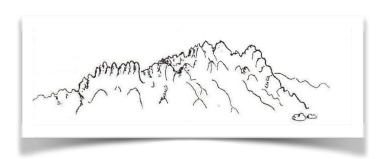
League of Women Voters of Greater Las Cruces (575) 524-VOTE (8683)

Web Site: www.lwvglc.org

October 2016



## The VOTER

# LWVGLC Monthly Dinner with a Community Leader! October 10th (Monday)

Presenter: Meredith Machen,
President of the NM League of Women Voters
5:15-7:00PM
Good Samaritan Social Center, Creative Arts Room
3011 Buena Vida Circle, Las Cruces

# Topic: Charter School Regulations: Public School Funding, Accountability, and Transparency

Meredith is a passionate supporter of public education and committed to providing the best opportunities for students. Throughout her teaching career, she focused on helping the academically weakest students, especially the economically and educationally disadvantaged, those challenged by disabilities, and English language learners. During the course of her work, Meredith became more aware of the differences between charter schools and traditional schools. Her growing awareness of the disparities led to her study of charter school regulation and finances, which she will discuss. This overview will be followed the next morning with a Unit Meeting to review the study in depth.

Come and invite your friends. Please RSVP for dinner by email: Sharon Shoemaker <a href="mailto:shoemaker714@gmail.com">shoemaker714@gmail.com</a>



Unit Meeting, Tuesday, Oct. 11th

Place: Good Samaritan Social Center, Conference
Room

Time: 9:00 -11:00 AM

A continental breakfast will be offered at no charge R.S.V.P. required: Reserve by email

gwenhanson10@gmail.com

Or, if no email access, RSVP to both by calling Gwen at 575-556-9251

#### Calendar at a Glance

October 4 – LWVGLC Candidate Forum for Dona Ana County, Dona Ana County Government Center, Commissioners Chambers, 6:00 – 8:00 p.m., 845 N. Motel Blvd., Las Cruces.

October 6 – LWVGLC Board Meeting, 2:00-4:30 p.m., Branigan Library, Roadrunner Room.

October 10 – LWVGLV Dinner with a Leader, Speaker: Meredith Machen, Ph.D., LWVNM Charter School Study - Charter School Regulations: Public School Funding, Accountability, and Transparency, 5:15-7:00 p.m., Good Samaritan Social Center.



October 11 – Voter Registration Closes, Early voting at County Government Bldg.

October 11 – Unit Meeting – LWVNM Charter School Study Consensus Meeting, Meredith Machen, Ph.D., 9:00-11:00 a.m., Good Samaritan Social Center, Conference Room (downstairs).

October 11 – LWVGLC/KRWG NM Legislative Forum (taping) 7:30 -8:30 p.m., KRWG-TV Studio, NMSU. Broadcast: Thursday @7, Saturday @5, Sunday @11.

October 14 – Publication date for the 2016 Voter Guide, Las Cruces Sun Times.

October 18 – LWVGLC/KRWG-TV NM Legislative Forum (taping) 7:30-8:30 p.m.,KRWG-TV studio, NMSU. Broadcast Thursday @7, Saturday @ 5,Sunday @ 11.

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## Did you know?



**Consensus** is an agreement among a substantial number of members, reached after study and group discussion at face-to-face meetings called unit meetings.

In the **consensus** process, it is not the job of the study committee to produce a statement with which the membership is asked to agree or disagree. Rather, the study committee, with board approval, frames questions to guide League members' discussion, provide background materials. The position statements emerge from the give-and-take of group interaction and exchange of views on the questions.

# League of Women Voters of New Mexico Study Charter School Regulations: Public School Funding, Accountability, and Transparency

Scope of Study: In the context of the growing emphasis of some governmental policy-makers on promoting charter schools, this study will review information regarding the regulations and policies from which charter schools are released to determine if the exemptions from regulations may impede the progress of traditional public schools and the sufficiency of funding for public schools. Because charter schools are publicly funded, the study raises the question of whether they should be held to standards of accountability and transparency that are at least as rigorous as those of traditional public schools. The study will also examine the need for changes in charter school regulations regarding their missions (which now allow adults to get their high school credentials, have specialized curricula, and alternative assessments), their governing bodies (which are not publicly elected or complying with the Open Meetings Act), their operations (which are not publicly audited), and rules for authorization and reauthorization.

