

Charter Schools and Accountability

Charter schools are one of the most debated and least understood phenomena in American education. Like the blind men who described the elephant according to the part of it they touched, journalists and policy analysts write about charter schools as if they were many different things. Are charter schools devices for getting government funding for private education or a means of preserving public education? Do charter schools let educators teach in any way they like regardless of whether children learn, or do they make educators strictly accountable for performance?¹

The root of the disagreement is accountability. Some people think that those who run charter schools are responsible only to adhere to professional standards and maintain a clientele of satisfied parents. Others think that those who run charter schools are responsible to show government and the general public that their children are learning what they need to become responsible, productive citizens. These differences of opinion do not split neatly on pro- versus anti-charter-school lines. Some people base their support of charter schools on the expectation that they will not have to answer to government, and others oppose charter schools on the basis of the same expectation. Similarly, some supporters think chartering creates a new performance-focused relationship between schools and government; and some opponents fear that a focus on school performance will weaken the government's ability to impose other agendas on schools.

This book is the result of the first national-scale study of charter school accountability. It explores charter school accountability both in theory and in fact. We hope it will inform elected officials, lay people interested in school reform, and educators about how public schools are held accountable, to whom, and for what.

We think this book has implications outside the charter school world for the national debate about school reform. Congress and forty-eight of the fifty state governments are struggling with the question of how to hold public schools accountable for student performance. Every prominent proposal for school reform—including site-based management initiatives sponsored by hundreds of school districts and voucher initiatives proposed by critics of government-run schools—aims at least in part to release schools from counterproductive regulatory burdens and to focus the efforts of students, teachers, and administrators on teaching and learning.

The most prominent such initiative is standards-based reform. Its logic is simple: Develop state standards for student performance in key subjects; test all students on whether they attain the standards; hold individual schools accountable for rates of student progress on the tests; and eliminate demands and constraints on schools that make it difficult for them to focus on effective instruction.

Standards-based reform starts at the top of the system by trying to align state goals, performance measures, and actions toward schools. Chartering starts at the bottom of the system, by creating freedom of action at the school level.

Despite these differences, chartering and standards-based reform have a great deal in common. Both impose a new obligation on government agencies—performance-based oversight of individual schools. Both try to deregulate schools so teachers and administrators can concentrate on serving students and raising achievement. Both make individual schools directly responsible to demonstrate student learning. These two reform initiatives—and other contemporary approaches such as vouchers and site-based management—can benefit students only if people within the schools learn how to use their freedom of action effectively and if people outside the schools learn how to judge performance without imposing unnecessary burdens.

The accountability problems of charters and standards-based reform are more alike than different. From the perspective of accountability, chartering and standards-based reform are best understood as complementary sides of one large school reform movement.

What Accountability Means for Charter Schools

We start with a very informal definition of accountability: A charter school is accountable to any entity or group whose support it must maintain to survive. Thus we considered charter schools accountable to government agencies, parents who can choose whether to enroll children in a charter school, teachers who can choose whether or not to work in a charter school, and community members who donate needed money, goods, and services. In general, we found that charter school leaders do take explicit account of the needs and expectations of all these groups. However, charter schools' relationships with different parties are not all equally well developed.

Most charter school leaders know that they must meet performance goals set by the government agencies that authorize them to receive public funds, and they must maintain a relationship of trust and confidence with those agencies. However, many government agencies have not clarified their expectations of and oversight processes regarding charter schools. Government agencies that do not clarify performance expectations send an implicit message that charter schools will ultimately be assessed on the basis of political popularity and compliance.

In addition to dealing with government authorizing agencies, most charter school leaders know that they must maintain relationships of trust and confidence with parents, teachers, and donors. Building these relationships, and reconciling the needs of different parties, is a major challenge that all charter schools struggle to meet. Charter schools that survive more than one or two years show signs of developing this capacity. They do so not by pandering to different groups but by making and keeping promises about what students will experience and learn. This establishes internal accountability—a belief that the school's performance depends on all adults working in concert, leading to shared expectations about how the school

will operate, what it will provide children, and who is responsible for what.

Internal accountability can enable charter schools to meet ambitious performance expectations. But if government authorizers' expectations continue to be unpredictable and based on processes instead of outcomes, charter schools will be forced to focus on tasks other than the effective instruction of their students.

What Charter Schools Are

Charter schools are a new kind of institution, and not surprisingly even experts are having trouble figuring them out. A lay reader could easily find research reports and news articles characterizing charter schools in any number of ways. A recent Public Agenda report shows that the chaotic public discourse about charter schools has thoroughly confused parents, millions of whom simply do not know what charter schools are or what to think of them.²

Though state laws differ in detail, charter schools in general receive public funds, in a set amount for every child they enroll. Unlike conventional public schools, charter schools can decide how to spend their money—whom to hire, whether to have any full-time administrators, what books and equipment to buy, and what emphasis to put on technology. No child is required to attend a charter school, so all students enroll by choice. However, charter schools may not handpick their students, and schools with more applicants than spaces must conduct admissions lotteries.

