State charter law punishes Ohio’s largest districts
Rating criteria, expansion work against urban school improvement

Today’s release of school rating data by the Ohio Department of Education shows that state education law is stacked against Ohio’s urban school districts. Even though five of the eight urban districts – Akron, Canton, Cincinnati, Columbus and Toledo – have been graded at or above Continuous Improvement for the second year in a row, urban districts are unable to check the growth of charters. This continued uncontrolled expansion destabilizes funding and enrollment for districts, undercutting their ability to address the needs of children in our cities.

Because Ohio Revised Code specifically names the state’s eight urban districts as permanently open to charter school development, they cannot improve their way out of “challenged” status as other districts can. Ohio law has long allowed the establishment of start-up charter schools in the urban districts, in Lucas County districts (which includes Toledo), and in districts with ratings of Academic Watch and Academic Emergency. Districts and Educational Service Centers can convert existing schools to charter status anywhere in the state.

Today, Cincinnati received a grade of Effective from the state for the second year in a row, again making it the highest-rated urban district in Ohio. But as Table 1 shows, 39 charters enrolled Cincinnati students during the last school year, with more schools slated to open this year. In Columbus, enrollment has dropped and the district has reduced the number of schools it operates to 117 from 146 over the past decade; during that time, 86 charters enrolling Columbus children have opened and remained open during the 2010-11 school year, including online schools and charters located in other districts. This rapid growth, with no meaningful way to keep low-performing schools from setting up shop in our cities, does nothing to improve education for Ohio’s children. Today’s release from ODE shows that Akron, Canton, Columbus, Dayton and Toledo received ratings of Continuous Improvement, while Cleveland slipped from Continuous Improvement to Academic Watch. Youngstown moved up to Academic Watch from Academic Emergency.

“There are still many challenges facing the state’s urban districts, but the significant improvements that have helped several of them climb out of the state’s lowest ratings should not be ignored,” said Piet van Lier, senior researcher at Policy Matters Ohio. “Yet that is precisely what Ohio charter school law does as it is currently written.”

Also worth noting, House Bill 153, the current biennial budget, created a new category of challenged districts open to charter development based on the state’s Performance Index, a
measure that looks only at state test scores and disproportionately affects districts serving low-income children. This provision not only opens new districts to charter development, it captures all the urban districts.

Outmigration contributes to enrollment declines in Ohio’s urban districts, as residents move from cities into suburban school districts. But charter expansion and growth in the state’s school voucher programs are significant destabilizing factors as well. According to the Ohio Office of Budget and Management, an estimated $798 million dollars were deducted from state aid to Ohio school districts to fund charters and vouchers in FY 2011 (the 2010-11 school year), and that number is certain to grow.

Table 1: Changes in enrollment and number of schools serving urban districts, 1997 to 2011.

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</thead>
<tbody>
<tr>
<td>Akron</td>
<td>32,166</td>
<td>22,603</td>
<td>-9,563</td>
<td>3,217</td>
<td>58</td>
<td>52</td>
<td>33</td>
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<tr>
<td>Cincinnati</td>
<td>46,374</td>
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<td>39</td>
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<tr>
<td>Cleveland</td>
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<td>14,310</td>
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<td>88</td>
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<td>63,577</td>
<td>49,616</td>
<td>-13,961</td>
<td>13,027</td>
<td>146</td>
<td>117</td>
<td>86</td>
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<tr>
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<td>-11,798</td>
<td>5,995</td>
<td>49</td>
<td>32</td>
<td>52</td>
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<tr>
<td>Toledo</td>
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<td>-16,506</td>
<td>7,721</td>
<td>64</td>
<td>56</td>
<td>44</td>
</tr>
</tbody>
</table>

Source: All data from the Ohio Department of Education. Charter data are from ODE PASS (Pathway to Student Success) funding statements for school districts. *These totals are of all charters enrolling resident students, including online schools and brick-and-mortar schools located in other districts.

**Recommendations**

Policy Matters Ohio recommends that the legislature continue to overhaul state charter school laws, with an emphasis on creating stiffer accountability for sponsors and doing everything possible to ensure that new low-performing schools are not allowed to open.

Furthermore, we recommend that policymakers:

- Cap or more tightly control charter growth in the state’s urban districts, with input from and notification to impacted school districts;
- Create incentives for collaboration between districts and charters. Current practice that pits them against each other in competition for funds and students has done little to ensure that Ohio’s children receive a better education;
- Upgrade state law to include meaningful requirements for the thorough evaluation, by charter school sponsors or the Ohio Department of Education, of new schools and their operators before they are approved; imposing stricter criteria relating to operators’ academic track records would be one simple path to increase quality on the front end.

“Ohio’s charter-school experiment has gone on long enough,” said van Lier. “There is clearly a role for charters that provide Ohio’s children with a good education, but it’s time to stop playing games of chance with kids. Ohio should end its anything-goes charter approach and put in smart regulations that protect all the state’s children.”

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