failure to gain board support for engaging in this activity
- loss of enrollment and revenue for the traditional public schools in the district
- potential of the PSA to draw students from other districts (including private and parochial schools) and cause strained relationships with colleagues
- disagreement with the concept and the use of public funds for charter schools

For the intermediate school districts, the following reasons are likely to apply in addition to those reasons mentioned for the school districts:

- potential for loss of support from local school districts (clients) who are opposed to charter schools
- lack of centrality of this initiative to the mission and purpose of the ISD

For community colleges, it seems that the idea of engaging in the charter school initiative as an authorizer is simply not a priority. At the same time, there may be opportunities for sharing resources/facilities and providing educational opportunities in specialized areas of study compatible with the mission/focus of the charter school. In other words, there may be a viable place for community colleges in the charter school initiative, but they don’t seem to have the interest, experience, or possible expertise that would be needed by an authorizing agency.

For four-year public universities, there seems to be a growing list of participants; but the reasons against serving in an authorizing role include the following:

- lack of compatibility of this activity with the mission and purpose of the university
- lack of personnel and/or resources to fulfill the expectations of an authorizer
- potential conflict of interest and loss of support from public schools from which the university enjoys support and cooperation for student teaching, internships, research, etc., and the real or potential threat of the loss of these relationships
- disagreement of the faculty with the concept
- potential for disrupting the balance of enrollments within one or more school districts
- disinterest in engaging in a politically charged agenda item that is not central to the legislative authority of higher education
unwillingness to engage in a relationship with specific parties (and their beliefs) that have approached selected universities about the chartering/authorizing process

From input that we have received, it is clear that eligible organizations have contemplated and made deliberate decisions about whether they should become authorizers. At least in some instances, these discussions/decisions have included considerations regarding the potential or real local and state level political ramifications. More specifically, would future resource allocations to a university be affected by a politically unpopular stance? How much authority/responsibility would the university have for a failing school (PSA)? Would the development and operation of a charter in an area beyond the normally recognized service area of a university be good use of resources and acceptable to other universities? How would the relationship between the university and the larger community be affected by a decision to create a school that would be in competition with the local public and private/parochial schools? If the initiative or a school should fail, what are the legal and ethical responsibilities for the university?

In summary, there are many reasons why potential authorizers have chosen not to assume this role. The opportunity to attract the 3 percent administrative fee seems to have little impact on these decisions. Mission of the organization, relationships with collaborators/clients, and uncertainty of support for the initiative are probably the three major factors that were central to these decisions. At the same time, we have to recognize that informants are not particularly interested in explaining why they did not choose an option for which they had a choice that is as politically loaded as is this issue.

5.4 Management Companies

When we started this evaluation, we had little or no knowledge of the existence and role of management companies in the charter school initiative. In fact, the RFP makes no reference to this component. After our first round of school visits, we were made aware of how important and influential educational management organizations (EMOs) were for the initiative.

During the 1997/98 school year, just under 50 percent of the schools were contracting out services to EMOs. During the 1998/99 school year. This figure jumped to almost 70 percent. There also appears to be a trend with a larger proportion of new charters granted to applicants that already have agreements with management companies. For the authorizers, it is clearly advantageous to have schools that work with management companies. These schools will have access to capital, less need for technical assistance and will have fewer budgetary problems.

Relative to other states, Michigan’s Constitution is among the most restrictive in terms of use of public funds for only nonprofit and public entities. While the state has tax credits for higher education, this is not allowed for K-12 education. Nevertheless, Michigan is one of the two most EMO-friendly states in the country (Arizona is the other). Mintrom and Vergari (1998) have conducted an analysis of charter school legislation across the country and identify Michigan as one of the states with permissive legislation.
The nature and purpose of the management companies vary extensively. We can group the management companies according to a number of characteristics. Below is a matrix that delineates a number of the differences among them (see Figure 5:1). In Type 1, we would find the companies that typically operate only one school. The EMOs have limited involvement in the school and typically are established for the sole purpose of providing a private entity to employ the existing teachers. These EMOs have a contract for employing and supervising the personnel. This allows a way around the state employee retirement program. In other states, we have also seen community foundations/organizations, with special goals, establish charter schools as an extension of their community services. The other nonprofit type (Type 2) is rather uncommon; we are not aware of a nonprofit operating more than one school.

In Type 3, there exist a handful of companies. There is a tendency for these EMOs to eventually expand and establish additional schools.

The fourth box indicates that there are two distinct groups of EMOs (Types 4 and 5). The for profit management companies included in Types 4 and 5 are quite large and typically manage several schools. Some of them manage schools around the country and even abroad, while others are limited to managing schools in Michigan. Most, if not all of the companies that operate only in Michigan have expressed their desire to expand operations to other states that have permissive charter school legislation. Type 4 and 5 EMOs have substantial financial resources to help schools locate, renovate, or build a school facility. In this group we could place National Heritage Academies, the Leona Group, the Edison Project).

The large difference that exists between Type 4 and Type 5 EMOs is their approach to providing services. Type 4 EMOs have an “à la carte” approach where schools can pick and pay for only those services they wish. Type 5 EMOs can be characterized by their so-called “cookie cutter” schools. The EMOs in the latter group have extensive—if not total—control over curriculum and school design. While Type 4 EMOs are happy to provide services to existing PSAs, Type 5 EMOs start their own.

A number of schools expressed concern with the management companies, primarily due to the issue of control over the curriculum and focus of the school. At a few of the schools, the principals were very dissatisfied with the fact that their management companies had assumed a tight control over the school. At one school, the principal mentioned that the decision to not use a management company was due to the fact that the parents were able to volunteer at the school and even help in such areas as bookkeeping and managing of accounts. At one school the principal noted that the management company had a very strong presence and that the top decision maker at the school was the president of the management company.

Some schools use management companies only for payroll and benefits purposes. Such EMOs would be largely found in Type 1 and 3. In these cases, the schools indicated that the management companies had no control over curriculum, but instead helped with technical support and finances.
For some schools, their limited budgets and the limited scope of such tasks as payroll and benefits prohibit the use of a management company. Likewise, a number of management companies are not interested in very small schools since they are not as efficient to manage. Several of the schools that do not have a management company employ a business manager who shares the administrative tasks with the school principal.

The management companies have authority over hiring and firing in the schools. In a few cases, the management company provides a job description for the principal that states that the principal is responsible for the hiring and firing at that particular site for the management company. In practice, the school principal/director and the school board have influence in hiring and firing since they make recommendations to the management company.

Several of the management companies are involved in the selection process of board members. While the final decision for board appointments is made by the authorizing agency, the recruitment and recommendations for board members have also come from the management companies. This is often the case with Type 4 and 5 EMOs.

There is an emerging group of businesses catering specifically to charter schools. They provide a range of services. Some are limited to specific services, while others provide wide variety of services. Among the services provided are those listed below:

- busing
- lunch and food
- special education
- loans
- financial advice
- accounting
- legal advice
- personnel recruitment
- payroll and benefits

Below are some of the comments provided by the school principals regarding management companies.

- The principal at one school said that, aside from the fact that the management companies might take 10 percent of the budget in return for their services, there is a big issue here of control. He said that the school would not be comfortable with someone else getting involved. “Would they be compatible with our goals, our beliefs, our values?” The principal said that “management firms are obviously in it to make money. When you’re in it to make money, unavoidably decisions will be influenced by this, and what is best for students and corporations might be in conflict. We are not doing this for the profit motive.” The principal said that the school board—which has some quite savvy people on it—provides advice and the sort of consultation that a management company might be able to offer. Although the school does not make use of a management company, the staff formed a corporation. All the salary components of the school’s budget go to this corporation. The staff, through the corporation, subcontract their services to the school board. The motivation for this was purely to avoid having to follow the guidelines and rules governing the employment of government workers in Michigan.
“For the most part, our school provides all its own services. Unlike some other charter schools
that have begun to contract with other school districts or management companies for
transportation, and lunch services, this school makes do alone or with parental support. For
example, parents transport their children to the school. The children bring their own lunches.
The school contracts with specialists, where necessary, to help with special education students.
The one aspect where our school contracts for services is in the area of employment services.
The school does not employ any of the teachers or staff itself. Rather, they are employed by a
separate company. This company provides employment services to other firms, but this is the
first charter school it has provided with services. The company’s success with this school had
led them to begin looking for other business with charter schools. The major reason for using
this company was to avoid having to make payments into the Michigan Public Services
Retirement Fund (MPSR). “Instead of having about 16 percent of the payroll going to the MPSR
fund, now only about 5 percent of it goes into retirement benefits, in the form of contributions
to a 401k plan. Beyond this 5 percent of payroll, the school also pays a fee for the services
provided by the company, but the combined costs are still lower than if the staff were treated as
state employees. For employees, this means that the major difference is that they now have a
defined contribution to a retirement account rather than having a defined benefit to be paid in the
future.”

