



May 24, 2011

Sen. Chris Widener Chairman, Finance Committee Ohio Senate Senate Building 1 Capitol Square, 1st Floor Columbus, OH 43215

Dear Chairman Widener:

Thank you for your continued leadership in improving education for Ohio's children and for your commitment to strengthening the charter school option in the state. We are writing today to express our serious concerns with Am. Sub. HB 153 as passed by the House. In the guise of helping charter schools, we believe that HB 153 will actually harm charter schools.

Many of the provisions in HB 153 contradict the charter school model, thwart efforts to strengthen charter school accountability and quality, and will ultimately undermine popular support for Ohio's community schools. As passed by the Ohio House, the charter provisions of HB 153 represent a significant risk for Ohio's community school sector.

In 2006, our organizations offered recommendations to help Ohio meet four broad goals for its charter school program: keep the autonomy-accountability promise, strengthen Ohio's system of charter school sponsors, fund charter schools fairly, and help open quality charter schools. Since we made those recommendations, Ohio has enacted several changes to its charter school law to align it with the best practices in the country. The Senate has an opportunity in HB 153 to continue this progress in building charter quality; it also has the responsibility to ensure against attempts to go back on the achievements of the past five years.

As you draft your own version of HB 153, we ask you to reconsider three aspects of the House-passed version of the bill: Ohio Department of Education sponsorship; community school governance; and forprofit operators.

Ohio Department of Education Sponsorship

Charter schools need to be more than a choice; they need to be a solution to the educational challenges facing the state, performing to high standards while giving children, particularly disadvantaged ones, innovative routes to a good education.

Unfortunately, the proposed amendments in HB 153 related to sponsorship will take Ohio in the wrong direction, away from the quality charter environments enjoyed by neighboring and competitor states. For example, one of the House's proposed amendments would allow a school to be sponsored by the

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Ohio Department of Education (ODE) under a significantly lower standard of performance accountability than is currently in place. In fact, a school would be allowed to stay open as long as it could provide a bond against the loss of state funds, no matter how poor its academic performance. Needless to say, state funds are hardly the only thing of value at stake in a charter school's performance. Combining the ODE's poor record previously as an authorizer with such low performance standards is a recipe for exposing too many children to too many years in an underperforming school.

In addition, these schools would be allowed to discriminate in admissions on the basis of race, creed, disability, or sex. This provision is antithetical to the critical concept of charter schools as a part of the public education system. We believe in charter schools because we believe they can succeed with all students. These provisions would harm Ohio students and families in need of more opportunity for a quality charter education, not less.

Community School Governance

Publically accountable non-profit boards should run all charters. These boards should be free to contract with both for-profit and non-profit providers as long as these decisions are made free of conflicts of interest and in accordance with other well-accepted principles of non-profit governance.

Several amendments in the House-passed bill would worsen Ohio's already questionable community school governance structure. In fact, these amendments would turn on its head the principle of a charter governing board having the final and independent say over whom it hires to run its school – and whom it fires from the job. The bill proposes to strip nearly every measure of independence that charter governing boards currently have, and instead makes them subject to the wishes of operators. As a result, a community school governing board would be unable to protect the public interest at stake in charter education. The school governance measures in HB 153 as passed by the House translate into charters schools being run to serve the interests of adults – in this case, the interests of charter school operators. It would undo another tenet of charter education: that these schools must be run to serve the interest of children.

For-Profit Operators

For-profit operators are an established part of the public charter school sector, with approximately 13% of charters nationally contracting with for-profit operators to run the schools. Throughout the country, many of them deliver high-quality educational services in the form of well-performing schools under contract to non-profit governing boards.

The House's version of HB 153 would permit private, for-profit entities to become charter governing bodies. This move flies in the face of the charter school model that allows public education to be governed independently of traditional school district politics but still be owned by the taxpayers of the state and represented by incorporated, non-profit boards of directors.

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Allowing community schools to be governed by for-profit entities threatens the entire Ohio community school system. It would invite new rounds of major cases litigating the legality of community schools, confound the "community" concept of these schools, and undermine their legitimacy in the minds of families and taxpayers.

Recommendations

As the Senate works on HB 153, we respectfully request that you make the following changes to the bill, changes that are based on what's worked in states that have created sectors of high-quality public charter schools:

- Role of ODE. We suggest that the Senate remove the provisions that would allow community schools to go to the ODE for approval. Instead, we recommend that the Senate strengthen the oversight of current and future charter sponsors by ODE. As a starting point, we refer you to what Governor Kasich proposed on this issue as well as the House's measure in HB 153 for portfolio accountability. The bottom line is that ODE needs to do a better job of holding Ohio sponsors accountable for the performance of their schools and for adherence to national principles and standards for authorizing.
- **Community School Governance.** We suggest that the Senate strengthen community school governing boards by guaranteeing their independence and control over the operators they hire and by strengthening ethics and transparency expectations of all involved.
- **For-Profit Operators.** We suggest that the Senate eliminate the provisions that allow for-profit entities to become governing bodies.
- **Funding and Facilities.** We suggest that the Senate provide greater funding equity and better access to facilities for charter schools. A charter school student is a public school student, and he or she should have equitable access to all forms of public funding (operational, categorical, transportation, and facilities) available within the state's public education system.
- Replication of High-Quality Charter Schools. We suggest that the Senate promote replication of successful charter schools in a variety of ways, including by putting them first in line for facilities funding.

This agenda for a Senate version of HB 153 would be a start in the direction toward the kind of charter education sector Ohio children and taxpayers deserve. Our organizations stand ready to assist you in this important task.

Sincerely

President and CEO

National Alliance for Public Charter Schools

Greg Richmond
President and CEO

National Association of Charter School Authorizers

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cc: President Niehaus; Ohio Finance Committee Members