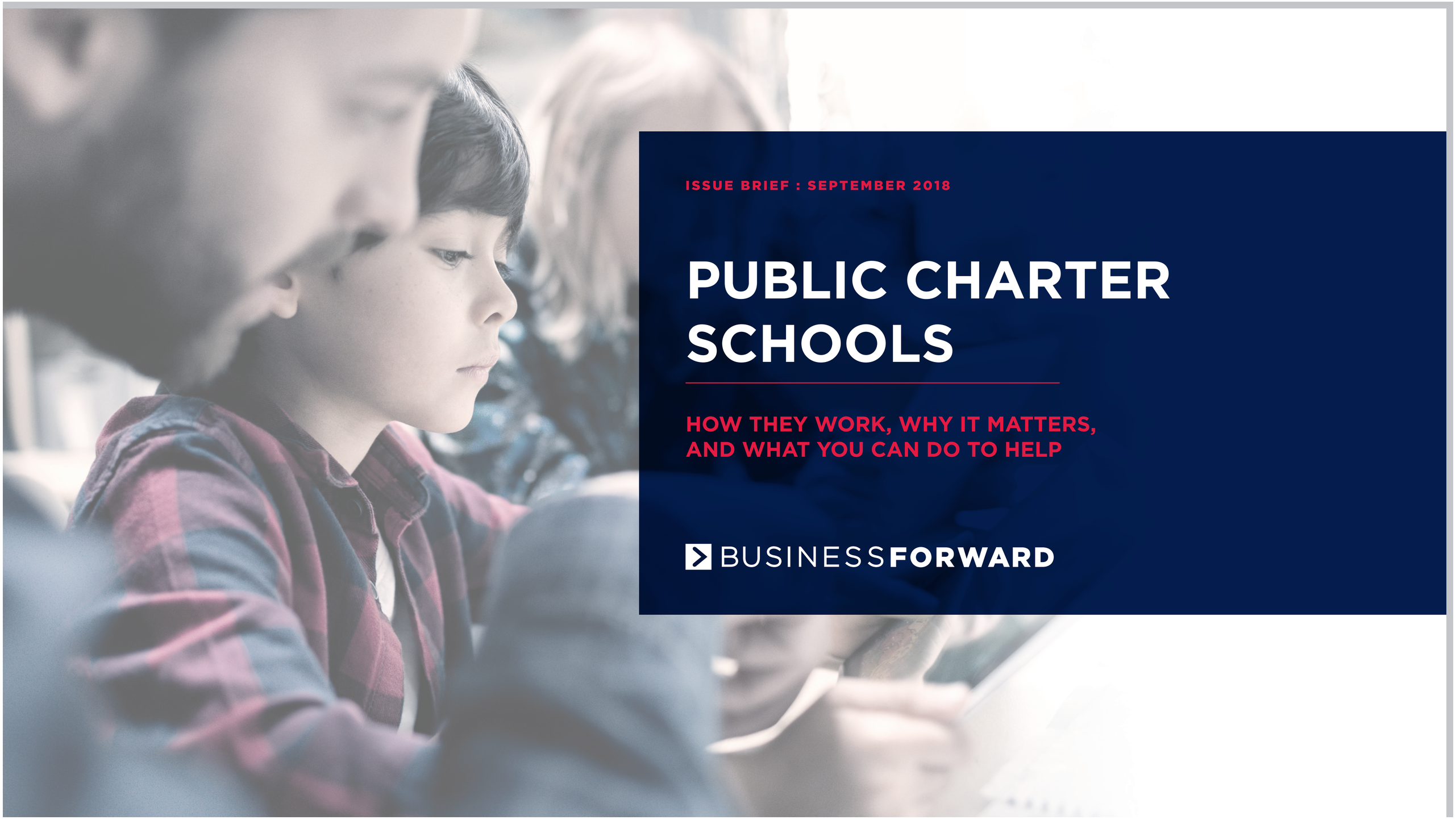


ISSUE BRIEF : SEPTEMBER 2018

PUBLIC CHARTER SCHOOLS

HOW THEY WORK, WHY IT MATTERS, AND WHAT YOU CAN DO TO HELP

BUSINESSFORWARD

EXECUTIVE SUMMARY

1. We're failing our kids, and it's affecting their future.

2. America is falling behind, and it's hurting our economy.

3. Public charter schools do better, with less money and smaller buildings – particularly for poor and minority students.