“Our school employs the services of a professional accountant and a lawyer. It also contracts
with the local school district for the provision of lunches for some of the students. This is the
extent of involvement with outside parties. We have been approached by several management
companies, but we have a philosophical disagreement with the presence of these companies.”
The principal said that she did not believe anyone should be making a profit from education. She
said that management companies are only interested in making a profit and that the people in
them have no personal commitment to education. The principal also said that when she has
spoken with management companies, she received the impression that the first thing they would
like to do is expand the enrollment of the school because this would allow them to make more
money. Further, she was concerned that some management companies have a lot of say over the
hiring and firing of teachers and principals, and that the companies can make recommendations
as to who sits on the school board. The principal said that she wanted to keep a family focus in
the school and ensure that people involved in the school were there because they wanted to make
a personal commitment to the education of the children there. The school principal has made
some trade-offs for herself and her staff by wanting to keep tight control of all school-related
issues and not wanting to work with management companies. For example, she noted elsewhere
in the interview that she would like to have the teachers pay into a 401k retirement plan, not the
state retirement plan as they presently do. But this is exactly what working with a management
company would allow. Also, she gets overwhelmed with the paperwork aspects of her job. She
said that she is principal, administrator, and still likes to teach. Potentially, a management
company could relieve her of some of these burdens. Finally, management companies can serve
as a source of finance for charter schools. The principal said that one of the big problems for
charter schools is that, unlike traditional public schools, they do not have a district office to help
them with administrative matters.
We would be happy to work with a nonprofit agency that assisted charter schools. Our school does not use a management company, even though our authorizing agency has recommended this.”

Among the major problems that PSA administrators face are (i) being overwhelmed with paperwork, (ii) financial issues and bookkeeping, and (iii) lack of resources. In fact, these are the three areas in which the management companies provide assistance. There is clearly a symbiotic relationship that exists between many of the PSAs and their management companies. A number of rather serious issues have arisen due to the presence of the management companies. Among them are the following:

- While the PSA initiative was intended to promote parent and teacher influence in the schools, we find EMOs that start and run the schools according to their own visions and motives.

- While the logical development of the relationship between a PSA and a management company develops when the PSA searches for a management company to provide for its particular needs, we are not so aware of the increasing phenomenon of management companies who go in search of a “community” to host its schools. In fact, at several schools we were informed that the impetus behind the school was not a local group of parents or educators; rather, it was the management company.
Chapter Six
Innovations in the Public School Academies

As a part of the Michigan legislative action that created the opportunity for charter schools (public school academies) to be developed, Section 511a of the Revised School Code provided a list of primary purposes for this action. Listed among the 6 purposes was “to stimulate innovative teaching methods.” While not specifically included among the several evaluation questions in the RFP for this study, we added the following questions to investigate.

What, if any, innovative teaching methods or educational practices have been stimulated by the charter schools? To what extent are these transportable to other schools (charters and noncharters)?

As we became involved in the data collection phase of this study, it became clear that there are numerous operational definitions of “innovation.” In our interviews and on-site observations, we accepted the local definitions of innovation as we recorded them in field notes. However, there is a need to establish a definition of innovation that is credible among educational professionals and other external audiences, yet reasonably reflective of local perceptions. Generally, innovation is defined in recognized dictionaries, e.g., *Random House, Compact Unabridged Dictionary* (1996), as “something new and different that is introduced.” Even with this definition, does this mean that for something to be innovative it must be totally new and never observed in another school setting; or are there degrees of innovation, i.e., something that is infrequently found in other school settings? Also, should we consider anything that is new and different, even if it appears to have negative or no impact on the success of the school?

A seemingly more liberal definition of innovation is provided by Rogers (1995) in which he defines it as “an idea, practice, or object that is perceived as new by an individual or other unit of adoption.” As one will see later, a number of “innovations” are reported by individuals associated with the charter schools; to them, these may be new, but experienced educators would likely not agree.

To be reasonable, we will consider and report examples of educational practices that seem to be infrequently found in most schools at this level. This information about possible innovations was gathered via on-site interviews and observations of school practices and by written/printed documentation provided to the evaluation team by the school. Also, we broadened our search for innovations to include not only “teaching methods,” but also innovative educational practices. The following sections, 6.1 - 6.3, relate to innovations in management, operations, and technology and the potential for transportability of innovations to other school settings. Sections 6.4 - 6.6 pertain to more evaluative judgments about programs and practices found and/or needed in the charter schools.
6.1 Innovative Practices in Instruction, Management, and Operations

In the area of instruction and teaching methods, some of the innovations are listed below.

- specific focus of a curriculum, i.e., Native American, African American, fine arts, agriculture, ecology, etc.
- community activity experiences for students with a mentor (K-12 school)
- set aside time (~30 minutes/day) for reading
- co-enrollment of high school students in community college courses
- multilevel (grade/age) classrooms
- before and after school activities program
- Individual Education Plans (IEPs) for all students
- small class size with additional adults (aides or volunteers) assisting the teacher
- greater individualization
- use of teaching assistants and volunteers in the classroom
- Montessori methods

Other practices described by the schools as innovative, but clearly not new to schools generally, are

- cooperative learning
- Chicago math and Saxon math
- small and large group instruction
- learning labs
- foreign language
- outcomes based
- direct approach/differential approach to instruction

The practices listed above may be perceived as innovative in some quarters or something less than innovative by others. More importantly, there is little evidence that these practices have a positive impact on the achievement of the students or the overall success of the school.

In terms of school management and operations, we saw some practices that are quite different from the regular public schools. Obviously, some of these come as no surprise because the legislation either dictates or specifically authorizes such an arrangement. For example, the involvement of authorizers and nonelected governing boards are characteristics of Michigan PSAs. We have not included practices related to these entities as a part of this section on innovations. Other educational practices cited or recognized as infrequently occurring with regard to the broad area of school management and governance are listed below.

- school founders self- or board-appointed as administrative heads/managers of schools
- use of for- and not-for-profit management companies for diverse services ranging from the provision of limited financial services to general management of a school
- contracting for instructional services with a private company as opposed to employing individuals as teachers
- renovation of a variety of structures/buildings for school use
- nepotism in employment of spouses and sons/daughters
- acquisition of bank loans and acquisitions of property for the development of schools and campuses
- parents responsible for transportation of students to and from school
- absence of lunch program for students, especially the lack of free or reduced meals for students with demonstrated needs
- personal assumption of school indebtedness by founder and/or parents
- shared or sole decision-making by teachers in selected areas

The practices listed above as innovations in the realm of school management and operations are not generally found in all charter schools. Each school, with the exception of those with contracted management responsibilities, seems to have its own characteristics. However, we found forms of these innovations in one or more schools. Those under the management of private companies have degrees of similarities, particularly in the area of business functions. Interviews with management company representatives indicate that they see the potential for profits or savings in more effective business practices. Having a single office serve as a business office for multiple schools provides an economic benefit that could be similarly found in centralized business operations in a regular school district.

As one examines the innovations identified with school management and operations, questions could be raised about the desirability of some of them. For example, is it desirable that the management of a school or key positions are held by persons in the same family? Potential conflicts of interest are inherent in family relationships between employee and supervisor and between the school director and the owner of a contracting business. Are reasonable forms of accountability compromised in these situations? With limited opportunity for generating income and lack of assurance of a long-term charter, is it a good business practice for nonprofit organizations to be created and incur an indebtedness for the operation and/or construction/remodeling of a public school (public school academy)? Does the absence of free transportation and free or reduced-price lunches for charter schools create an undesirable selection factor? Are there advantages or disadvantages when teachers are employees of a private company, as opposed to the traditional form of school employer/employee arrangement?

In total, there are clearly a number of innovations in school management and operations. However, there are no convincing arguments or evidence that all of these are legally or ethically desirable. In the future, considerable attention should be addressed to these key issues.

6.2 Educational Technology

In discussions with charter school representatives, whether teachers, administrators, or parents, the concept of technology is almost totally confined to computers. Other forms of technology are seldom mentioned or identified as a point of discussion. In promotional materials for charter schools, especially informational materials widely disseminated in communities to attract students, greater
access and use of technology or computers are often stated among the advantages of charter schools over their regular public school counterparts.

On-site visits to the charter schools in Michigan provided us with an opportunity to see what technology is available and some idea of how much and in what ways it is being used. Overall, computers are available in classrooms or in centralized laboratories in almost every school. In a number of the schools, teachers have a dedicated computer for their use; and it is primarily used for keeping records, preparing student materials, and/or demonstrating particular forms of software. While clearly not based on a substantial amount of data, we perceive that teachers and administrators have limited knowledge of the potential uses of computers for instruction and/or classroom/school management. A number cited their desire to have training in the use of computers.

As to student use of computers, there is a broad spectrum of use being made of computers. In most schools, software packages have been installed for word processing, developing presentations, access to the Internet, references/encyclopedias, games, and some specialized subject matter programs. In some schools there is a “computer literacy” requirement, and in many schools students are taught keyboarding skills. In some instances, we observed students writing papers for classes, developing group presentations, and engaging in drill activities to hone their knowledge and skills in a particular subject area, i.e., math, language arts, etc.

What we did not see in the use of technology may have been the most revealing. Seldom, if at all, are the Michigan charter schools equipped or planning to make use of distance education technology or programs. Among these technologies would be satellite, compressed video, and interactive computers. Many of the current charter schools have characteristics common to regular small schools serving rural communities throughout the country, i.e., limited student enrollment; lack of highly specialized teachers; limited ability to offer specialized or advanced courses in science, math, and foreign languages especially at the high school level; etc. To overcome these problems, small schools have turned to the use of distance education to meet a number of these needs. We were surprised that the smaller charter schools had not recognized or at least considered the capabilities of the various forms of distance education.

