"No taxation without representation," is a fundamental principle of democracy. The rallying cry of our founding fathers continues to resonate with local property taxpayers in New York who are currently being forced to fund charter schools, an educational experiment on which they have no input.

Now that the state has reached its legal limit of 100 charter schools, it is an opportune time for policymakers to reassess their impact on public education. With the evidence mixed about charter school academic performance, the state needs to commission an objective and comprehensive study of their impact on student learning. The state also must level the playing field on which they compete with traditional public schools. Otherwise, charter schools will continue to be met with resistance and competition will never be replaced by coexistence. A flawed funding formula that pits traditional public schools against charters can be blamed for much of the animosity. We seek to dispel some misconceptions about charter schools and offer solutions that will promote excellence and equity for all students. Any decisions about raising the cap on charter schools must be based on what is best for all of New York’s children – not just the youngsters who attend charter schools.

The New York State School Boards Association has no objection to charter schools that are authorized by local school districts. In fact, one of our members – New York City – has embarked on a plan to create a district school to a charter school and established another charter before seeking a moratorium on any new charters in the city.

Unfortunately, this method of chartering is the exception rather than the rule. Most chartering authority is vested in two unelected boards that sit in Albany: the SUNY Trustees and the Board of Regents. They typically act without seeking any input from the communities where these schools are located.

In his proposal to raise the existing cap to 250 charter schools, Gov. George E. Pataki ignores this defect in the current law. In fact, he worsens it by proposing to extend chartering authority to not-for-profit organizations. He would also provide state aid for charter school construction costs and building leases. His proposal is ill advised.

Unlike traditional public schools which develop their annual spending plans in open forums and put their budgets up for a public vote, charter schools have no direct accountability to school districts or to local taxpayers. In the city of Albany, the cost of nine charter schools is being inflicted on a non-binding referendum. Not surprisingly, the friction between charter schools and school districts has been escalating.

The New York State School Boards Association does not, however, believe there is evidence to support a statewide expansion of charter schools without that element of local control and oversight.

NYSSBA offers the following suggestions for the Legislature:

- Commission an objective outside evaluation to gauge charter schools’ success at raising academic achievement, their fiscal impact on school districts and their record of sparking innovation.
- Require all charter school applications and renewals to be approved by the local board of education in the district where the school is to be located before they are submitted to a chartering entity.
- Provide transitional state funding to help districts that wish to charter schools to defray their fiscal impact.
- Revise the formula used to calculate the per-pupil approved operating expense (AOE) to reflect the grade levels of the children being educated and the cost differences of educating elementary and secondary school students.
- Hold school districts harmless for certain fixed costs, such as utilities and maintenance, which do not decline as students leave to attend charter schools.
- Make a portion of district payments to charter schools a state-aidable expense.
- Require charter schools to wait 14 months from their approval date to open.
- Create a mechanism for districts to immediately recoup funds for students who return to district schools from charter schools during the school year.
- Exempt payments made by districts to charter schools from the list of expenditures used in determining total spending under a contingency budget.

The New York State School Boards Association serves as the statewide voice of nearly 700 boards of education – some 5,000 school board members, who constitute half the elected officials in the state. NYSSBA provides advocacy, information, leadership development and custom services to school boards in support of their mission to govern the state’s public schools. School board members are the educational leaders of their communities; they determine policies that govern the operation of their local public school system.

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**Myth #1**
The financial and operational impact of charter schools on local school systems is negligible. School districts save money when a student transfers to a charter school because districts no longer have to pay the cost of educating these children.

**REALITY**
Charter schools have had a significant impact on district finances. The assumption that the money should follow the child is misleading. Contrary to popular belief, districts rarely realize savings when students transfer to charter schools. That is because charter schools typically draw students from several grade levels and schools. District utilities, transportation costs, debt service, insurance and teachers’ salaries remain constant.

Of the 79 charter schools now in operation, most are located in high-need districts that can least afford to lose revenue. The cumulative effect of multiple charter schools is even more deleterious. Albany, which has more charter schools per capita than any other city in the state, will send 8.5 percent of its budget to six charter schools this year. In 2009-10 the district’s payment to charter schools will grow to more than 16 percent. In Buffalo, payments to 14 charter schools will cost the district nearly $50 million or 9.5 percent of the general fund in fiscal year 2005-06. Smaller district schools with just one charter school have also been severely impacted. In 2004-05, State Education Department projected charters would draw 7 percent of budgets in the Kenmore-Tonawanda and the Riverhead school districts, 8 percent in Lackawanna and a whopping 15 percent in Roosevelt.