4. Public charters work because teachers and principals have more control; schools can specialize and stay open longer; good schools grow, and bad schools get replaced.

5. Public charters deserve equal per-student funding and access to empty or underused district school buildings. But serious oversight and accountability is also critical.

THE ISSUES

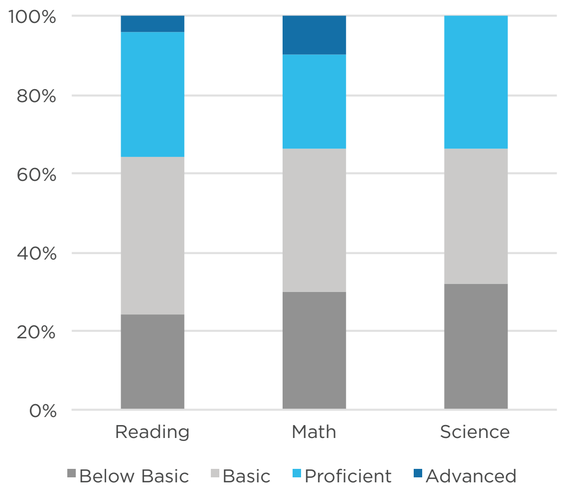
EXPLAINED

WE'RE FAILING OUR KIDS

LACKING THE BASICS

Only one in three 8th graders is proficient or above in math, science, or reading.

Percentage distribution of 8th grade students, by National Assessment of Educational Progress (NAEP) reading achievement level (1992-2017)[1]

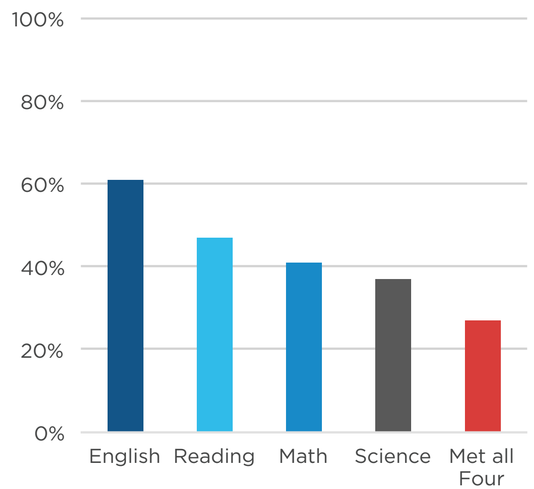


Note: Science category does not breakout "Advanced"

AN INCOMPLETE EDUCATION

Only one in four high school seniors is "college ready" in math, science, English, and reading.

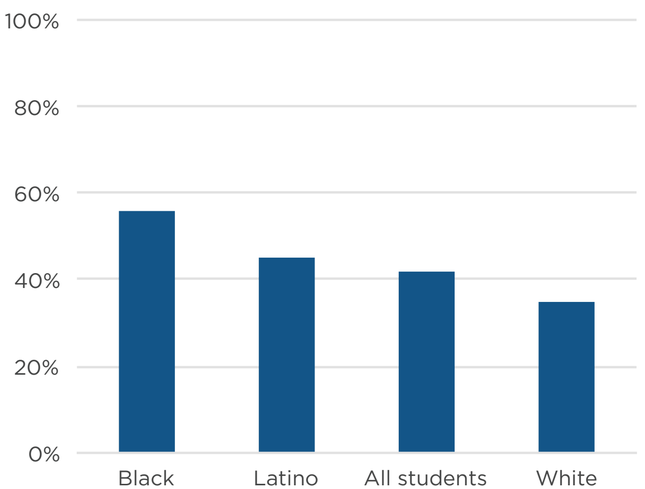
Percentage of students achieving benchmark score on ACT (2017)[2]



THE COST OF REMEDIAL EDUCATION

More than four in 10 first-year college students require remedial education. These additional classes cost students $1 billion/year. They also make it harder for students to graduate on time.