Start-up as well as maintenance costs for technology are significant, and this could be a reason for the current lack of extensive use of technology in the charter schools. Some schools had received grants or gifts for the purchase of equipment, and others reported that they had sought monies through various channels for purchasing computers with mixed success. In the schools themselves, the facilities for housing computer student stations or labs ranged from a variety of makeshift arrangements to well-designed laboratories.

There is little evidence to indicate that charter schools have made greater or more innovative use of technology/computers than a typical regular school. Generally, charter school teachers are minimally prepared to use the computers and probably less knowledgeable about the potential uses/benefits of other forms of technology. In addition, there is seldom a technology coordinator associated with charter schools. In the absence of such a person, various committees of teachers and, on occasion, parents or board members serve in that capacity.
It is fair to say that technology is appropriately viewed as a tool, and unless a teacher can see benefits for students or more economical use of time for him/herself, there is little hope or expectation that greater interest and use of technology will occur. Without this recognition and support, expenditures of monies from regular school revenues for technology will not likely increase in any significant amount.

6.3 Transportability of Innovations to Other Schools

For over 30 years, a body of research has been developing in relationship to the acceptance and diffusion of innovations and exemplary educational programs. With the development of the “alphabet curricula,” i.e., ESS, SCIS, HPP, S-APA, BSCS, etc., the National Science Foundation spent hundreds of millions of dollars developing new approaches to teaching K-12 science and mathematics. The existing practices of dissemination and implementation included summer and academic year training of potential leaders or trainers of trainers and inservice training programs for school faculties. Most science educators and curriculum directors would judge these efforts as only partially successful. During the 1970s, Gene Hall and Shirley Hord (1987) developed the Concerns Based Adoption Model (CBAM) to explain and predict the adoption and implementation of innovations, and the innovation-decision process is depicted as five stages in Diffusion of Innovations by Rogers (1995, p. 162). These stages are described below.

1. **Knowledge** occurs when an individual (or other decision-making unit) is exposed to an innovation’s existence and gains some understanding of how it functions.

2. **Persuasion** occurs when an individual (or some other decision-making unit) forms a favorable or unfavorable attitude toward the innovation.

3. **Decision** occurs when an individual (or some other decision-making unit) engages in activities that lead to a choice to adopt or reject the innovation.

4. **Implementation** occurs when an individual (or other decision-making unit) puts an innovation into use.

5. **Configuration** occurs when an individual (or some other decision-making unit) seeks reinforcement of an innovation-decision already made, or reverses a previous decision to adopt or reject the innovation if exposed to conflicting messages about the innovation.

Within the time frame that charter schools have been in existence in Michigan, it is probably not reasonable to expect that much noteworthy transfer of innovations to the regular public schools would have occurred. With respect to the steps listed above, we suggest that most actions are still within step 1, i.e., the innovations’ existence and understanding of how they function are being learned. With regard to CBAM, one of the earliest predicted concerns by teachers about the innovation would be the negative impact of the innovation on their students.
Other efforts to identify and validate exemplary educational programs and disseminate these were undertaken by the federal government with cooperation within each of the states through the “National Diffusion Network.” Of course, the ERIC system has been operational for many years with a general mission of providing information across a broad spectrum of subject areas. Further, the many professional organizations and other groups/companies who cater to the professional education community provide information about “innovative practices” in various forms, i.e., professional meetings, journals, training, product/program, literature, etc. In fact, the charter schools’ organization (Michigan Association of Public School Academies) disseminates a periodic newsletter and conducts an annual conference in which exemplary programs/practices are highlighted.

In summary, there are many opportunities for charter schools to learn about innovative practices. Since all of these schools are newly developed, with the exception of the relatively few converted private or parochial schools, one might expect that innovative practices would be frequent and widespread. However, such is not the case. We found unpredictably few clear innovations, which would not suggest that transportability is an immediate expectation. In fact, we found the charter schools to be remarkably similar to the regular public schools, with the notable exceptions of generally smaller student enrollments, the presence of additional adults (teaching assistants/volunteers) in the classroom, governance, and span of contracted (management) services.
Chapter Seven
Demonstrating Success

7.1 Indicators/Evidence of School Excellence

The need to demonstrate school success, especially student achievement, is almost universally found to be a challenge, if not a major problem. This is not to say that the schools are not successful or students are not learning. However, the founders and key personnel in many of the PSAs are uncomfortable using the traditional measures of success (standardized tests), and they have not been successful in identifying or at least in reporting results in other defensible/persuasive ways. We are troubled by the many misleading reports about student success found in newspapers and other publicly distributed materials. Oftentimes, these reports are based on selected and very small (inappropriate) samples without properly identified comparisons or adequately explanatory information about the measures themselves. While a waiting list of students is an indication of parental desires, by itself it is not a sufficient indication of success or demonstration of accountability.

Many schools claim that the single, most important piece of evidence is that parents choose their school for their children. While most of the schools are filled, there are high rates of attrition among teachers, students, and even principals in many of the schools. Due to the limited indicators on attrition, we were dependent on the school supplying this evidence, and in some schools the data provided clearly contrasted with other sources of information.

The school principals were asked about the factors that contributed to the success of their schools. Small size of the school and the classrooms was an often cited factor. The commitment and dedication of the staff was another often referred to factor. In a few schools, the principals attributed the success of the school to the capabilities of their school boards. Additionally, a few principals attributed the success of the school to their own work and experience. Other frequently cited factors included the clearly defined purpose and set of expectations for the school; the absence of “labeling” students into various groups. Three principals felt that their schools could not be considered successful.

Below we include a sample of some of the responses regarding factors behind the success of their school.

○ One school principal stated the factors of success for this school are as follows. Classes are not graded and the school has small class sizes, of between 15 to 20 students. There is less emphasis on lectures and more on engagement, group discussion, conversation, and so on. The school has an extended school year, running for 191 days rather than the standard 180. The school has
a three week summer session which students are required to attend. This summer, the school will offer courses on: film theory, college planning and visitation, woodworking, Michigan history, art history, and national parks. In January of each year, the school asks teachers and students for suggestions for the summer core course offerings. The teachers, along with the principal, refine the list to the final set of offerings. Next, the school figures out how to raise funds to support the activities. The students have engaged in things like weekend car washes to help pay the summer school costs. The school principal said that the success of the school could be attributed to: the dedication and commitment of the staff; and the clearly defined purpose and set of expectations.

- One school principal said that her many years of experience was important for making the school a success. She stated, “Starting up a school is such a challenge. It is almost impossible to create a charter school without experience.” The principal commented that the principal should know the laws, know about different learning styles, how to evaluate the staff, and find ways to demonstrate that the school is doing well.

- One school principal attributed the success of the school to its narrow focus and the commitment of the staff.

- The principal of one school said that a lot of people are very committed to the school. For example, the board had a meeting about the development of a new building. Two out of three of the teachers came to the meeting, and a third of the parents came along. The principal also said that there has been a lot of stability in the school over the years in terms of personnel, although this is not the case with the certified teachers.

- One school principal who did not believe his school was successful said he thought that things are beginning to stabilize in the school. He said that they have introduced a sports program to help develop a sense of belonging. The principal said that the teachers at the school are very caring. “Things here are not great, but we are working on it. My goal is to see all students graduate from high school.”

- The principal of one school said that the teaching staff are wonderful. They buy into and enjoy what is going on in the school. The principal said that, if she were to leave, there are now three or four teachers in the school who could readily take over from her. The school board is also an excellent source of strength for the school. It has parents and community leaders on it who care deeply for the future of the school.

- One school principal thinks the most important things are good leadership and the excellent staff.

- One principal commented, “The school is not really a success at this stage. There are some problems that need to be worked out.” The structure of the school might be appropriate, but there are problems with the culture of the school.
The teachers of one school all agreed that the small size was important to the success of the school. This made a difference across a range of matters. A topic that came up at a staff meeting concerned the composition of the classes for the following year. The teachers talked at length about certain children and the teachers who would work best for them. They also talked about the composition of the class groups and how to ensure that all the children with strong personalities were not included in the same group. One teacher said to me, “You’d never see this sort of careful discussion in a traditional school. They are too big to have this sort of discussion.” The small size of the school also produces a “family atmosphere.” The word family was used often. The mission of the school involves trying to extend the notion of family to include the community and school. Another teacher said that an important feature of the school is that children are not categorized. A criticism of traditional schools is that they tend to “label” and then dispense with, or give up on, children with special needs. In this school, that does not happen. Children with special needs are kept with the whole group and they are not singled out or labeled. Another teacher said that they subscribe to the view in this school that “If kids aren’t learning, then you’re not teaching.” They try hard to find ways to reach out to and to make connections with their children.

7.2 How Effective Are Charter Schools With Large Amounts of Start-Up Monies?

While this question was included in the RFP for this evaluation effort, a better question might be, “How does the lack of start-up monies affect the operations and effectiveness of charter schools?” Charter school founders and directors provided the following answers to this question:

- Buildings/facilities were hurriedly acquired and “make-do” repairs to meet codes were accomplished within a few months or even days before the school was scheduled to open.
- Only essential supplies and materials were purchased; often major cost items, e.g., computers, were delayed.
- Teachers (and administrators) were paid late during the first few months, and in some cases personal loans from founders or board members were extended to these employees.
- Short-term/bridge loans were obtained from local financial institutions, often on the reputation or the signature of board members.
- Much of the attention and time of charter school boards were devoted to financial matters.
- Management companies solicited contracts with schools that were known to be in financial difficulty.

