

Executive summary

Charter schools (labeled “community schools” in Ohio law) are publicly funded but independently operated schools that may serve students from kindergarten through grade 12. Education reformers have promoted them as a way to create markets in which charter schools and traditional public schools compete for students, thereby incentivizing both to meet the needs of parents and spurring educational innovations that any school might adopt. Advocates consider charter schools particularly important for expanding educational opportunities for disadvantaged children who lack the means to opt out of ineffective district schools. These potential benefits have driven bipartisan support for charter schools’ rapid expansion across the United States, including Ohio, which has allowed charters to operate in select districts since 1998.

The extent to which charter schools serve as high-quality educational options varies. Past evaluations of Ohio charter schools—including both site-based and online schools serving a variety of student populations—have indicated a negative average impact on the achievement of students who attend them. These studies also revealed, however, that students of color and those who reside in particular urban districts experience significant achievement gains when attending charter schools. In response to these evaluations, Ohio policymakers took significant steps to address the uneven quality of the state’s charter schools.

The purpose of this report is to evaluate Ohio’s charter school sector since the General Assembly’s 2015 reforms—from the 2015–16 school year (hereafter referred to as 2016) through the 2018–19 school year (hereafter referred to as 2019)—and to examine a wider breadth of outcomes than was possible in previous evaluations. The analysis employs anonymous student-level data and rigorous statistical methods that researchers have validated in a variety of contexts. Essentially, these techniques entail comparing the achievement and behavior trajectories of charter students to those of similar students in traditional public schools. Available data permit the analysis of student achievement, attendance, and discipline in grades 4–12, as well as graduation from high school.

This analysis focuses on site-based—that is, brick-and-mortar as opposed to online—charter schools serving general student populations, as these schools constitute the large majority of the charter sector, are most comparable to traditional public schools, and serve as students’ primary alternative to traditional public schools. For brevity, the report often refers to these schools simply as “charter schools” or “charters.”

The analysis yields seven major findings:

- 1) *Students attending Ohio charter schools demonstrate larger achievement gains than students attending traditional public schools.* The primary estimates imply that, on average, attending a charter school for five years (from grade 4 through grade 8) brings the typical charter student from approximately the thirtieth percentile on statewide mathematics and English language arts (ELA) exams to approximately the fortieth percentile. Estimates of the impact of attending a charter school during

high school grades indicate average gains of approximately 1.5 to 2.5 percentile points on end-of-course ELA exams (but not algebra or geometry exams).

- 2) Attending charter schools leads to improvements in other outcomes associated with educational success and long-term wellbeing. Students attending charter schools significantly improve their attendance rates and experience significant declines in the probability that schools will report them for disciplinary incidents. Students attending charter schools in grades 9–12 are also less likely to be chronically absent. These increases in attendance rates also correspond to significantly more instructional time for charter school students—particularly in grades 4–8.
- 3) Black and low-achieving students in urban environments benefit most from attending Ohio charter schools. Black students' achievement gains in grades 4–8 are twice as large as White students' gains, and their achievement gains in high school grades are approximately 30 percent larger. Positive charter impacts on attendance rates, rates of chronic absenteeism, and disciplinary incidents also occur primarily among Black students. For example, for every year a Black student attends a charter school in grades 4–8, their probability of being reported for a disciplinary incident declines an additional three to four percentage points. This effect is nearly large enough to erase the disciplinary gap Black students face (as compared to the average Ohio student) just before enrolling in a charter middle school. Similarly, attending a charter high school on average erases approximately one-third of the difference in eighth-grade attendance rates (or rates of chronic absenteeism) between Black students and the average Ohio student.
- 4) Charter schools that contract with nonprofit management organizations have the largest effect on student achievement. Nonetheless, charter schools that employ for-profit management organizations and those that manage their own operations also post greater achievement gains than traditional public schools.
- 5) Attending a charter school during high school grades has no impact on the probability that a student eventually receives a diploma. Although the estimates are often imprecise, the estimated impact on graduation rates is often close to zero.
- 6) Low-achieving students benefit most from attending charter high schools (schools serving grades 9–12 only). A low-achieving student (one who scores around the sixteenth percentile on state assessments in grade 8) on average will score over 0.5 points higher on the ACT than a similar student who enters a traditional public high school in grade 9. Specifically, these low-achieving charter students score approximately 14.4 out of thirty-six (the sixteenth percentile of the national ACT score distribution) as opposed to 13.9 (the thirteenth percentile). The analysis also cannot rule out substantively significant positive impacts on low-achieving students' probability of graduation.
- 7) Charter schools in Columbus are notable for their consistently large positive impacts at all grade levels and across nearly all outcomes—including state achievement tests, college entrance exams, attendance rates, rates of chronic absenteeism, and rates of reported disciplinary incidents. The positive impacts of Columbus charter schools are often more than double those of the average charter school. Charter

schools in Ohio's largest cities also have notable positive impacts on achievement in grades 4–8 (particularly those in Cleveland, Columbus, and Dayton), on high school end-of-course exams (particularly those in Cincinnati, Columbus, Dayton, and Toledo), and on college entrance exams (particularly those in Columbus and Toledo).

Available data and methods make it difficult to estimate the effects of other charter school types—such as online schools, those serving a large share of students with individualized education plans (IEPs), and those serving students at risk of dropping out. Nevertheless, the report also presents estimates of the average overall impact of all Ohio charter schools. The results indicate that the performance of Ohio's overall charter sector improved significantly between 2016 and 2019. The average charter school student in elementary and middle school grades (the primary focus of past evaluations) now posts significantly greater year-to-year achievement gains on state exams than the average student attending a traditional public school. Results for high school grades do not reveal a clear trajectory since 2016, although that may not be surprising given the special student populations many of these schools enroll.

Overall, the achievement effects of attending Ohio's site-based charter schools are comparable to those of highly effective educational interventions that cost thousands per pupil (for example, intensive individualized tutoring). The cost to taxpayers of expanding charter schools, on the other hand, is minimal. Consequently, promoting the expansion of urban charter schools serving low-achieving students is a promising, cost-effective option for improving educational outcomes. Additionally, given recent studies indicating that increasing spending can yield significant achievement gains among schools with low per-pupil expenditures, increasing charter school funding in Ohio could also yield achievement gains. Research suggests that such improvements could ultimately translate to higher earnings and economic growth for Ohio.