National rates of remedial education enrollment, by student groups[3]



IT'S HURTING THEIR FUTURE

THE ODDS ARE AGAINST THEM

Students with only a HS degree are twice as likely to be unemployed as college graduates.

Unemployment rate for workers ages 25-34, by educational attainment (2016)[4]

A LACK OF UPWARD MOBILITY

4-year college graduates earn 64% more per year than HS graduates, on average. A college degree is worth about $2.8 million in lifetime income.

Median annual earnings of full-time, year-round workers ages 25-34, by educational attainment (2016)[5]

CHANGING JOB REQUIREMENTS

By 2020, 65% of all jobs in the economy will require post-secondary education and training beyond high school.

Post-secondary education and training requirements[6]

IT'S WORSE FOR POOR AND MINORITY STUDENTS

AN UNNECESSARY DIFFERENCE

African-American 8th grade students are three times less likely to be proficient in reading or math as white students.

Percentage proficient in reading and math, by ethnicity[7]

DROPPING OUT

African-American and Hispanic students are twice as likely to drop out of high school as white students.[8]

Adjusted cohort graduation rate for public HS students, by race/ethnicity (2015-6)[9]

THE GAP BETWEEN RICH AND POOR

Students from affluent families are 7 times more likely to earn a 4-year degree than students from poor families.

Likelihood of graduating from 4-year college, by family income[10]

WE ARE FALLING BEHIND AS A NATION

Despite ranking 4th in per pupil spending, the U.S. ranks 24th in reading, 40th in math, and 27th in science.[11]

The U.S.'s per pupil spending is 29% higher than other OECD countries.[12]

RANK	READING	MATH	SCIENCE
1	SINGAPORE	HONG KONG	SINGAPORE
2	CANADA	MACAU	JAPAN
3	HONG KONG	CHINESE TAIPEI	ESTONIA
4	FINLAND	JAPAN	CHINESE TAIPEI
5	IRELAND	BSJG	FINLAND
6	ESTONIA	KOREA	MACAU
7	KOREA	SWITZERLAND	CANADA
8	JAPAN	ESTONIA	VIETNAM
9	NORWAY	CANADA	HONG KONG
10	GERMANY	NETHERLANDS	BSJG
11	MACAU	DENMARK	KOREA
12	NEW ZEALAND	FINLAND	NEW ZEALAND
13	POLAND	SLOVENIA	SLOVENIA
14	SLOVENIA	BELGIUM	AUSTRALIA
15	NETHERLANDS	GERMANY	GERMANY
16	AUSTRALIA	IRELAND	NETHERLANDS
17	DENMARK	POLAND	UNITED KINGDOM
18	SWEDEN	NORWAY	SWITZERLAND
19	BELGIUM	AUSTRIA	IRELAND
20	FRANCE	NEW ZEALAND	BELGIUM
21	PORTUGAL	VIETNAM	DENMARK
22	UNITED KINGDOM	AUSTRALIA	POLAND
23	CHINESE TAIPEI	RUSSIAN FEDERATION	PORTUGAL
24	**UNITED STATES**	SWEDEN	NORWAY
25	SPAIN	FRANCE	AUSTRIA
26	RUSSIAN FEDERATION	CZECH REPUBLIC	FRANCE
27	BSJG	PORTUGAL	**UNITED STATES**
28	OECD AVERAGE	UNITED KINGDOM	CZECH REPUBLIC
29	SWITZERLAND	ITALY	OECD AVERAGE
30	LATVIA	OECD AVERAGE	SPAIN
31	CROATIA	ICELAND	SWEDEN
32	CZECH REPUBLIC	LUXEMBOURG	LATVIA
33	VIETNAM	SPAIN	RUSSIAN FEDERATION
34	AUSTRIA	LATVIA	LUXEMBOURG
35	ITALY	MALTA	ITALY
36	ICELAND	LITHUANIA	HUNGARY
37	LUXEMBOURG	HUNGARY	BUENOS AIRES
38	ISRAEL	SLOVAK REPUBLIC	CROATIA
39	BUENOS AIRES	ISRAEL	LITHUANIA
40	LITHUANIA	**UNITED STATES**	ICELAND