Most schools with “large amounts of start-up monies” were developed or are being operated by a management company. PSAs with substantial financial backing are able to

- build or purchase facilities
- devote time and resources to promotions and student recruitment
- offer better salaries and fringe benefits for teachers and staff
- purchase/obtain furniture, equipment, etc.
Those PSAs without adequate start-up monies find it necessary to devote larger portions of their monies to finding and retrofitting commercial buildings for use as schools. As a result, this limits the expenditures for direct student services. Whether this has a direct effect on student learning is unknown; but it is reasonable to assume that low teacher salaries were not attractive to many qualified and experienced personnel, and students did not have access to resources, i.e., computers, library materials, etc. In interviews with board members and other school officials, it is common to hear stories about how founders or others who arranged for second mortgages on their own homes took out large personal loans to offset initial expenses of the charter schools and even used personal credit cards for initial expenses.

To establish one school, it was reported to the evaluation team that the Edison Project spent $1.5 million on start-up costs. Of these costs, one third covered salaries for four weeks of training for teachers before the school opened, one third covered the costs of buying computers for each family in the school, and the other third covered the costs of facility updating, wiring, painting, etc.

At another school, it was reported that more than $1M had been raised from donors. The informant declined to name the donors or the specific reasons why they contributed to the founding of this school.

In a number of locations where the charter schools were founded and are now managed by the National Heritage Academies (NHA), this for-profit organization has provided substantial resources in the form of start-up support. For example, NHA builds and owns the buildings and leases them back to the school. (It is our understanding that purchasing the school building is not an option in these cases.) For 98 percent of the school’s revenue, NHA provides management services that include curriculum/technical support, salaries for employees, special education consultants, accounting, marketing, etc.

Another school that had identified the use of technology (computers) as a central part of its instruction and focus was nearing the time of opening when the appointed director discovered that no computers had been purchased and there was no money available for that purpose. Consequently, the school detached itself from its founders, made some dramatic changes in its focus, and made arrangements to work with a management company as a means to address severe financial issues.

Reasonably, school leaders not faced with large financial problems should have more time and resources to devote to improving the instructional opportunities for children; the school should enjoy a more stable operational beginning; and it should be more physically attractive and functional. Do these actually happen in practice? The answer is both “yes” and “no” because this seems to depend on an array of factors, acting singly or interactively. For example, some schools operating under certain management companies appear to operate at a highly effective level. However, it is unclear whether this is due to the availability of start-up resources of the company or some other factor, i.e., better teachers, more effective accounting procedures, defined operating procedures, etc., or a combination of factors.
Do the better funded PSAs produce greater student achievement? We simply don’t have the data to indicate one way or another, and it is doubtful that any study will be able to identify the true or actual impact of differential levels of funding on schools or on the educational progress of students. In other parts of this report, we provide information and some interpretation of MEAP results, but these at best provide tentative descriptions of the students who are enrolled in the schools and not the actual achievement that could be attributed to any particular school. Over time, one might be able to analyze the academic growth of students during the time they are enrolled in the charter schools and gain some understanding of trends. However, we must be cautious and ensure that we are in fact assessing achievement in areas appropriate for individual schools and compatible with the expectations of individual schools and charter schools generally. Whether these expectations are different from the traditional public schools may not be adequately addressed in the applicable legislation, rules/regulations, and charters. A school that identifies at-risk and traditionally underachieving students as their target population should not be criticized for overall lower scores while, at the same time, a school that targets a traditionally higher achieving group of students is being applauded.

7.3 What Are the Affective and Effective Outcomes for Students Attending PSAs with a Cultural Focus?

This section title outlines one of the specific questions to be addressed for this evaluation. Data for this question simply do not exist in any defensible way. However, we acknowledge that this is an important consideration and there is a need to study this issue; but within the scope of this evaluation, we have not been able to develop an objective and valid response.

While teachers, administrators, parents, and even students themselves report that they are generally happy with the PSA that they now attend, there is weak evidence that there are differences between schools with a cultural focus and those that have other foci.

Information from interviews indicate that the founder and teachers of one such school intend to introduce African-American children to their heritage and history, but this emphasis is not at the exclusion of teaching other knowledge and skills. The director reports that “a strong emphasis is placed on reading, mathematics, and foreign language learning (French, Spanish, Japanese, and Swahili, which are taught by language specialists).”

7.4 Has Accountability for the Educational Performance of Students Been Assumed at the School Site Level?

This question seems to be based on the premise that accountability for educational performance in the traditional public schools is not at the school site level. We are not convinced that this is an accurate assumption, particularly in light of the school-based management efforts over the past several years and the normal reporting of student performance data on a building-by-building basis. While these data may be aggregated by school districts at the state level, local schools have these data
disaggregated by a number of categories, i.e., gender, grade level, building, and even teacher in many cases.

Since charter schools/PSAs in Michigan consist of a single school site and each is singly chartered to operate, there is really no other way that performance data can be reported. However, we often hear the following comments (which are certainly not new to charter schools).

- We cannot be held responsible for the poor education these students had in earlier years.
- This school has targeted students with poor academic backgrounds, and we hope only to improve their learning, not correct their past failures.
- We are being sent the problem kids and those with learning/behavior disorders (by the local public schools).
- The MEAP tests do not provide an assessment of what we are trying to accomplish.

In other words, there are pockets of denial even in the charter schools about where the ultimate accountability for student performance should lie. At the same time, charter schools are acutely aware of the fact that they must be attractive to the students and parents if they are to survive, and one would hope that demonstrated accountability for student performance would be one factor in a school being attractive. In summary, we do not see substantial changes or innovative ideas about how accountability of student performance is being assumed at the school site level other than by definition of the charter school itself.

7.5 Evidence of Student Success

At each of the schools we visited, we asked the principals or directors of the schools about evidence of student success. Because many spokespersons for the PSAs are critical of the use of MEAP test scores, it was surprising to hear many schools suggest this as part of the evidence that their students are succeeding. In fact, we suggested that since their missions were unique, so should the evidence of success they provide. We even suggested alternative pieces of evidence such as letters from parents, awards that students won, etc.

Several schools only employ standardized tests to measure student achievement/success either due to the difficulty of measuring achievement/success in other formats, as stated by several principals, or due to other factors. Several schools list the MEAP test as their only evidence of student success/achievement, whereas others list the MEAP test and various other tests as their only evidence of student success/achievement. Several schools also list factors such as enrollment, reenrollment, and attendance as evidence of the success/achievement of students. A couple of schools mentioned community awards and college scholarships as evidence of student success/achievement. Other principals stated that the students’ change in behavior, character, and morals during school is evidence of the success/achievement of students. A couple of principals commented on good communications with parents as proof of student success/achievement.
Below are included additional examples of responses from individual schools.

- One school listed the MEAP test, California Achievement Test, and the High School Proficiency Test as their evidence of student success/achievement.

- One school noted MEAP test results and “behavior changes, for example, a decrease in cruelty to one another, a decrease in violence (last year several fights, this year one), a decrease in student suspensions (last year 5-6, this year 3) as evidence of student success/achievement.

- One school listed the High School Proficiency Test scores as evidence of student success as well as stating that “anecdotal evidence suggests that the students are gaining a lot from the organization of learning in the school. In particular, some students appear to be thriving through the opportunities for taking courses with the community college that are provided at the school.”

- One school principal said, “the school has a lot of at-risk students” and that “such students often engage in bad behavior.” However, the principal said that she and the teachers have noticed improvements in student behavior and that parents report better behavior as well. In addition, the principal said that attendance rates have increased over time. The school uses incentive schemes to try to modify student behavior. If students are well behaved during the week, they become eligible to see a movie, or have ice cream, or play some special games on Friday of that week.

- One school principal stated that student success/achievement is difficult to assess. The principal noted that there are some students who come to the school on the bus from the suburbs. Initially, other people living nearby these families questioned why they would send their children downtown for school. But as the people in these neighborhoods have seen the pleasure the children are getting from school, they have begun to seriously consider sending their own children to the school. So this would seem to be some evidence that positive things are happening in this school.

- One school is making use of CTBS tests in the fall and spring, as well as employing MEAP results to aid in determining the success of the students. The principal also stated, “there is some anecdotal stuff about behavioral problems being addressed. Partly, as special education accommodation has occurred, behavior problems have abated.”

- One principal stated, that “you can observe obvious differences in the school hallways in the behavior of students. The children are doing respectful things.” While gathering information and surveying, the impression was that the school is very orderly. The students were respectful in the classroom and they seemed to play well together.

- According to one principal, “evidence of success at their school was the fact that students are progressing both academically and in character from when we received them. Our students have been rewarded for character traits and social studies essay contests.” Another piece of evidence of success is in the parental approval and reenrollment.
Aside from MEAP and the Metropolitan Achievement Test, one principal said that student success/achievement is difficult to pin down, but that she looks for evidence that students love to be educated. She listens for children saying, “I love school,” or parents reporting that “he wants to do his homework.”

One principal commented that “informal classroom assessments and the Terranova tests are given . . . .” to provide evidence of student success/achievement.