Rationale: Many policy experts and League members in the state and across the country have identified the following areas of concern regarding charter schools: the issue of equitable and adequate funding of public education, the financial impact on school districts, and privatization and profit-making with public education dollars. Charters place financial pressure on the system and have uneven academic and operational performance. In New Mexico, a charter school must be public, nonsectarian, nonreligious, and non-home based. Though a charter school is required to be organized and operated as a nonprofit corporation, its unelected governing body can hire a for-profit management organization to run the school. Countless studies have been conducted by educational researchers examining effects of charter schools. Many of these are being considered in creating a proposed position as are the findings of studies conducted by numerous state and local Leagues. Recent events in New Mexico and across the nation suggest that more oversight and accountability may be needed to increase charter schools' transparency and compliance with requirements that apply to traditional public schools. This study will not attempt to resolve the issue of whether charter schools or traditional public schools achieve better student outcomes or offer more choice to families. There are excellent charter schools, just as there are excellent traditional public schools. The goal of this study is to determine what steps should be taken to tighten charter school regulations so that such problems do not continue to arise, given that charter schools will be part of the public education landscape for the foreseeable future. We are facing a critical shortfall in state funding for public education. Our Education position allows us to continue to advocate for adequate and equitable school funding, but we are unable to address the causes and effects of the increasing insufficiency until we examine what is happening with the proliferation of charter schools and the lack of accountability in what gets authorized, funded, and allowed to continue to operate without the same accountability as traditional public schools.

**Expected Outcome:** Once we reach a position through consensus, the League will be able to advocate for or against proposed legislation. This study has already increased League visibility and helped us link with individuals and groups representing different viewpoints and groups that are underrepresented in League. Charter school issues are of statewide importance and will stimulate the involvement of members and may attract potential members.

#### Timeline:

2015

March: Initial concept of study approved by LWVNM Board.

May: Convention delegates approved the study

Summer and Fall: Identified a charter school study committee and shared preliminary materials acquired through research and reports collected by NM Legislative Education Study Committee staff and proposed legislation. Determined questions to ask some of the legislators who served on the LESC Subcommittee on Charter Schools to explore their concerns. Conduct electronic and in-person meetings with study committee members.

#### 2016

Winter: Explore charter schools and the work of the Public Education Charter School Division and the Public Education Commission.

Spring: Narrow the study to major concerns. Develop consensus questions for LWVNM Board approval. Schedule two-hour consensus meetings with local Leagues to get perspectives about charter school regulatory issues. Meet with local league members to share information on the issuesin advance of consensus meetings. Share findings with the state Board and Council delegates. Summer-Fall: The state study committee will compile results of local leagues' consensus studies and draft a position. The consensus results and draft position statements will be presented to the LWVNM Board, which will accept or amend the wording of the proposed position. Once adopted, the LWVNM Action Committee will be able to use it during the Legislative session and as needed.

#### 2017

May: Position will be brought before Convention delegates for adoption or amendment.

**Communication:** Summaries of findings will be included in each bimonthly LWVNM Board meeting and in each quarterly La Palabra, so the general membership can learn about the issues.



#### **CHARTER SCHOOL CONSENSUS QUESTIONS**

#### **EDUCATION/MISSION**

- 1. What criteria should be used to determine whether to authorize a new charter?
  - A. The charter school's mission appears to serve a need that regular public schools cannot
  - B. Availability of funding and absence of financial harm to district public schools
  - C. Demonstrated need based on student population projections

Background: "Demonstrated need" means the charter applicant would have to show that a substantial number of families would enroll. EXAMPLES: La Jicarita Montessori Charter School is now closing itself down after several years because it only has about 15 students. On the other hand, Albuquerque Sign Language Academy serves a critical need not met by traditional public schools (TPS). Over 70% of its students have other "special needs" in addition to hearing impairments.