IT'S HURTING OUR ECONOMY

VACANT POSITIONS

STEM jobs are growing six times faster than non-STEM jobs. Today, employers have 3 million STEM jobs they cannot fill.

Percent job growth in the last decade[13]

LACK OF AGILITY

In fast-growing economies, local schools cannot keep up with skilled-job growth.

Colorado's annual growth in skilled job demand and skilled workers[14]

IMPORTING TALENT

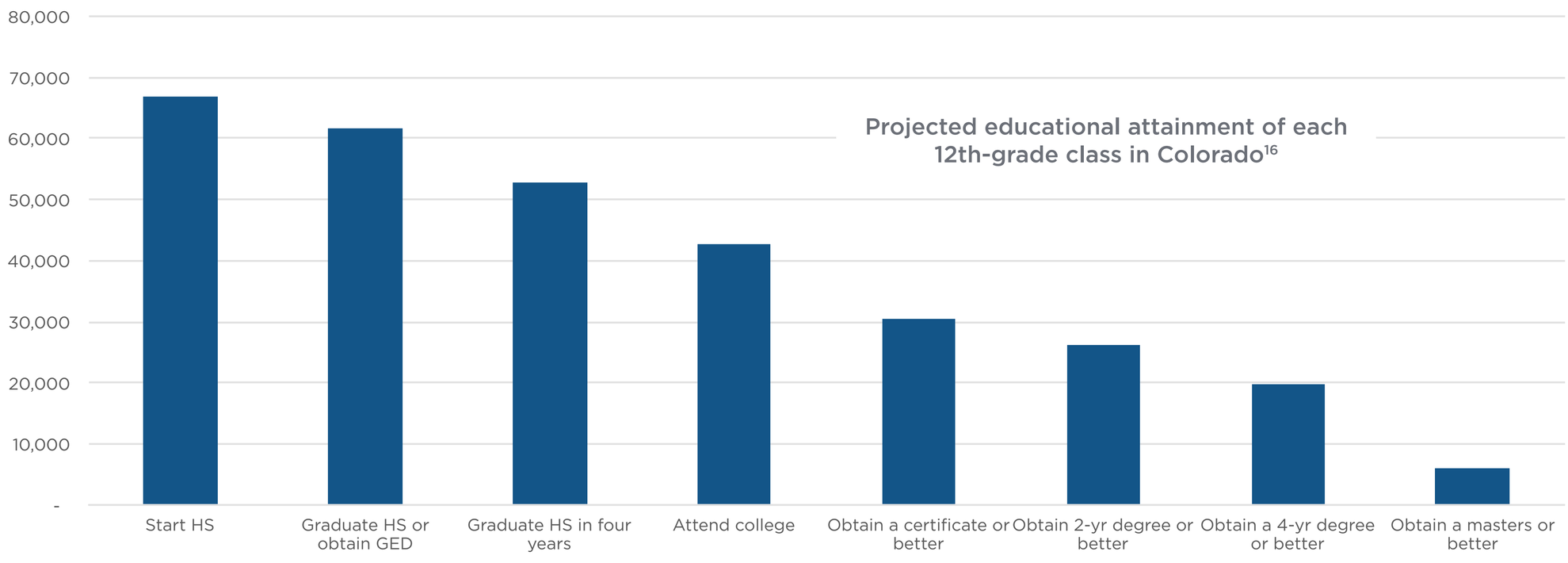
As a result, employers in high-growth markets import workers from other states, leaving low-skilled workers underemployed. Meanwhile, their universities import talent to fill STEM classrooms.