As well as gaining evidence of student achievement/success from the MEAP test and the Metropolitan Achievement Test, one principal said that “Next year the school will look more closely at issues to do with student character and social growth. Students in this school have committed crimes in the public schools. One made bomb threats. They seem to be doing better in this school, but there is a long way to go.”

One principal noted that detentions, vandalism, and rudeness, etc. have all dropped in frequency. She said that she “was surprised when the school opened to see so much vandalism by the students. The school has closed-circuit TV, so that student behavior can be monitored. Parents can be shown evidence of bad behavior if need be.” The principal also commented on a student in the 8th grade who requested to be kept in that grade for another year. The student said to the principal that when she first came to the school she was reading at 2nd grade level. Now she is reading at 5th grade level. The student said that by staying on for another year she would be able to get up to or beyond her grade level, and thought this would be a positive thing.

The principal of one school received a card from the parent of a student in the school. The parent is also a board member. The child has had a lot of problems. Before coming to the school, he had been suspended or expelled from 20 childcare centers and one kindergarten by age five. The principal spent a lot of time with the student and she began to think that he had problems of a medical, not just a social, nature. So she had two doctors examine him and they concluded that he had attention deficit disorder (ADD) and was hyperactive (ADHD). This is what was written in the card:

To all of the great teachers at XXXX Academy,
I find this the perfect time to show our most sincere appreciation to all of you for the many great things you have done for my children and me. It is such a wonderful feeling to see him enjoy his childhood, his school, and even friends. What a changed young man he is because a group of people made it their goal to change him, and not give up on him like so many people had done before. I’m so proud to be a part of this school because of the team that steers the Academy in the right direction. My gosh, what a first year. What an impact. What a family! Words will never be able to express the thanks or gratitude that is due to each and everyone of you.

Aside from the MEAP test and Metropolitan Test results to gather some evidence of student success/achievement, one principal said that “students are able to define the meaning of different
morals.” He said that communications with parents are good and that teachers and parents are reporting improvements in student behavior. He said that the aim in the school is to build a conscious climate of good discipline, and he thought that this was happening.

One principal said that each morning she has a school assembly, and she uses this as a “bully pulpit” where she tries to help the students with character building. Students then come up with words, e.g. nonviolence. The school has a “house system” –like in private schools–that is designed to develop norms of good behavior in student groups. The principal also stated that MEAP, the California Achievement Test, and the High School Proficiency Test were also used as evidence of student achievement/success.

Achievement is measured at one school “primarily by attendance.” The grading system is based on a point system and students cannot get points without attending. These are “intelligent kids; attendance is the primary drawback.” The school also uses standardized tests to measure achievement (MEAP, etc.). Achievement is also measured by academic credit earned and graduation rates. Evidence of success included the following: “graduation rates, increase in students’ self-esteem, level of acceptance among students, college scholarships, two students received awards from the County Art Expo. With time, students become more respectful, they develop better social skills, and they are working together collaboratively.”

Graduation rates. Graduation rates can also serve as an indicator of success. Unfortunately, more time is needed before this can be a valid indicator of a PSA’s relative success. Few PSAs provide instruction at the upper-secondary level, but among those schools we can make a comparison between the PSAs and their host districts. Table 7:1 below illustrates the graduation rates for PSAs and their host districts for the 1995/96 and 1996/97 school years. Figures indicating the difference between the PSAs and their host districts are also included in the table. When interpreting the data, one should consider that the total number of students in the PSAs is very low, so the figures can change extensively from year to year. For example, in one year the number of students graduating can triple in a PSA, which might reflect an increase of only 3 to 5 more students. Furthermore, the reader should note that some schools listed in the table are alternative high schools, in which case a comparison with the host district may not be the most appropriate.
Table 7:1 Graduation Rates in Percent for PSAs and Their Host Districts

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<td>9-12</td>
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<td>29.0</td>
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<td>79.1</td>
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<tr>
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<td>76.2</td>
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Note: Source of data is Michigan School Report. All host district percentages are based on K-12 enrollments. Only pairs for which the charter school reported data are included. Data for 1997/98 were not available at the time this report was prepared.

Dropout. The percent of dropout in a given school also provides an indicator of success in the PSAs. In Table 7:2, comparative data provided for the PSAs and their host districts. Here we see a mixed picture, but on the whole the PSAs had higher dropout rates than did their host districts. The same limitations as mentioned for graduation rates should be considered when interpreting dropout data.

Table 7:2 Dropout Rates in Percent for PSAs and Their Host Districts

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<td>19.4</td>
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<td>0.0</td>
<td>5.7</td>
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<td>9.9</td>
<td>6.10</td>
<td></td>
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<td>Windover High School</td>
<td>9-12</td>
<td>17.7</td>
<td>5.0</td>
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</tr>
<tr>
<td>Academy of Detroit Oak Park</td>
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<td>10.0</td>
<td>-0.1</td>
<td>10.1</td>
<td>31.4</td>
<td>6.9</td>
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</tr>
<tr>
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<td>51.6</td>
<td>13.5</td>
<td>38.1</td>
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<tr>
<td>WEB Dubois Pr</td>
<td>K-12</td>
<td>0.0</td>
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<tr>
<td>State of Michigan</td>
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<td>6.1</td>
<td></td>
<td>6.6</td>
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</tbody>
</table>

Note: Source of data is Michigan School Report. This table includes all the PSAs that reported data. All host district percentages are based on K-12 enrollments. Data for 1997/98 were not available at the time this report was prepared.
7.6 MEAP Test Scores

MEAP test scores do not provide a fair indicator of the success of PSAs for a number of reasons. One reason is that the schools are too new. Another reason cited by charter school spokespersons is that the schools attract a high proportion of “at-risk” students and students with special needs.

While the first point is valid (i.e., more time is needed for the schools to have an impact), we made comparisons of PSAs that have been in operation for at least three years. We compared the PSAs with their host districts and then we compared the gains in MEAP scores over 2 and 3 years. The PSAs that have taken in a large proportion of at-risk students can be treated fairly in this interpretation since we are measuring increases in the performance of their students over a few years. Appendices M-Q include the tables with the MEAP results for each of the 106 PSAs in operation during the 1997/98 school year as well as their host districts.

As a group, the PSAs have significantly lower MEAP scores than do their host districts. However, a school-by-school comparison shows that students in some PSAs have higher scores than students in their host districts. Even when comparing 2- and 3-year gains, we find that the schools in the host districts have larger gains, on the whole, than do the PSAs.

What is most important to note is that the picture is mixed. Even while one school is far behind its host district in Grade 4 reading, for example, it may be outperforming the host district in reading at another grade level or in another subject area.

To the extent possible, more factors need to be controlled in order to make a fair and “scientific” comparison between the PSAs and their host districts. We think that the results included in Appendices N-Q are a step in the right direction, although we recognize the need to compare the schools over a longer period of time. There is also a need to control more background factors.

7.7 School Climate

School climate provides a secondary indicator of success in schools. As a means of comparing PSAs with traditional public schools, we used a nationally normed instrument to measure school climate in the PSAs. Appendices G, H, and I include the results from these surveys for teachers (Appendix G), students (Appendix H), and parents and guardians (Appendix I). There are 10 subscales used to provide information on key aspects of the school climate. These 10 subscales are listed in the appendices, and they are included in Figure 7:1.

Figure 7:1 illustrates the standard scores for each informant group in relation to the national norm, which is indicated by the 50th percentile. We can see from these results that the teachers, students, and parents in the PSAs perceived that the teacher-student relationships were noticeably higher than the national norm (subscale 1). On a number of the other subscales, the informants in the PSAs also reportedly have higher (i.e., more positive) scores than the national norms. On a few subscales, such as “Guidance,” “Student Activities,” and “Administration,” the PSAs were equal or slightly lower than the national norms.
In relation to national norms, the teachers and staff rated their schools higher than did students and parents. Parents and students rated such areas as security and maintenance, administration, guidance, and parent and community-school relationships slightly lower than the national norm on these subscales.

### 7.8 Actual Use of Evaluation in the PSAs

Nearly half of the schools note that they need to develop or improve the personnel evaluation practices at their schools. A few of the schools have developed exemplary procedures for personnel evaluation. The larger management companies have developed procedures for teacher evaluation. In a few of the schools, the principals noted that they had a lack of knowledge about how to develop an evaluation. Five schools used only parent satisfaction surveys as a means to evaluate the teachers and the school, although a large proportion of the schools which evaluated teachers and their educational program used a combination of sources to evaluate the teachers, and school (e.g., parent and student surveys as well as in depth evaluations from principals).

☀ A principal of one school says they are currently developing a form to be used to evaluate teachers. She intends for it to be a narrative with ongoing documentation of classroom observations. Currently at a staff meeting “. . . each teacher outlined his/her strengths and weaknesses. Each was assigned a mentor to help them with their weakness. For example, one teacher is strong in classroom organization and helps another who is weak in that area.”
One school principal said that the school needs to continue to work on the issue of professional staff evaluation. At present, this is done quite informally. For the most part, it occurs as part of the process of discussion concerning curriculum, instruction, and so on. The principal said that the selection process for the teachers is critical, and this helps to make what could be a delicate issue easier to deal with. All staff are involved in the selection of new staff members.