- 2. Should New Mexico provide flexibility and supplemental funding for magnet programs and career academies within traditional public schools so that charter schools are not the only entities receiving funding for innovative programs?
- 3. Should NM disseminate effective charter school innovations to improve the traditional public education system and add a budget item, if necessary, for that purpose?

Background: A primary rationale for establishing charter schools was that they would stimulate innovation that would improve TPS. NM has no process to ensure dissemination of successful innovations and effective teaching practices with other charter schools or traditional public schools. Some model states (NJ and MA, for instance) require their education departments to define what constitutes innovation and apply this definition in awarding charter school contracts. They also require their education departments to assume the responsibility for regularly disseminating the lessons learned by charter schools so they both traditional public school districts and other charter schools benefit.

4. Charter schools are initially licensed for a five-year period and are renewed if they have made "progress" towards meeting state accountability standards and the specific performance goals in their individual charter contracts. If a charter school fails to meet minimum academic, financial, and organizational standards for two consecutive years or for two of the three most recent years, should its contract be automatically revoked?

Background: NACSA identified an urgent need for NM to develop clear written performance standards for authorization and renewal and recommended NM implement an automatic closure policy for charter schools that fail to meet these standards. State charter schools that have made "progress" are allowed to continue even though they have received failing

school grades and have not demonstrated the ability to prepare students to meet state academic achievement standards. Automatic closure laws help states avoid costly lawsuits and lengthy appeals and ensure that students are moved into other schools on a timely

basis. Charter schools are given warnings and put on improvement plans prior to automatic

closure.

#### FISCAL IMPACT, ACCOUNTABILITY, AND TRANSPARENCY

- 5. a. Should the Legislature determine a set operating budget that can be used for charter schools, especially in a time of budget shortfall?
  - b. Should there be a cap tied to the fiscal health of New Mexico, with a moratorium or limit to further authorizations until the State's financial health improves?

Background: Charter school authorization occurs independently of the state's budget process and does not take into consideration the financial implications for the state. Partly because they receive more funding than traditional schools, local school districts have opened about 40 charter schools, despite declining enrollments. The state has also opened over 60 charter schools. The staffs of the Legislative Finance Committee and the Legislative Education Study Committee have repeatedly alerted legislators to the funding problems related to charter schools in attempts to slow their proliferation and the effects on the state's expenditures. Many charter school costs are not part of the state's approved budget. <a href="https://www.nmlegis.gov/minutes/ALESCminJul13.16.pdf">www.nmlegis.gov/minutes/ALESCminJul13.16.pdf</a>

c. How should the Legislature address the need to upgrade non-compliant school facilities to meet minimum standards?

Background: New Mexico charter schools, like school districts, are eligible for facility funding if they meet certain criteria. The four basic funding sources for charter schools facilities are Lease Assistance, Standards-based Funding Awards, the Public School Capital Improvements Act, and the Public School Buildings Act.

www.nmlegis.gov/handouts/ALESC%20081716%20Item%204%20PSFA%20Charter%20School %20Facilities.pdf

With regard to school facilities, NM is facing significant funding shortfalls and challenges given the increasing demands and other economic factors. NM's capital outlay prioritization process requires all schools in sub-par facilities to be brought up to minimum standards before funding maintenance, upgrades, and new construction. Many charter schools are housed in sub-par facilities, meaning their needs must be prioritized over those of traditional schools, which serve 93% of NM's students.

www.nmlegis.gov/handouts/ALESC%20081716%20Item%204%20PSFA%20Annual %20Report\_FY15.pdf

6. Should a charter school's finances be available for public scrutiny and should budget processes be similar to those for school districts, which require the public to be provided with an opportunity for input into decision-making? For example, should charter schools, like traditional schools, be required to make publicly available their sources of revenue?

- regular expenditure reports, including procurement contracts?
- teacher salaries and instructional support as a percent of expenditures?
- audit reports?

Background: School districts post their budgets and financial reports on their websites and are required to allow public comment in accordance with the Open Meetings Act. Some charter schools also post their financial statements, but a spot check by the Charter School Study Committee revealed that many do not. The PEC attempted to close several charter schools that overspent their budgets or had audit problems. The PED overturned their decisions and has allowed most of these schools to stay open. PED has taken over the finances of several charter schools with serious audit findings, leading to the State Auditor to order the Public Education Department to develop and implement an improvement plan.