Foreign students as a % of graduate STEM programs[15]

BUSINESS LEADERS APPROACH SCHOOL REFORM AS A "PIPELINE" PROBLEM

At each step, students fall out of the pipeline. The payoff for plugging the holes in this pipeline are enormous.

Colorado business leaders' effort to increase HS graduation rates for poor students from 75 to 93 percent could help those students earn $5 billion more over ten years – and increase CO's 10-year GDP by $7 billion.



PUBLIC CHARTER SCHOOLS PERFORM BETTER, ON AVERAGE

CRITICAL DECISION MAKING

In a traditional school, the principal controls less than 1% of her budget. She and her teachers have little control over the curriculum or the length of the school day and year. A father can't move his daughter to a different school that matches her background, interests, or learning style.

With public charter schools, families decide what's best for their kids. Teachers have more control over their lessons. Principals have more control over their budgets. Schools can specialize (and stay open longer). High-performing charter schools grow; and underperforming schools are replaced.

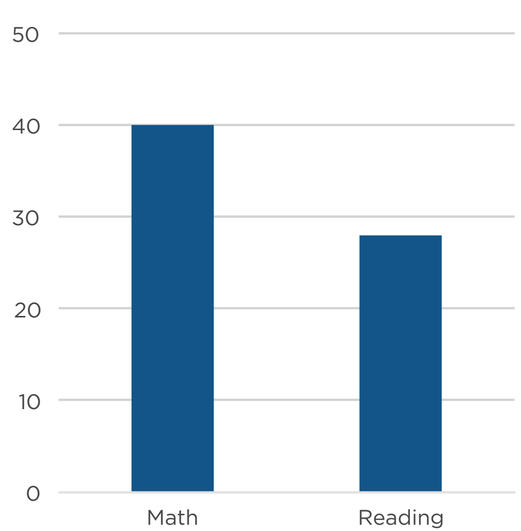
More than 6,900 charter schools serve 3.2 million students across 44 states. They educate 10% or more of the student population in 200 school districts.[19]

Charters receive 72 cents on the dollar compared with traditional public schools. That's a $3,500 difference, per student.

MORE LEARNING EVERY YEAR

Charter school students, on average, obtain 40 days of additional learning in math and 28 days in reading over students at traditional schools in their area.

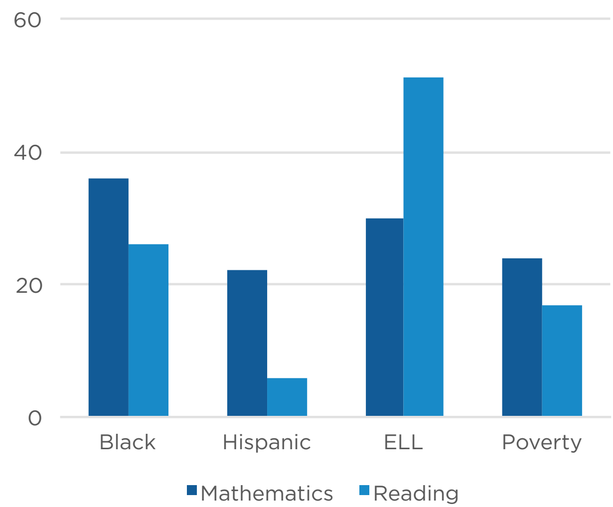
Additional days of learning of urban charter students over urban district students, by subject[17]



CLOSING THE GROUP GAP

Black and Hispanic charter school students are twice as likely to be proficient in math than their district school counterparts, and 50% more likely to be proficient in English.