One school principal has developed an evaluation plan that she uses for each teacher. She visits the classrooms of teachers and reads their lesson plans. Based on this, she writes a report and suggests ways that the teachers could improve their performance. She then has a formal interview with each teacher to discuss the report and the suggested action. This is designed to develop the skills of the teachers. Many of the teachers in the school are very junior and inexperienced. The principal said that consistently bad performance from a teacher would lead to a recommendation to the board for dismissal. However, she said that there is a lot of forgiveness built into the evaluation process.

At present, one school principal evaluates the teachers as needed. Official evaluations will be done in the future as new contracts are worked out for the teachers.

One school principal stated that the management group developed a fairly comprehensive method by which the school principal evaluates the teaching staff. This is used to determine salary adjustments and retention. For the most part, the forms are completely based on in-class observations of the teacher (several scheduled and several unscheduled). The criteria for assessment include: instructional relevancy, individualized instruction, working relationships with special education staff, feedback given to students and parents, support given to students through achievement awards, use made of various teaching strategies, and management of student behavior.

One school principal commented that he evaluates the teachers using a system that is basically the same as in traditional public schools.

One school principal said, “[Evaluations are] used to find out what the concerns of parents are and what direction they would like us to go in.”

One school principal stated that “evaluation is staff is based on performance and some observation.” According to the principal, one teacher requires more support and help than the others. He did not intend to renew the contract for this teacher.

One principal commented, “I am not sure how this is done. My sense is that things have been in such a mess at the school that matters like this are yet to be worked out. The board would like to reward teachers with BA and MA degrees. The board can make recommendations to the management company about hiring and firing staff.”

One school employs student interest inventory surveys to determine the success of the school.
One principal has developed a four-page standardized form for the evaluation of teachers and teacher assistants. In this form, teachers are evaluated in terms of their personal character (e.g. trustworthiness, appearance), knowledge of subject matter, volunteerism with respect to special school events, and attitudes to students. Teachers are required to state their goals for themselves, the class, and the school on the form.

One principal noted that every year teachers have two formal, written evaluations provided by the supervisor. They also do one formal self-evaluation. Another insight into staff performance is provided by responses from parent surveys and one formal peer review.

According to one school principal, parent surveys and teacher evaluations are used to evaluate the teachers, the school and the students. “There is a teacher evaluation and an administration evaluation. The two are compared and recommendations are made.”

One school principal noted that procedures are still being developed for evaluation purposes at the school.

One school principal used parent satisfaction surveys and student attendance as sources of evaluation of the teachers, students, and school.

Aside from parent satisfaction surveys, the evaluation of teachers at one school involves a very thorough, carefully documented process. Appraisal is conducted by the school principal who must, among other things, visit the teacher’s class at least twice for formal evaluations of teaching, consider the change in performance of students in the class as assessed by the MAT scores of the students, consider parental satisfaction survey results regarding the teacher, and obtain input regarding the teacher’s conduct as a team member in the school as a whole. The criteria for judging a teacher include:
- demonstrates effective long and short range planning
- properly manages the physical setting
- maintains a classroom atmosphere that promotes learning
- possesses knowledge of subject matter
- uses a variety of instructional materials effectively
- demonstrates innovation and creativity in attempting to meet the needs of students
- maintains good records
- utilizes technology in the education process
- is receptive to parent and community involvement in the classroom
- implements a variety of incentives for learning and methods to counteract improper behavior
- emphasizes and supports building goals and objectives

One school principal employs parent surveys as well as student surveys to evaluate the school and teachers.

One school principal commented that teachers were evaluated through student performance, self-assessment, peer evaluation and student evaluation processes.
Chapter Eight
Major Findings and Recommendations

8.1 Impact on Local School Districts

The PSAs are clearly having an impact on their local school districts. Interviews of stakeholders at each of the 51 schools included in our evaluation and in many of the host school districts included questions about the negative and positive impacts that the PSAs have had upon the local host school districts. In the state as a whole, the impact is still quite limited, since only around 2 percent of the K-12 enrollments are in PSAs. However, in some cities and some suburban areas where the PSAs are more concentrated, the negative and positive impacts are more noticeable.

Because the PSA initiative coincides with a number of other public education reforms in Michigan, it is sometimes difficult to distinguish whether or not changes in traditional public schools are due to the presence of PSAs. Not surprisingly, PSA leaders were more apt to report positive impacts and the leaders of traditional public schools were more apt to report negative impacts attributable to the presence of PSAs.

Positive impacts. Without doubt, the presence of PSAs has put pressure on the traditional public schools to be more accountable. Even in areas with no PSAs in operation, evidence of the impact of the PSA initiative can be seen in the renewed debate about the quality and performance of public schools.

Important characteristics of the PSAs are small class and school size. One principal aptly stated, “The era of big schools is over, and charter schools have proven this!” In other countries with similar reforms, the consolidation of smaller schools has largely stopped and even been reversed since rural populations can reopen village schools–long since closed–without the permission of the local education authority (Miron, 1997). Nevertheless, the larger for-profit management companies are playing an increasing role in establishing new PSAs in Michigan, and for economic purposes they require larger schools.

In some areas, the ISD or the local school district questioned parents who left their traditional public school to enroll in a PSA. From our perspective, this process of inquiry resulted in action by the local public schools in nearly all cases. In one area the parents reportedly told the ISD that they were concerned that there was no supervision outside the school buildings before and after school as well as during lunch. After hearing this, the traditional public schools found new ways to arrange adult supervision outside all of their school buildings. Ironically, we were told that many parents had complained about a lack of supervision for years before the PSA appeared.
In other countries, the presence of new alternatives to the public schools have induced changes in the public school sector such as a stronger willingness on the part of education bureaucracies and teachers unions to seek new ways in which to make changes in the public schools (Miron, 1997). We can expect that this may be one impact of the PSA initiative.

Positive changes in local public schools that appear to be attributable to the presence of PSAs include the following:

- an introduction of all-day kindergarten
- increased adult supervision on the playgrounds
- increased emphasis on customer satisfaction
- provision of more before and after school programs
- more efforts to involve parents
- increased efforts on the part of schools to communicate with their students’ parents/guardians
- increased marketing of traditional public schools
- more emphasis on foreign language
- more attention to performance on the MEAP is seen by many as an improvement that is—in part—attributable to the charter schools that compete with the traditional public schools

Below are included some of the responses highlighting positive changes in the local public schools due to the presence of PSAs.

- “We draw our students from two local school districts. The superintendent in one of them watches his own teachers and the enrollment leaving his school. There is a competitive feeling . . . financially this has hurt the locals but the locals are working to promote their programs through the newspaper.”

- One PSA principal reported that the local superintendent of the traditional public schools had teachers go door to door in the community to try to ensure parents that they should keep their children in the traditional public schools. Subsequently, the principal reported that Kent Intermediate School District undertook a large parental survey, trying to assess the needs of parents and their students.

- “Our school and other charter schools have made the traditional public schools ‘wake up.’ For example, Lansing Public Schools now offer full-day kindergarten.”

- “Our local district has tried to get foreign language into its elementary schools for two years . . . they now hire away our foreign language teachers. The locals school districts are becoming more accommodating to meet individual needs versus having the student fitting into the existing structure . . . we haven’t taken students from one district exclusively, so no one has been hurt too bad.”

- “Two area school districts are considering adding before and after school ‘enrichment’ like we offer (6:30-5:30). Another district came to observe our all day kindergarten and Project Read.”
This particular principal said his/her school would like the list of area teachers being let go since they hope to get more experienced teachers who need less support and counseling than first year teachers. The principal claimed that the PSAs use the same pay scale as the local district, in addition to which the school provided merit pay. [This claim could not be supported by data provided by MDE.] “Our teachers are ‘at will’ and the current teachers are uncomfortable with that, possibly since they are new and do not yet understand that public schools can get rid of people too.”

“Relations with the local schools have been quite good. The local schools have not felt particularly threatened. In some cases, they have been very pleased to have problem students taken from their hands.”

“Parents come to our school and say that ‘My child needs special attention and the public schools aren’t doing anything about it.’ Well, the public schools are now contacting parents to offer special help . . . whereas before they dragged their feet.”

“A curriculum coordinator working for a management company said the traditional schools could learn from their schools in a number of ways, including the following: (i) the strong focus on “back-to-basics” in academics, discipline, morals, and values; (ii) greater latitude that teachers are given to teach their own way; (iii) smaller group size, which is crucial and allows teachers to have one-to-one interactions with students; (iv) frequent parental feedback to help monitor the program; (v) increasing emphasis on teacher performance and the way that teachers are held responsible for the changes in the test scores of students in their classes.”

At an alternative high school the principal stated the following: “Impact on local schools is all positive. We provide an alternative means of educating the students from the local school districts, and it is not viewed as competition.”

**Negative impacts.** The most immediate negative impact of the PSAs is a loss of finance for the local public schools. Nevertheless, in the state as a whole, the impact has been minimal since approximately 2 percent of the state’s total K-12 enrollment attends PSAs. Nevertheless, the PSAs are highly concentrated in a number of particular cities, which contributes to large impacts in a handful of areas. Most stakeholders are aware of the negative financial impact that the traditional public schools are faced with. What many are not aware of, however, is the negative consequences that PSAs have in terms of general administration and planning.

While a PSA can set the exact number of students it wishes to enroll, the traditional public schools are obligated to take all who apply. Many parents initially double enroll their students in the newly started PSA as well as in the traditional public school. In some cases, when the school year starts, the traditional public school has a number of less-than-full classes. In other cases, the local public school district receives more students than it planned for and has to scramble for teachers.