7. Should charter school governing council members adhere to standards and best practices as delineated by the NM School Boards Association?

Background: School board members of traditional schools generally get far more training than governing council members of charter schools. The NM School Boards Association allows charter school governing council members to participate in the additional training if they join as affiliate members, but it is not currently required.

8. Should the school funding formula be more equitable so as not to advantage most charter schools over traditional public schools?

Background: Most NM charter schools set 400 as their enrollment cap because of the funding advantage currently afforded to small schools (15% on average). A traditional public school has to accept every student who lives in the district. The NM funding formula is designed to aid small rural districts by giving them more funding per student because they lack economy of scale. NM statute 22-8-23.1 appears to bar charters in districts of more than 4,000 students from receiving size-adjustment aid, but the NM Public Education Department contends the supplemental funding small charter schools get is allowable and justifiable. In a 2011 evaluation of the funding formula, the Legislative Education Study Committee and the Legislative Finance Committee staff said the Charter Schools Act was never amended to explicitly include that provision. Example: Rio Rancho Public Schools receive \$7,106 per student while Rio Rancho charter schools receive \$9,452 per student.

www.nmlegis.gov/handouts/ALESC%20071316%20Item%208%20Charter%20School %20Expansion,%20LESC%20Brief.pdf

9. While some charter schools serve fewer "at-risk" students than their traditional school counterparts, other charter schools serve as drop-out recovery schools. Some students at drop-out recovery schools are adults working on their high school credentials. Should NM define "school age" to include an upper age limit for student enrollment in public schools?

Background: Federal law (the Individuals with Disabilities Education Act of 2004, 20 USC §1400 et seq.) requires public schools to serve students with certified disabilities who have not completed high school through age 21. New Mexico has no definition of school age, so many charter schools are serving adults seeking high school diplomas (rather than high school credentials formerly known as GEDs). In New Mexico, a "school-age person means a person who is at least five years of age prior to 12:01 a.m. on September 1 of the school year and who has not received a high school diploma or its equivalent. A maximum age of twenty-one shall be used for a person who is classified as special education membership as defined in Section 22-8-2 NMSA 1978 or as a resident of a state institution." Many charter schools serve adults seeking high school diplomas rather than high school credentials (formerly known as GEDs).

#### Pros

Adult students can attend Adult Education classes and obtain their high school credentials (formerly known as GEDs) at approximately \$350 per year rather than approximately \$8,000 per year for a high school diploma. Some charter schools serving adult students have lax attendance requirements for these adults, who often take years to graduate. A small percentage of the adults attending charters complete their diplomas, but charters encourage them to keep trying because they receive funding as long as these adult students are enrolled.

#### Cons

Students may seek a high school diploma instead of the GED or high school credential because some employers give preference to the diploma.

In addition to studying the high school curriculum, adults in charter schools rather than Adult Education classes may learn additional skills that help them function better in society. One nationally recognized example is the innovative Gorden Bernell Charter School in Albuquerque, which has transformed the lives of many adult drop-outs incarcerated in Bernalillo County Jail.

10. Currently the "at-risk" multiplier index of the public school funding formula is calculated for all the schools within a district's boundary. Should the at-risk index be calculated on the actual enrollment at each school, which would allow drop-out recovery schools with a high proportion of at-risk students to receive more financial support than schools with a less needy student body? Overview of NM's Public School Funding Formula:

www.nmlegis.gov/lcs/lesc/lescdocs/briefs/October2007/Item%205-OVERVIEW%20OF%20PS %20FUNDING%20FORMULA.pdf