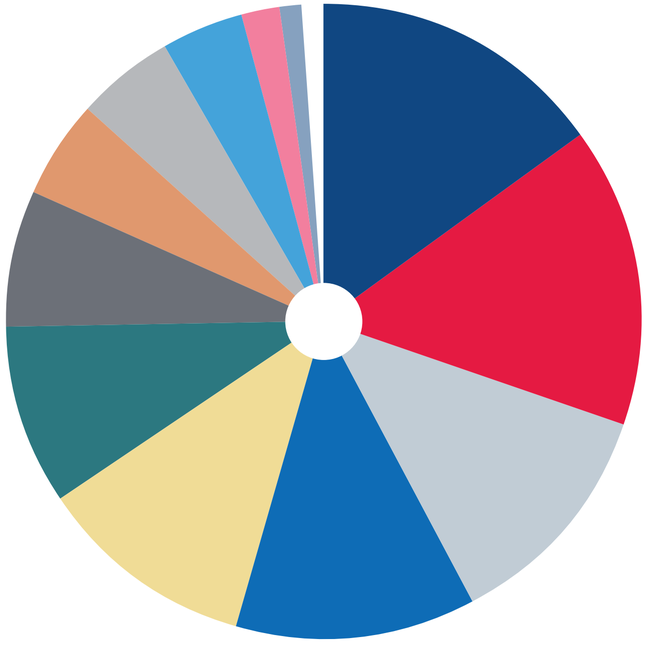
Additional days of learning of urban charter school students, compared to urban district students, by subgroup and subject[18]



TEST SCORES TELL ONLY HALF THE STORY

Half of charters specialize by teaching model, subject matter, or student population – providing options for families who can't afford private schools.[20]

SAMPLE OF SPECIALIZED SCHOOL OFFERINGS



NO EXCUSES
Strict discipline policies and high expectations of students.

PROGRESSIVE
Teaching designed to build determination, "grit," and work ethic. Child and learner-centered.

CREDIT RECOVERY
Specialize in helping dropouts graduate.

HYBRID
Divided between human educators and computers.

STEM
Specialize in math and sciences.

INTERNATIONAL/BILINGUAL
Students learn foreign language and global cultural practices.

ARTS
Focus on fine or performing arts, use arts immersion education model.

SINGLE SEX
Entirely single sex or single sex by grade level

PUBLIC POLICY
Focus on civic engagement, political knowledge and participation and development of public policy knowledge.

CLASSICAL
Use the Socratic method or emphasize the three-fold way.

VOCATIONAL
Job skills and hands on training.

PURPOSEFULLY DIVERSE
Purposefully trying to create racially and socioeconomically diverse student bodies.

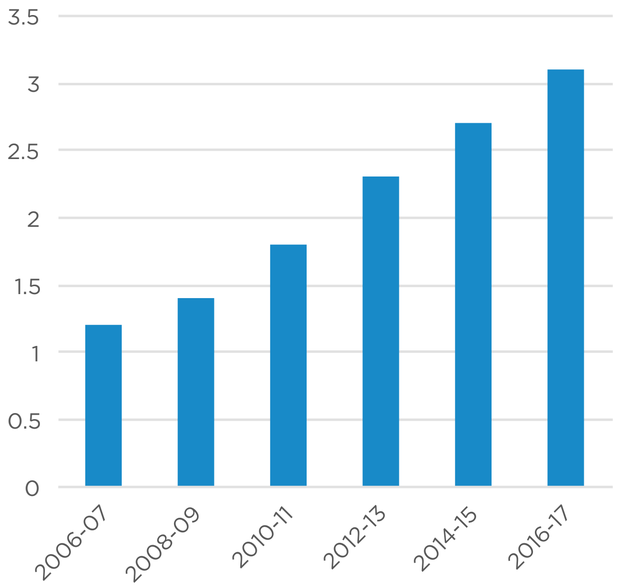
MILITARY

FIVE MILLION MORE STUDENTS WOULD ATTEND A CHARTER, IF THEY COULD

COMPOUNDING INTEREST

In the last 10 years, enrollment in charter schools has nearly tripled (to 3.2 million). 6,900 charter schools cover 44 states.