The local school districts have defined catchment areas for their schools. Considerable planning is based upon these divisions. The presence of one of more PSAs has caused some urban districts to
consider or actually redraw catchment areas. Parents are easily scared by not knowing where their child(ren) will be enrolled. Uncertainty about catchment areas as well as class size, assigned teachers, etc., creates anxiety among both parents and educators and contributes to a decrease in legitimacy for the traditional public schools. In one small town, which has struggled to have its own high school, the arrival of a PSA undermined the support for maintaining the high school.

Related to this planning issue is the shift of students during the school year. While no PSAs complained about having to take students after the first student count, several local school districts have protested that the PSAs “are dumping” students after the fourth Friday count. If students switch schools at the last minute, a PSA can select another student from a waiting list or, if necessary, remove a teacher to account for the unexpected decrease in enrollments.

Several PSAs claim they have minimal impact on the local public schools, since they attract students from two or more school districts, and negative impact in terms of loss of funds dispersed among them. While many PSAs cater to minorities and at-risk pupils, there are several PSAs that use a number of mechanisms to structure their learning communities (these mechanisms include absence of busing, selective advertising, requirements for parental involvement, lack of hot lunch programs, etc.). In these instances, one can claim that the PSAs are “creaming” off the students according to racial and socioeconomic characteristics. These schools will also attract students whose parents are more resourceful and supportive.

Below we include some of the responses from stakeholders regarding the negative impact that PSAs have had or may have on the local public schools.

- “There has been quite a lot of hostility to our charter school in this area . . . . Our school has probably resulted in a loss of about $5,000,000 per year for the local public schools. The hostility toward the school has made it difficult for the school to obtain permits at times.”
- “In the local district, about 20 teachers have been cut due to charter schools.”
- In the Grand Rapids area, a PSA principal reported that “even the private schools in the area are feeling a pinch from the emergence of charter schools.”
- “The impact has been a financial one. Two schools have called to ask about the kindergarten enrollment for next year. That information has been shared with them for planning purposes.”

8.2 Legal and Legislative Issues That Need to Be Addressed

There are a number of legal issues that the PSA initiative has raised. Because each PSA functions as an individual school as well as its own school district, this reform touches upon a number of areas. New stakeholders such as universities, community colleges, and management companies have been brought into the K-12 public education sphere; and there is currently little experience in defining the roles and responsibilities and limitations of each of the new stakeholder groups. Therefore, it is understandable that a number of legislative and legal issues will be raised. These will have to be
addressed by the State Board of Education and the various branches of the state government. Many of these issues have already been tested in the judicial system, and we can expect more. Below we have included a list of some of the issues that will need to be addressed because they are new or because they are still unclear.

**Legal issues**
- Status of public school academies
- Eligibility for grant programs
- Whether or not PSAs can buy and sell services
- Conflicts of interest
- Roles and responsibilities of PSA school boards
- Expulsion/suspension of students
- Employer role and responsibility as contracting agencies
- Closure of PSAs and closure of PSAs with deficits

**Legislative issues**
- Start-up funds, funds for buildings and other capital improvements
- Caps on numbers of schools to be chartered by universities
- Clarification of oversight/supervisory and monitoring responsibilities
- Special education funding
- Need for continuing evaluation and evidence of accountability

### 8.3 Major Findings and Recommendations

In this section, we have elaborated some of the main findings and recommendations from the study. Some of these findings are discussed earlier in the report, other findings—because they did not fit under a specific chapter or section heading—are included here.

**Public school academies.** For the next few years, we expect that the PSA initiative will continue to grow at the same rate (i.e., increases of 25 to 35 schools per year and 8,000 to 12,000 students per year). Since universities are likely to be the main authorizers, this growth assumes that the cap on the number of schools that universities can authorize will be raised or removed. As we have seen in other countries that open opportunities for groups to start new schools with public funds, the greatest interest for starting new schools is strongest in the first few years and declines afterwards (Miron, 1996).
The PSAs have not been welcomed by the traditional public schools. Initially, there appears to be rather strong opposition, largely due to fear of the unknown. We have already seen in some communities where PSA have been operating for some years that relations between the PSA and the traditional public schools improve over time. In a few cases, we have even documented an exchange of services between PSAs and local schools. If negative impacts of the PSAs are minimal, we can expect relations to improve between the PSAs and the traditional public schools.

One ideal behind the charter school reform was to empower teachers and parents. Nevertheless, we find that the stakeholders with the most influence are school administrators and management companies. Compared with traditional public schools, PSA teachers appear disproportionately weaker than their school administrators/leaders in terms of experience, training, and salaries.

While some schools celebrate diversity and strive to increase the racial and social diversity of the students, others have few, if any, minorities or students with special needs. In the 62 PSAs that reported data for the 1996/97 school year, 51 percent of the students were minorities as compared with the total enrollments in K-12 schools, which include approximately 33 percent minorities. Therefore, once can say that the PSAs have more minority students enrolled in them than the state of Michigan average for K-12 education. Nevertheless, since the charter schools are largely in urban areas where the concentrations of minorities are higher, we cannot claim that the schools are necessarily attracting more minorities. In fact, in relation to the host districts, the PSAs as a whole have fewer minorities. Over the past few years, one can see that there is a clear trend toward fewer and fewer minorities in the PSAs. In some schools this is due to a changing ethnic composition in the schools (high attrition with fewer minorities included in the new students). However, this trend is largely due to the establishment of new PSAs that enroll fewer minorities. Between 1995/96 and 1996/97, the proportion of minorities decreased by 12.5 percent. Between 1997/98 and 1998/99, the percent of minorities in PSAs is estimated to have decreased by another 10-12 percent.

One of the key findings from our study is that the PSAs are extremely diverse. There are great schools and poor schools. There are large and small schools. There are schools with minorities comprising more than 90 percent of the enrollment and other schools with no minorities or students with special needs. Some schools have improved their scores on the MEAP over time, and other schools have shown a decline in test results. The schools also vary considerably depending on whether they enroll only elementary students or only high school students. Because of more strict requirements and expectations on the part of university authorizers and because of the increasing role of management companies that start and run their own schools, we can expect the amount of diversity among the PSAs to decrease with time.

Other factors that would suggest less diversity in time include the following:

- Many PSAs are reverting—over time—to curriculums and models that more closely resemble those in the traditional public schools. For example, we have seen in a number of cases where schools with unique curriculums decide to use “canned curriculums” that do not necessarily address the goals and objectives of the school. One of the reasons for this is because so little of the curriculum was in place before the schools began operating.
While many innovative and unique ideas were highlighted in school plans, in a number of cases that the schools were not able to develop and implement these ideas.

One other significant finding is that many poor performing PSAs are not likely to close, even when parents “vote with their feet” and exit the school on a large scale. This is due to the abilities of founders to recruit new families and authorizing agencies not acting on poor performing schools or schools plagued with problems.

**Governance and leadership.** The PSAs’ school boards are critical to the success of the school. Two of the most important issues relative to the boards are their composition and preparation. In some instances, considerable turmoil and discontent have resulted from boards that are composed of persons with vested interests and lacking an understanding of their role and function. In a number of schools, effective and comprehensive board and operational policies are poorly designed and not well used. The authorizing agencies are aware of weaknesses and problems related to the PSA boards and are taking steps to address it.

Without question, the administrators of the PSAs are an extremely devoted and hardworking group. These administrators are overburdened with tasks and responsibilities that have direct impact on the operational aspects and missions of the schools. While most of these founders/leaders have proven to be effective as visionaries and at developing the idea and basis for the school, a number of them have not been as effective at running a school on a day-to-day basis. In fact, many of the early charter schools that were not conversion schools were started by persons who focused on the profile and curriculum of the school rather than on the actual operation of the school.

Likewise, sharing decision making with other stakeholders has been problematic for many of these leaders. In more than a few schools, we have heard accusations by teachers, parents, and board members that the school leader is micromanaging. This leadership/administrative style is unacceptable or incompatible with an environment that includes parental and teacher involvement and decision making. School leaders are often ill prepared for their assignments in terms of formal training and/or experience, especially in the areas of school law and regulations, personnel and program evaluation, and budgeting.

A number of PSAs have been plagued with conflicts between and among the school boards, school administrators, and teaching staff. These conflicts have resulted in terminations or resignations or continuing conflicts and confrontation. Some authorizing agencies have contracted with third party consultants to mediate and train personnel in conflict resolution. While the conflicts are not endemic to charter schools, we can see that they are part of the growing process.

**Management companies.** Educational management organizations (EMOs) have become an influential stakeholder group in the PSA initiative. During the 1997/98 school year, just under 50 percent of the schools were contracting out services to EMOs. During the 1998/99 school year, this figure jumped to approximately 70 percent. There also appears to be a trend that a larger proportion of new applicants that receive a charter already have agreements with management companies.
While the PSA initiative was intended to promote parent and teacher influence in the schools, some management companies start and run the schools according to their own visions and motives. In fact, there is a visible trend for PSAs to establish these companies in suburban areas with high potential enrollment. In addition to this, an increasing number of existing PSAs are seeking or being pressured by authorizing agencies to contract with external management companies. The extent of this assistance may be as little as financial accounting to as much as full operations of the school. In extreme cases, questions about school autonomy may be raised with regard to mission and purpose, curriculum, and use of funds. A number of schools expressed concern with the management companies, primarily due to the issue of control over the curriculum and focus of the school. At a few schools, the staff and parents were angry and upset that their management companies had assumed a tight control over the school.

