



RIPEC

An Analysis of Charter Public Schools in Rhode Island

Executive Summary June 2021

“An Analysis of Charter Public Schools in Rhode Island” outlines and analyzes the key issues surrounding charter public schools in Rhode Island both because they are integral to Rhode Island’s public K-12 system and because their expansion is at a critical juncture.

Charter public schools are today central to public elementary and secondary education in Rhode Island and around the country, but they are still a relatively new innovation. The first charter public school in the nation opened in 1992 in Minnesota, and Rhode Island’s first charter public school opened in 1997, two years after charter enabling legislation was passed by the Rhode Island General Assembly. Today, 22 charters operating out of ten host communities educate over 10,000 students annually, amounting to 7.4 percent of the state’s total public school student body and comprising a far higher share of students residing in Rhode Island’s urban core (about one-third of students residing in Central Falls attend a charter school). Despite a dramatic growth in enrollment—particularly in the last ten years—the number of available charter public school seats has not kept a pace with demand; for the 2020-2021 school year, there were 5.4 unique applicants for every available charter public school seat in Rhode Island.

Despite the unmet demand, there have been attempts to limit the expansion of charter schools. There was a six-year moratorium on charter schools from 2004 to 2010, and today, there is another attempt by some members of the General Assembly to curtail the growth of charter schools. Passed overwhelmingly by the Senate in a 30-to-6 vote and currently under consideration by the House of Representatives, the charter moratorium legislation currently at play comes in response to—and would retroactively reverse—the approval of three new charters, and the expansion of three existing charters, by the state’s Council on Elementary and Secondary Education. These new charters and expansions would collectively increase the number of available charter seats by 55.1 percent over the next decade.

Charter public schools serve students from most communities in Rhode Island, but approximately eighty percent of charter public school students reside in the state’s poorest four communities: Providence (47.3 percent), Pawtucket (14.0 percent), Central Falls (13.6 percent), and Woonsocket (4.4 percent). Unsurprisingly, then, charter public school students are also more likely to come from low-income families than public school students overall (71.1 percent vs. 47.8 percent). In further similarity to the communities from which most of their students reside, charter public schools also have larger shares of students with limited English proficiency and students of color. Rhode Island’s two biggest charter public schools, Blackstone Valley Prep and Achievement

First—which together educate over a third (36.6 percent) of the state’s public charter schools students—both have higher percentages of poor students, and students of color, than their sending districts. On the other hand, students in special education programs and students with individualized education plans—which comprise another significantly sized group with historically low achievement levels—are underrepresented in Rhode Island’s charter public schools as compared to the state’s traditional public schools (13 percent vs. 15 percent).

As charters educate higher proportions of students from low-income families than traditional public schools and poverty level factors into Rhode Island’s education funding formula, charter schools received a total of 9.9 percent of direct state aid payments while educating 6.7 percent of all public school students in FY 2019. However, factoring in all sources of funding—federal, state, local, and private—charter public schools together had per pupil expenditures that were 16.4 percent lower than Rhode Island’s overall per pupil expenditures (\$15,444 vs. \$17,983) and lower than every district in the state but Woonsocket (\$15,372) that same year. Charter public schools, moreover, are reimbursed for school construction costs at a lower rate than all traditional public schools and at a significantly lower rate than the state’s poorest districts.

Working under the principle that money should follow the student, Rhode Island’s funding system requires sending districts to provide their local per pupil share to charter schools for each resident student enrolled in a charter. For each charter school student, sending districts do not receive the state per pupil share, which is allocated by the state to the charter school. Over time, the General Assembly has responded to this loss of funding by allowing sending districts to hold back a portion of their local share to account for so-called unique costs (only some of which are actually unique to districts) and, in the case of students attending mayoral academies, for teacher pension obligations. As a result, all districts withhold at least 7.0 percent of their local share from their charter tuition payments and some districts withhold greater proportions, as high as 25.8 percent in the case of Woonsocket in FY 2021. In total, 8.9 percent of local per pupil contributions in the state were held back in FY 2021.

Though they receive less funding, on whole, charter public schools have improved student outcomes. On the 2018-2019 RICAS, 38.3 percent of all district students in the state achieved proficiency in ELA/literature, compared to 42.2 percent of charter public school students. In math, charter public school students posted proficiency rates of 38.3 percent, nearly nine percentage points greater than the district student total of 29.4 percent. Considering that approximately four in five charter public school students reside in Central Falls, Woonsocket, Providence, and Pawtucket—among the lowest performing districts in the state—the proficiency rate of charter public schools overall is even more remarkable. On the 2018-2019 SAT, however, charters on average were outperformed by the district average in both math and ERW, and charter performance in relation to their sending districts varied, with around half of charter public schools outperforming their sending districts and the other half underperforming. Rhode Island charter public schools overall outperform schools in their sending districts with respect to RIDE’s accountability report cards; those districts with large percentages of students enrolled in charter

public schools have low star ratings whereas the largest charter public schools in the state posted higher star ratings.

Based on its analysis, RIPEC offers several recommendations to policymakers:

- The state should support new charter public schools and the expansion of existing charters, particularly charter schools focused on serving students who reside in low-performing school districts, rather than impose a moratorium on charter expansion.
- While charter public schools are high performing overall, there are several that have consistently underperformed. Despite the considerable oversight of charter schools, there is room for RIDE to exercise more rigorous action to either improve these low-performing schools through significant conditions around student supports and performance or revoke their charters.
- Policymakers should work to better understand the reasons for successful outcomes in charter public schools and seek to replicate these practices in traditional public schools.
- Charter school expansion implicates real financial issues for sending districts under the school funding formula, but as charter public schools are already funded at a lower level, the solution is not to cut farther into the local share for charter public schools. Rather, policymakers should consider adopting glidepath payments to sending districts, similar to the model used in Massachusetts, to account for the transitional financial challenges charter public school expansion can have on traditional public schools. This would increase education costs, but there is currently considerable additional funding available for K-12 education under the federal American Rescue Plan Act.
- Policymakers should consider addressing a secondary issue related to funding—that high-cost special education costs are borne more heavily by district schools than charter public schools—by both lowering the threshold for reimbursement and dedicating a larger funding stream to high-cost special education.