Students who are home-schooled or who transfer from private or parochial schools to charter schools create an entirely new expense for school districts.

**Myth #2**
Charter schools receive less public funding than traditional public schools. Charter schools receive only 60 to 80 percent of what districts actually spend on a per-pupil basis.

**REALITY**
Charter school funding is disproportionately high compared to the actual cost of an education. The current formula fails to recognize that it costs less to educate an elementary grade school student than a high school student. Many charters educate only students in elementary grades, yet the per-pupil average expenditure that is the basis for their payment from the public school district is calculated on the costs to educate all students. That payment also includes a component representing special education costs.

Districts are also required to provide transportation for charter school students along with funding for their library materials, textbooks and computer software.

Charter school funding is supplemented by state and federal grants. Charter school trustees also tap into private sources of income. In the 2003-04 school year, private grants and contributions to charter schools in New York State totaled $10.2 million. Philanthropic organizations committed another $40 million to the New York City Center for Charter School Excellence and the New York City Department of Education’s Office of Charter School Initiatives.

**Myth #3**
Charter schools increase learning opportunities for all students, especially those who are at risk of academic failure. Under the law, special education services must be provided to students with disabilities who attend charter schools.

**REALITY**
An analysis conducted by the State Education Department (SED) found students with disabilities are underserved by charter schools. In 2003-04 (most current data available) students with disabilities comprised 9.1 percent of charter school enrollment compared with 11.9 percent of public school enrollment. In the four large cities where most of the charter schools are located, the percentage of students with disabilities enrolled in charter schools was lower than that of the district of location.

SED plans to conduct further analyses to determine whether charter schools also enroll lower percentages of limited English proficient (LEP) students and low-income students than do the public schools in the districts where charters are located.

A 2000 study funded by the U.S. Department of Education found enrollment of students with more significant disabilities is relatively rare in charter schools, except in schools that are specifically designed for these students. The study also acknowledged that staff at some charter schools may “counsel” parents of students with disabilities against enrolling in the charter school.

**Myth #4**
Charter schools are laboratories of innovation. Charter schools develop new educational techniques and programs and act as agents of change for other schools.

**REALITY**
Charter school operations often mirror those of traditional public schools. What we have seen, for the most part, is a “cookie cutter” approach to supplying educational programs and services.

A focus on the basics seems to be the “unique” approach utilized by many charter schools. Studies have shown that charter schools are very similar to public schools.

After seven years, no mechanism currently exists to help charter schools and traditional public schools learn from each other.

**Myth #5**
Charter schools are more accountable than conventional public schools. Parental choice—the ability of parents to “vote with their feet”—provides stronger accountability.

**REALITY**
Parental satisfaction is not a true measure of charter school success. A study done by the Economic Policy Institute suggests that parents may choose charter schools for reasons other than academics and may have a difficult time determining if a charter school is academically effective. Despite dismal records of achievement, many parents have demanded that failing charter schools slated for closure remain open.

The U.S. Government Accountability Office (GAO) recently concluded that accountability is not being applied scrupulously enough to charter schools. In a report released in January of 2005, the GAO found that the federal Department of Education had not collected enough data on how charter schools are performing or how effectively they’re using their federal grants. New York was among the 39 states surveyed, with the federal government finding that New York State performance data was incomplete.

**Myth #6**
Charter schools introduce greater choice into public education. Charter schools can better meet the needs of children and their parents.

**REALITY**
Many public school districts, particularly urban school districts, already offer a variety of options, including magnet schools, schools-within-schools, gifted programs, open enrollment and transfer options. The creation of a parallel system of public education may produce results for some children, but any improvements come at the expense of many other students who remain in district schools.

**Myth #7**
Demand for charter school seats far exceeds the supply. Ten thousand students are waiting to enroll in charter schools across the state. Several schools have waiting lists that meet or exceed their enrollments.

**REALITY**
The accuracy of this claim is difficult to verify. A study conducted by Citizens for Public Schools in Massachusetts found charter school waiting list numbers are often inflated, noting that the lists include students with only a passing interest in a school as well as students who may have been interested at one time but have since enrolled elsewhere. It is not uncommon for student names to appear on waiting lists for several charter schools, which results in them being counted several times in the total waiting list figure.

The State Education Department has downsized a handful of charter schools that have been unable to meet their enrollment projections.