**Innovations.** As noted in the PSA legislation, one of the primary purposes for PSAs is to stimulate innovations. While a number of innovations were reported by individuals associated with the charter schools, experienced educators would likely not agree that these ideas or practices were new. Based upon school visits and documentation provided by PSAs, we conclude that there are limited innovations being developed and applied in the PSAs. In fact, the charter schools were remarkably similar to the regular public schools, with the notable exceptions of generally smaller student enrollments, the presence of additional adults in the classroom, governance, and span of contracted (management) services.

In terms of school management and operations, we saw some practices that are quite different from the regular public schools. Obviously, some of these come as no surprise because the legislation either dictates or specifically authorizes such an arrangement. While charter schools can develop and refine innovations that can be transferred to other schools, individual charter schools are not likely to develop new models of management that can be applied to the overall management and operation of school districts or intermediate school districts. Large EMOs, however, are developing and putting into practice a number of new management and operational ideas, many of which are borrowed from business. Traditional public school districts can learn from many of these ideas. Examples of these include new approaches to the construction of school buildings; more competitive approaches to purchasing of materials; and more effective business management, which requires fewer personnel.

**Authorizers.** Very large differences exist in how the authorizers operate. Additionally, the role of authorizer is inconsistently understood and applied across the state. In the eyes of the PSA administrators, the value of authorizer oversight and assistance varies considerably among the authorizing agencies. Oversight is a rather new activity, and in many respects it is fair to say that the authorizers are learning as they go. Given the experience of the first few years, many authorizing agencies are developing rather effective routines that help to streamline oversight activities. They have also been able to develop comprehensive packages of information to facilitate the schools’ operations in terms of compliance issues. Authorizing agencies appear to be receiving a considerable amount of support and guidance from one another. In some cases the authorizers attempt to conceal rather than reveal weaknesses or problems at their schools.
**Major barriers and challenges.** For the near future the major barriers and challenges the PSAs will face include the following: (i) lack of available start-up monies; (ii) building or finding suitable facilities; (iii) space for increased enrollments and/or additional grade levels in established PSAs; (iv) dealing with the bureaucracy; (v) retaining and attracting certified and qualified teachers, especially with current salary levels; (vi) adequately addressing the special needs of students with various disabilities/challenges; (vii) need to demonstrate school success and student achievement.

Just like any reform effort, there is a lot of energy and effort being expended on this important initiative. From our perspective, the PSAs have attracted a hardworking, dedicated group of teachers. They seem willing and do work long hours for minimal salaries. We have seen a genuine interest on their part to improve educational opportunities for children and to expand their influence in this effort.

It is too early to present definitive data about student achievement and long-term impact on regular schools. We are troubled by the claims made in the media and other public documents about extraordinary achievements and accomplishments. In fact, the PSAs as a group are not currently performing as well on the MEAP test as the host districts, even when only comparing gains over two and three years. The charter school initiative is one of the most rapidly growing educational reforms in recent years. School choice, parental involvement, innovative instruction, low administrative costs, etc., sound very good. However, there are many unanswered questions about the long-term results. The charter schools' potential for overall impact and improvement may be in the area of forcing more accountability upon the traditional public schools.

**Characteristics of exemplary programs/practices.** We have identified several characteristics that we value in the charter schools that we studied. We have little evidence to suggest that they have substantial or any impact on student achievement or school success. Based on our professional judgment, however, these are among the characteristics that seem to be noteworthy.

- desire and intent of involving parents in the school
- reduced student enrollment in individual buildings
- ability to accept students from across geographic lines
- identified theme or focus of the school
- decision to construct less costly but functional buildings
- reduced student/teacher ratio and use of teaching assistants/volunteers
- increased emphasis on the facilitation role of building administrator
- involvement of teachers in decision-making processes that have direct effect on instruction

**Successful variables to be emulated by other charter schools.** Each charter school has its own character and was authorized/granted a charter on a collective set of characteristics and plans. If these schools are to be unique, then a movement toward standardization may not be the most productive course. However, there are some characteristics or variables that seem to be associated with PSAs that appear to be the most successful. Yet, perceptions of success vary from school to school, and it is still too early to assess the effect of the charter schools on student learning. The
following characteristics or variables are associated with the PSAs that we perceived to be more successful in the initial years of operation:

☐ teachers committed to the philosophy and mission of the school and willing to work long hours
☐ teachers willing and able to communicate directly with families/parents
☐ buildings with classrooms and other facilities suitable for the number of students and type of instruction
☐ mutually supportive teachers and administrators
☐ clear separation of school board and director administrative responsibilities
☐ school personnel without financial investment in the school or the companies and organizations with which it works
☐ an array of student services reflective of the needs of all students
☐ experienced personnel in charge of administrative matters

Areas that need improvement. Each school has its own positive and negative attributes. Among those attributes that schools need a better understanding of and which need improvement, the following can be mentioned:

☐ adequate time for designated building administrators
☐ school start-up monies
☐ real or potential conflicts of interest among employees and board members
☐ accountability for public monies
☐ adequate teacher salaries to sustain a stable, quality teaching faculty
☐ congruence between curriculum and the philosophy/mission of the school
☐ defined role of board members
☐ assessment and evaluation procedures for students and employees
☐ defined level of influence by management companies/service contractors
☐ separation of financial interests and educational interests of personnel (founders, board members, teachers, administrators, and corporation officers)
☐ clear justification of need for school
☐ role definition of authorizers

Recommendations. More start-up time is needed for schools for planning and preparing. This issue should be addressed by the authorizing agencies rather than with new legislation.

The state government and the public are dependent upon the authorizing agencies to provide oversight of the PSAs. Some authorizers demonstrate a vested interest in the schools they charter and in some cases attempt to conceal rather than reveal schools that are not living up to their contracts. Authorizing agencies must be prepared to identify weaknesses in their schools and close schools that are in violation of their mission and established laws governing public education. This will send a message to other schools and give more credibility to the charter school initiative. Measures should be taken to monitor the schools and the work of the authorizing agencies. The legal issues regarding responsibility for schools that close with deficits must be dealt with first.
Procedures are needed for sanctions and/or withdrawal or nonrenewal of charters by the authorizer and/or the Michigan Department of Education.

Safeguards can be considered for traditional public schools. Other states have used a wide variety of mechanisms, depending on the specific regulations governing charters schools, to help safeguard against further segregation based upon race, class, and ability. Some states have public hearings and a mechanism where decisions can be appealed. Other examples of measures to restrict further segregation include requirements for adequate public announcement of openings, provision of transportation, etc. The trends we see with the nature and location of many of the newly chartered schools suggest that this will be a key issue in several cities where segregation based on class, race, and ability are being increased by charter schools.

8.4 Areas for Future Research

There are a number of reasons why there should be additional research on the PSA initiative.

☐ This is a new reform and deserves study so that improvements can be made to improve the PSAs and the initiative as a whole.
☐ Because PSAs receive more autonomy in exchange for greater accountability, further research will help decision makers determine if the schools are demonstrating success and living up to their missions.
☐ Charter schools are the focus of debate at many levels. Research on the reform will focus the debate on its objective merits rather than subjective beliefs.
☐ There are a number of studies being conducted in other states that will add to our knowledge about charter schools. Nevertheless, because the nature of the reform in Michigan is different in many respects from other states, monitoring and evaluation are needed.

One area that deserves more research are innovations in school management and operations. In terms of innovations, we found that the PSAs had more to contribute in terms of the way their schools were administered and operated, rather than in the curricular or instructional innovations. A greater understanding of these innovations or unique practices would facilitate the diffusion or sharing of this knowledge.

Further analysis of fiscal data is needed to determine how PSAs differ from traditional public schools. Areas where PSAs are more efficient may warrant attention to determine if new practices in the PSAs can be adapted to other schools. Documented examples of greater efficiency in particular areas will also be useful in applying pressure on traditional public schools to address these areas.

While some PSAs are struggling to provide special educational support for their students, other have been quite successful in catering to them. A few PSAs have developed models of provision that appear to be exemplary in including students with special educational needs in the regular classrooms. This topic area merits greater attention in future research.
The RFP for our evaluation did not include questions about the role of management companies and educational management organizations. After completing our study, we have come to understand that management companies play a big role in the Michigan PSA initiative. Therefore, further research into the role of management companies should be a priority.

Competition and efficiency are underlying issues related to the PSA initiative. Comparisons are being made between the outputs of the PSAs and traditional public schools, but both sides claim that the “playing field is not level” in terms of financial resources. Further research into this area would help to compare PSAs and traditional schools in terms of efficiency and would help in determining measures to distribute resources fairly.

It is important to understand that this study was conducted over a limited period of time in which we observed some outstanding efforts, especially among the PSA teachers, and strong commitments on the part of many administrators and founders. Clearly, there are some PSAs with potentially bright futures but, at the same time, there are PSAs that are facing major challenges and the expectation of their success is quite limited. There are strong PSAs and there are weak PSAs—a situation not dissimilar among traditional public schools. The PSA/charter school initiative is a bold effort of education reform, and it should be continually evaluated and judged on the merits and benefits it provides for the most important element of any public school—the students.
References