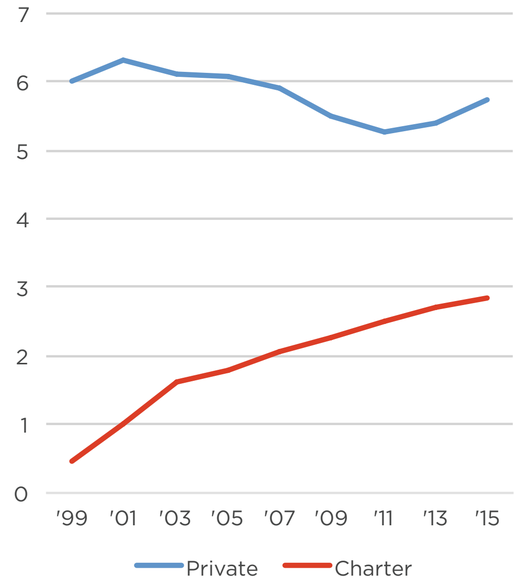
Charter school enrollment
(in millions)[21]



GAINING ON PRIVATE SCHOOLS

In 20 years, charters have grown to serve half as many students as private schools.

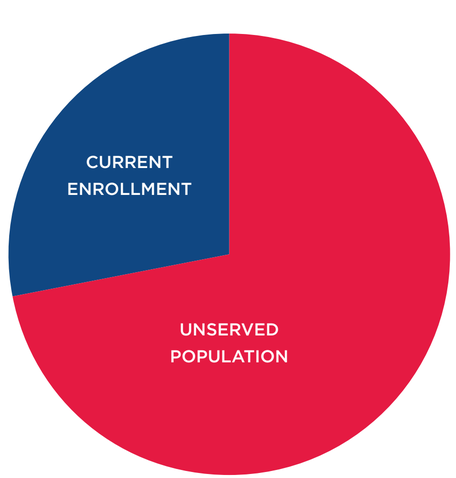
Private school vs. public charter school enrollment
(PK-12; 1999-2015)[22]



REDEFINING NECESSITY

Parents representing 8.25 million students prefer charters, but today's charters can serve only 3.2 million.

Student demand for charters
(in millions)[23]



EQUAL FUNDING, ACCESS TO EMPTY BUILDINGS, AND STRONG OVERSIGHT

Public charter operators, authorizers, and school boards have 20 years of data and experience from thousands of schools across hundreds of cities that demonstrate what works for students, their families, and their communities. We can replicate highly successful STEM, arts, single sex,
vocational, and credit recovery programs in new cities. We can help proven school managers expand their networks to struggling districts. And we can apply authorization policies that work in more states.

To help the millions of children waiting for a place in a public charter school, charters require:

EQUAL SPENDING

Public charters should receive the same funding per student as traditional public schools.

Public charters should qualify for equal state and local building funds, so they can provide libraries, labs, and gyms, just like traditional public schools.

Public charters should qualify for equal transportation support (like school buses) and teacher support (pensions).

ACCESS TO BUILDINGS

We can meet today's rising demand for public charters and help more children succeed by requiring school districts to transfer school buildings to proven charters.

No child is helped by an empty school.

STRONG OVERSIGHT

Each year, administrators close hundreds of public charter schools. That's a good thing, because it helps children find the right school and creates room for successful schools to grow.

Public charters realize their potential when charter boards conduct annual audits and hold teachers and principals accountable for student results.

HOW BUSINESS FORWARD CAN HELP

1. We organize conference calls, webinars, and local briefings for business leaders on school reform options and their impact.

2. We train business leaders how to work with local media, publish an op-ed, testify at government hearings, and speak out on social media.

3. We introduce educators and school administrators to business leaders in their communities (and in other communities looking to improve their schools).