In these ways charter schools are unlike conventional neighborhood public schools. But they are not fundamentally different from the magnet and specialty schools offered by virtually all large public school systems. Where charter schools are truly unique is in their accountability. Charter schools' relationships with government, parents, teachers, and community supporters are all different from conventional public schools' relationships with these entities.

Charter schools enter into performance agreements with local school boards or other state agencies (a charter is essentially a performance agreement) and if their students do not learn the schools can be denied any further public funds. In return for entering these performance agreements,

charter schools are exempt from some regulations that apply to conventional public schools. State charter laws vary, but most schools are exempt from rules governing use of time during the school day and how teachers are chosen. Also unlike conventional public schools, charter schools do not automatically get free access to buildings. Most must rent space and pay for it from their own budgets. To bear these costs without drawing funds away from teaching and learning, many charter schools seek private donations of dollars or space.

A charter school must attract parents by making promises about what children will experience and learn, and if the school does not keep its promises, families are free to leave. Similarly, no teacher can be assigned to a charter school involuntarily. Because teachers are free to choose, the school must provide working conditions that capable teachers find attractive. If good teachers do not choose to work in a charter school, the school cannot deliver its instructional program; it then cannot fulfill its promises to the government agency that authorized it or to parents. Finally, because charter schools are often underfunded and must pay for their own space, most rely on voluntary contributions of money and services. Schools cannot get such donations without convincing community members and donors that children benefit.

Accountability is the focus of controversy about charter schools. Some people think that needing to satisfy parents, teachers, and donors as well as government is good for schools and can make them both more effective and more responsive. Others think the need to respond to parents, teachers, and donors as well as government makes charter schools unaccountable and thus, if not completely private, not fully public either.

The Meaning of Accountability in Public Education

Accountability is a word that is frequently used in connection with public education but is seldom carefully defined. In most settings, accountability is the relationship between a principal, a person who needs a task done and can pay to get it done, and an agent, who accepts responsibility for accomplishing the task in return for some form of payment.³ This definition should be broad enough to apply to all settings, including public education. With respect to public education, most people can agree on who is the agent; it is the school or, in some instances, the teacher. However,

people disagree strongly over who should be considered the principal in public education. (The term *principal* here does not refer to the head of a school but to the legal person for which the school acts as an agent.)

Is the principal in public education the government, represented by the local school board or some other agency? Or is the principal the parents, who are responsible for their children's health, safety, growth, and emotional and moral development? Or is it the community, whose orderliness and prosperity will depend on the children's development and whose taxes pay for education? These questions are difficult to answer because each of these entities is concerned about whether children learn what is required to earn a living and be good neighbors and citizens. However, these parties often disagree about what children need to learn and how schools can be operated. All of them have their own interests, which are sometimes not entirely consistent with those of children.

The theory of democratic accountability holds that a public school is a subordinate unit in a bureaucracy that executes policies enacted by elected officials.⁴ Under this theory, elected officials are the principal for whom a public bureaucracy, and ultimately the school as a unit of that bureaucracy, act as agents. The adults who run a school are supposed to implement policies set by elected officials. Though teachers and principals are expected to use their professional expertise, they must do so within boundaries set by rules that are politically determined. Parents and community members can influence these policies by voting in elections and by petitioning officials for changes. Parents and community members can also build collaborative relationships with teachers and principals, but they cannot expect school staff to violate policies set by elected officials and higher levels of the bureaucracy.

Charter schools are one of two contemporary challenges to the traditional bureaucratic theory of democratic accountability. The other challenger is standards-based reform.

Both charters and standards-based reform retain government as a principal, but both constrain government. In the case of charter schools, elected officials and the administrators who work for them are able to decide what schools will be authorized to receive public funds, and they can cancel the charters of schools that do not meet their performance agreements. But elected officials may not make new rules whenever they please or

unilaterally alter or cancel an agreement with a school that is performing as promised. In the case of standards-based reform, elected officials, and the administrators who work for them, set standards of student performance that each school must meet. Officials and administrators can intervene in schools that do not teach children to meet the standards. But elected officials are not supposed to impose new mandates that distract teachers and principals from the work of teaching students to meet the standards.

The charter school idea diverges from the standard model of democratic accountability in two additional ways. First, it tries to make parents, teachers, and community members co-principals, along with government. Each of these entities can deal directly with individual schools: the parents by deciding whether to enroll their children; teachers by deciding whether to work in the school; community members by deciding whether to provide direct support, including money, services, and goods, to individual schools; and government by deciding which schools to authorize to receive public funds. Second, it tries to make the adults in a school partners in a shared enterprise, not bureaucratic functionaries. Teachers and administrators work in charter schools by choice, and they stand to benefit (by keeping their jobs and enjoying freedom from regulation) if their school performs well and to suffer (by losing their jobs and possibly their reputations) if the school performs poorly.