#### **VIRTUAL (ONLINE) SCHOOLS**

11. Should public funding for virtual schools be less per student since the schools require less infrastructure?

Background: Virtual schools require less overhead funding than brick-and-mortar schools. In NM, they receive more funding per student than traditional schools, but are not producing good academic results. In addition to the formula funding costs, NM is spending over \$4.5 million on contracts with for profit, out-of-state contracting companies, Pearson and K12Inc. For example, South Valley Academy, a brick-and-mortar charter school, spent 82 percent of total operational expenditures on salaries and benefits in FY15, while NM Virtual Academy (K12Inc) only spent 33 percent. See data on NM Connections Academy, which has an F grade and a student/teacher ratio of 52:1 and the Legislative Education Study Committee Brief on Virtual linked below.

www.nmlegis.gov/handouts/ALESC%20091416%20Item%202%20School%20Fact%20Sheet%20-%20NM%20Connections%20Education%20Sept%202016.pdf www.nmlegis.gov/handouts/ALESC%20091416%20Item%2010%20Virtual%20Charter%20Schools%20funding%20and%20accountability.pdf

#### **ORGANIZATIONAL QUESTIONS**

- 12. Should NM develop an effective performance-based accountability system for charter schools focused on increased proficiency, growth, and college/career readiness and ensure that charter schools demonstrate positive student outcomes before being allowed to grow?
- 13. Should the Public Education Department have the clear, sole authority to grant, renew, and revoke state charter school contracts?
- 14. Should the Public Education Commission serve in an advisory role, setting evaluation standards for authorizing, renewing, and revoking contracts for all charter schools and helping to determine budget and other priorities for new charter schools?

Background: New Mexico divides the authority over state charter schools between the Public Education Commission (PEC), a 10-member regionally elected board, and the Public Education Department (PED). The PED is the state agency that oversees and funds all public schools. It employs 20 people in the Charter School Division and uses staff from other areas as well. It's headed by the Secretary of Education, who is appointed by the Governor. Since its inception in 2007, the PEC has been allowed to authorize state charter schools without regard to budget availability and without consistent quality standards. Tension between the PEC and the PED has escalated, partly caused by the competing structures and this divided authority. The PEC has no budget and no staff and is not part of the budget appropriation process. To better serve the interests of students and taxpayers, the National Association of Charter School Authorizers is recommending that NM have one entity with "strong performance management tools" authorize and oversee state charter schools.

#### **VOTER REGISTRATION REPORT**

Vicki Simons, Voter Service, Co-Chair

We began our voter registration effort Sept. 1. Interested League members attended a two-hour training session at the County Clerk's office in late August to become Voter Registration Agents (VRAs). Twenty-seven League members are registered with the Bureau of Elections and have an assigned number that is used on each registration form filled out by a voter under their guidance. Nine members of AAUW were added to our list.

A dozen venues around Las Cruces were used to register voters, some more successful than others. They included Dona Ana Community College, East Mesa campus, Branigan Library, Save Mart, Lowe's grocery on Solano, Farmers Market, Holy Family Catholic Church. The League also worked with the County Clerk to register voters during the National Voter Registration Week. There were registration opportunities at all 7 high schools in Las Cruces. Seven League members participated plus four AAUW members. We also registered voters at the Immigration Forum on Sept. 29.

Although the final count of new voters registered by the League, and the county effort is not in, we expect the final count to be between 50 and 100. Many thanks to Lizz Taylor for organizing the registrar list and getting volunteers to work at the various venues. Special thanks to Rosemarie Sanchez for organizing the effort at DACC. And thanks to all League members who have participated.

### © ACKNOWLEDGEMENTS

Special thanks go to Voter Services Co-Chairs, Dale Yeo and Vicki Simons, for all their work on organizing the Candidate Forums and the 2016 Voter Guide, and those members who attended and contributed to the success of these endeavors.

Lizz Taylor and Rosemarie Sanchez for scheduling voter registration opportunities around the city throughout September, and to our members who are voter registration agents who worked those sites.

Members who worked to register high school students on four Las Cruces high school campuses during National Voter Registration Week in collaboration with the Dona Ana County Bureau of Elections Election Advisory Council.

Members who participated in the organization, implementation and attendance at the community-wide Immigration Forum, as well as, those members that assisted with the LCPS Community Forum at Onate High School.

Committee members who continue to attend meetings, study and research priority issues, and who never tire or quit advocating for those priorities.