4. We promote best practices and business leader recommendations across our network and through earned and social media.

REFERENCES

1. National Center for Education Statistics. The Condition of Education 2018: Reading Performance. 2018. https://nces.ed.gov/programs/coe/pdf/coe_cnb.pdf
2. ACT. The Condition of College and Career Readiness 2017. http://www.act.org/content/act/en/research/condition-of-college-and-career-readiness-2017.html
3. Center for American Progress. Remedial Education: The Cost of Catching Up. Sept. 28, 2016. https://www.americanprogress.org/issues/education-k-12/reports/2016/09/28/144000/remedial-education/
4. Bureau of Labor Statistics https://nces.ed.gov/programs/digest/d17/tables/dt17_501.50.asp
5. National Center for Education Statistics. "Digest of Educational Statistics: 2016." https://nces.ed.gov/programs/digest/d16/
6. Carnevale, Anthony P., Nicole Smith, and Jeff Strohl. Georgetown University's Center on Education and the Workforce. Recovery: Job Growth and Education Requirements Through 2020. June 2013. Pg. 15. https://1gyhoq479ufd3yna29x7ubjn-wpengine.netdna-ssl.com/wp-content/uploads/2014/11/Recovery2020.FR_.Web_.pdf
7. https://www.nationsreportcard.gov/reading_math_2015/#mathematics/acl?grade=8
8. Gabriel, T. (2010, November 09). Proficiency of Black Students Is Found to Be Far Lower Than Expected. Retrieved from https://www.nytimes.com/2010/11/09/education/09gap.html
9. National Center for Education Statistics. The Condition of Education 2018: Reading Performance. 2018. https://nces.ed.gov/programs/coe/pdf/coe_cnb.pdf
10. Fisher, D. (2012, May 09). Poor Students Are The Real Victims Of College Discrimination. Retrieved from https://www.forbes.com/sites/danielfisher/2012/05/02/poor-students-are-the-real-victims-of-college-discrimination/#7056cc37610e
11. PEW Research. http://www.pewresearch.org/fact-tank/2017/02/15/u-s-students-internationally-math-science/
12. National Center for Education Statistics. "Education Expenditures by Country." https://nces.ed.gov/programs/coe/indicator_cmd.asp
13. U.S. Department of Commerce, Economics and Statistics Administration. STEM Jobs: 2017 Update. Mar. 30, 2017. http://www.esa.doc.gov/reports/stem-jobs-2017-update
14. The Business Case for Education Reform. (n.d.). Retrieved from http://www.americasucceeds.org/downloads/cs-bizcase.pdf
15. National Foundation for American Policy. The Importance of International Students to American Science and Engineering. October 2017. http://nfap.com/wp-content/uploads/2017/10/The-Importance-of-International-Students.NFAP-Policy-Brief.October-20171.pdf
16. Colorado Succeeds. Colorado: The Economic Value of Investing in Colorado's Future Workforce. May 2018.
17. CREDO National Charter School Study. 2013. https://credo.stanford.edu/documents/NCSS%202013%20Final%20Draft.pdf
18. Urban Schools. Additional Days of Learning of Charter Students to District Students. 2013.
19. National Alliance for Public Charter Schools. Publiccharters.org
20. McShane, Michael W. and Jenn Hatfield. Measuring Diversity in Charter School Offerings. American Enterprise Institute, July 2015. https://charterschoolcenter.ed.gov/sites/default/files/files/field_publication_attachment/Measuring-Diversity-in-Charter-School-Offerings.pdf
21. National Alliance for Public Charter Schools. Estimated Charter Public School Enrollment, 2016-17. http://www.publiccharters.org/sites/default/files/migrated/wp-content/uploads/2017/01/EER_Report_V5.pdf
22. National Center for Education Statistics. The Condition of Education 2018: Reading Performance. 2018. https://nces.ed.gov/programs/coe/pdf/coe_cnb.pdf
23. National Alliance for Public Charter Schools. Estimated Public Charter School Enrollment, 2017-2018. March 2018. https://www.publiccharters.org/sites/default/files/documents/2018-03/FINAL%20Estimated%20Public%20Charter%20School%20Enrollment%2C%202017-18.pdf

INFO@BUSINESSFWD.ORG

BUSINESSFWD.ORG

1155 CONNECTICUT AVENUE NW
SUITE 1000
WASHINGTON, D.C. 20036

202.861.1270

BUSINESSFORWARD