In theory, parents, community members, and financial supporters who believe in a charter school also have something to gain if it survives and something to lose if it does not. These parties both have expectations of the school and take some responsibility for its performance. Charter schools therefore experience strong pressures to develop internal accountability, in which administrators, teachers, parents, and members expect things of one another and face expectations in return.

Democratic Accountability Is Problematic for Schools

Charter schools and standards-based reform have challenged traditional democratic accountability because of widespread dissatisfaction with elected officials as the sole principal for public schools. Teachers and principals complain that elected officials constantly impose new rules in response to political pressure and legislative negotiations, forcing constant

reallocation of school resources and adjustment of teaching practices. Parents complain that politically set rules make schools unresponsive and unable to adjust to the needs of individual children. Many elected officials sympathize with these complaints and think that oversight by political decisionmaking bodies has made schools much less efficient and responsive than they could be.

Though elected officials are the representatives of the people who vote them into office, the policies they make about public schools do not reliably reflect the needs of schools and children. In some instances the failures of representative bodies might be due to personal weaknesses of elected officials. But the problem is more structural than personal. Representative bodies enact policies that apply to all schools, but the needs of children are diverse. Schools struggle with rules that were not made with them in mind but which they must follow nonetheless. Moreover, as Terry E. Moe has shown, groups that win enactment of policies that favor themselves are usually able to protect those policies even when they no longer have majority support.⁵ Thus policies accumulate over time and the adults who work in schools must follow many of them, including some that only a few people continue to support and that conflict with one another.

The results can be seen most vividly in the central offices of big-city school districts. These have many separate sub-bureaucracies, each responsible to ensure that schools comply with a particular set of federal, state, or local school board rules. School leaders must comply with the rules administered by each of these offices. This arrangement is often called fragmented centralization. It focuses school leaders' energy on relationships with the central office and limits the time they have to lead their school's instructional program. Schools that get funds from many federal and state programs must follow various regulations about how money can be used, which students are allowed to receive services funded by what programs, and which teachers are allowed to serve particular students.⁶

No one thinks fragmented centralization is a good thing. But some analysts fear that the challenge charter schools pose to traditional democratic accountability is itself undemocratic. People who favor charter schools and standards-based reform argue that a democratic society can choose to do its business in many ways. They point to many circumstances in which

the United States constrains political oversight and sets up institutions that can exercise a great deal of discretion: Consider the Securities and Exchange Commission, the Federal Reserve System, and developers of secret weapons. Like the judicial system, which is also insulated from detailed political oversight, the effectiveness of these enterprises depends on being able to sustain consistent actions. Such institutions are compatible with democracy because they ultimately depend on the results of elections and the support of elected officials. They can be changed, albeit slowly, by sustained pressures from determined majorities.

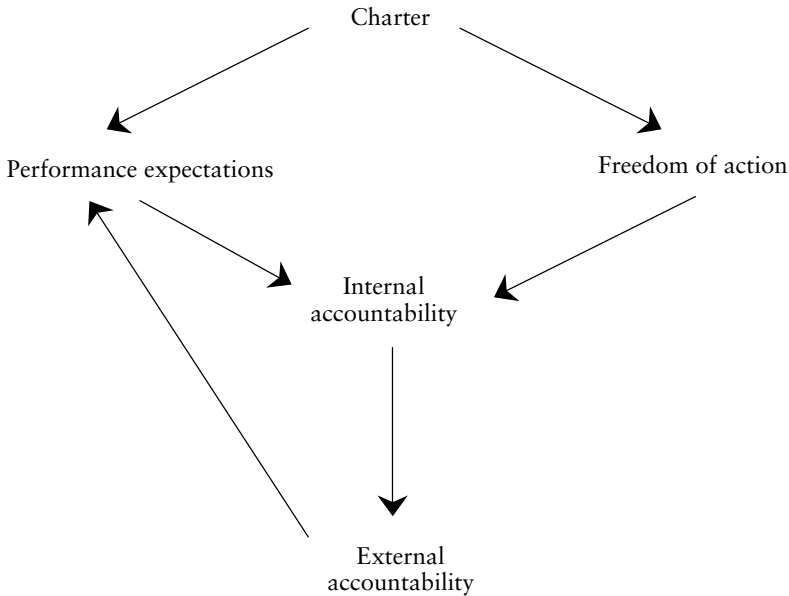
Democratic societies can also give individuals and institutions great discretion over the use of public funds. No one thinks it violates democratic principles to allow government-paid air traffic controllers to decide how many planes can land in a particular hour or to let military commanders keep some of their plans secret.

Thus alternatives to the strict hierarchy of democratic accountability can be just as democratic. Schools, like other vital public enterprises, must have enough freedom of action to perform competently. They need not be forced to advance the political objectives of whatever party controls a legislative majority, seek bureaucratic approvals for every action, or put the completion of paperwork above the delivery of their core service. Public institutions must ultimately answer to the voters and elected officials, but they must be insulated from day-to-day-politics. That is why Congress invented independent regulatory commissions and made it impossible for a new president to totally reconstitute the Federal Reserve System Board of Governors.

For similar reasons, state legislatures gave charter schools substantial freedom of action, but they provided mechanisms for periodic and focused, but nonetheless consequential, public oversight. The charter school movement does not intend to remove public education from its democratic roots. But it does challenge the assumption that democracy requires a trade-off between accountability and effectiveness.

Assessing the Consequences of New Accountability for Public Education

Charter schools and standards-based reform are reactions to the poor performance of rules-driven public schools. But the new forms of account-

Figure 1-1. *Theory of Charter School Accountability*

ability bring their own problems. Critics are particularly concerned about charter schools, fearing that public officials will be too lenient in allowing incompetent groups to obtain charters and continuing to fund even very low performing schools. Critics also fear that the heads of charter schools might abuse their powers, tyrannizing teachers, gulling parents, and falsifying data about their school performance. Finally, many are concerned that the parent- and teacher-choice elements of the charter school idea will lead charter schools to exclude the hard-to-teach and create enclaves of privilege.

As was the case with traditional democratic accountability, these alternatives to it might have hidden costs and might work in unexpected ways. No one can tell for sure *a priori*.

Figure 1-1 summarizes the theory of charter school accountability. A charter both establishes a school's freedom of action (by giving it control of decisions about spending, staffing, schedules, and so on) and creates pressure for performance (via student learning goals negotiated with the school's authorizer and the expectations of parents, teachers, and com-

munity supporters). The combination of resource control and performance pressure leads the school to develop internal accountability—divisions of labor and mutual expectations that make the school an effective learning environment for children. Internal accountability allows the school to perform as promised and thus to be accountable to its principals—government, parents, teachers, and donors.

A drawing of the theory of accountability under standards-based reform would look somewhat different. It would, however, include the key elements of figure 1-1: performance expectations, school freedom of action, and internal accountability leading to external accountability.

These new conceptions of accountability for public schools are theories, not necessarily facts. This book represents an early effort to understand how new forms of accountability for public education work. The book's main focus is on charter schools, which, though relatively new, have far more fully functioning exemplars than standards-based reform. Though all but two states are formally committed to standards-based reform, it is being designed and rolled out very slowly. The vast majority of states are still working on defining standards and deciding how to measure student performance.

With the help of a contract from the U.S. Department of Education and several foundations, we set out to explain how charter school accountability works in practice.⁷ We designed our research around the ideas in figure 1-1: inquiring about how charter schools come to understand the expectations of schools' government, parents, teachers, and donors; how charter schools develop internal accountability; and how internal accountability facilitates external accountability.

The study focused on six states—Arizona, California, Colorado, Georgia, Massachusetts, and Michigan. We selected these states for three reasons: (1) they contain the vast majority of charter schools in existence for at least three years; (2) they represent the major differences in state charter school laws; and (3) they provide examples from all the major regions of the country—West, Northeast, South, Southwest, and Midwest. Differences in state laws are important. Arizona, for example, has an extremely permissive state charter law, whereas California's and Georgia's are much more restrictive. Massachusetts has demonstrated a strong com-

mitment to helping its charter schools succeed; Michigan officials are deeply divided about the desirability of charter schools.

We studied a total of 150 schools and 60 authorizing agencies in these states. We conducted extensive case studies of internal accountability relationships in 17 of the 150 schools, interviewing school principals, teachers, other staff members, parents, governing board members, and authorizing agency officials.⁸ We also interviewed state legislators and their aides, governors' aides, senior staff of state education agencies, administrators responsible for issuing regulations and guidelines for charter schools, individuals designated to approve charter schools or hear appeals when local districts rejected charter school applications, charter school assistance organization heads, and senior staff members of other education associations that attempted to influence policy regarding charter schools.

In addition, we supplemented the results of state and school case studies with data from a nationally representative survey of charter schools. As we planned our study, RPP International of Emeryville, California, was starting a national survey of charter schools, under contract with the U.S. Department of Education.⁹ We were fortunate to be able to contribute accountability questions to the RPP International surveys. As we analyzed our fieldwork data, we also analyzed the national data files generated by RPP International's surveys.¹⁰

From these sources we learned a great deal about accountability in the charter school movement. We were also exposed to many ideas that went well beyond the original intent of our study, insights that we thought deserved a broader audience than a government report, no matter how good, typically earns.