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The Challenges of Opening a Charter School: Three Colorado Case Studies



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Introduction

Charter schools have become an integral part of Colorado’s public education landscape over the past two decades. Colorado enacted its charter school law in 1993—one of the first states to do so.¹ The state’s first two public charter schools opened in 1993 and served 187 students. By 2008, that number had grown to 143 schools serving more than 60,000 students.² In the 2016-2017 school year, there were 238 public charter schools serving nearly 115,000 students statewide, which equates to roughly 13 percent of the state’s total public school enrollment.³

The steady expansion of charter schools has introduced these autonomous public schools to communities across the state. Yet significant misunderstandings about charter schools, their purpose, and the nature of their existence remain. Outside of education policy circles,

few are aware of the diversity of charter schools, the wide variety of student populations they serve, or who founds and governs them. While it would be nearly impossible to capture the full picture of charter schools in Colorado in a single publication, case studies can be instructive and can help bring abstract policy arguments into perspective at the ground level.

This publication examines two existing charter schools and one prospective charter school on the Front Range. While outside information or data are often used to provide context for a discussion of particular policy issues, the information used to illuminate the schools and their work was primarily obtained through interviews with school leaders, charter board members, and staff over the course of several weeks. These are their stories.

Charter Schools are Public Schools

Charter schools are tuition-free public schools that are given additional flexibility to innovate through waivers exempting them from certain state and district requirements. These waivers cover a variety of areas, including personnel management, compensation, licensure requirements, and attendance policies.⁴ Some state waivers are granted automatically by the Colorado State Board of Education, while others must be applied for separately. Charters may also apply for and receive waivers from school district policy in their authorizing districts. It is important to note, however, that while these waivers provide additional latitude to charter schools, the schools must still utilize their own systems and procedures to meet the intent of the statutes or policies that were waived. They are still bound by state and federal law.

The flexibility offered through waivers allows for a wide variety of different educational models that provide parents and students with additional options when selecting a school. Some charters focus on rigorous classical education models, others utilize experiential learning approaches, and still others focus specifically on at-risk students, teen parents, or dual-language programs. While charter schools must be authorized by a school district’s board of education or by the state’s Charter School Institute, they are operated by their own governing boards instead of by school districts.

Charter school boards are typically made up of parents, community members, or teachers.

It is important to note that charter schools are not private schools. Though it is not uncommon to hear charter schools accused of being “for profit” in the political arena, they are prohibited by law from operating on a for-profit basis. While charters can contract with for-profit management companies, these relationships are, like other third-party vendor relationships, subject to the discretion of each charter’s governing board. As such, the relationships are not fundamentally different from those maintained and utilized by other public schools to obtain books, desks, facilities, materials, technology, food services, or other items or services from for-profit vendors.

As public schools, charter schools are bound by a number of important requirements. Charter schools:

- Cannot charge tuition
- Cannot have special entrance requirements
- Must administer state academic tests and conform to state academic standards
- May not discriminate based on demography or academic ability
- Must accept students with disabilities and/or special needs if they can adequately meet those students’ needs
- May not teach religion



American Academy: Success in Suburbia

Situated south of Denver, Douglas County is home to Colorado's third-largest public school district. The district serves roughly 67,000 public school students⁵ across more than 80 schools.⁶ The district employs approximately 3,500 teachers.⁷ With a median household income of more than \$100,000,⁸ the county is one of the wealthiest in the nation. Douglas County School District tends to perform well academically, making it a destination for families seeking high-quality public schools.

Douglas County has been defined in recent years by a focus on school choice for parents. The district's locally elected board of education has been very supportive of charter schools, which has resulted in a wide variety of public charter schools utilizing an even wider variety of educational models. There are currently 15 charter schools located throughout the county, and a number of others have been approved to open in the near future.⁹ Combined, these schools serve almost 20 percent of Douglas County's public school students.

The largest of Douglas County's brick-and-mortar charter schools is American Academy. Founded in 2005, the school now serves nearly 2,000 students across two separate campuses. The school is opening a third campus serving approximately 1,000 additional students in fall 2017. Situated amidst housing developments in the Town of Parker, the school's eastern campus consists of the sort of blocky, modern-looking school

building that has come to define contemporary charter school architecture.

Students are divided into different areas of the multi-story building by grade level, with middle-school students occupying the top floor, elementary students occupying the second floor, and preschool and kindergarten students studying at ground level. The hallway floors are made of large blocks of polished concrete that clack as uniformed students scurry between classes. Each hall is lined by dozens of doors. Some of these doors lead to traditional classrooms, others to various kinds of labs—computer science, robotics, and physical sciences. Throughout the school, American Academy's heavy focus on science, engineering, technology, and math (STEM) is readily apparent.¹⁰

American Academy's Parker campus serves roughly 1,000 PK-8 students. Several miles away in the City of Castle Pines, the school's first permanent campus serves nearly 900 K-8 students. A wide variety of students from across Douglas County attend one of the school's campuses, drawn by its focus on STEM, its use of the famed Core Knowledge curriculum, its focus on virtues and character development, and the tight-knit community at the core of its reputation.

But American Academy has not always been a thriving example of a successful public charter school. First, it was an idea housed and nurtured not in a gleaming

Exact overall numbers are difficult to ascertain due to the presence of individual children on multiple lists, but many schools have lists in the hundreds or even the thousands.

new school building, but in the living room of a Colorado native and Douglas County parent named Erin Kane who was looking for schools for her own young children.

Kane is the current interim superintendent for all of Douglas County School District—a position she never expected. She was raised in Littleton. Her father worked as an engineer, and her mother was an educator who held advanced degrees in special education and gifted-and-talented education. Kane’s mother taught in both public and Catholic schools before becoming a school administrator. Kane initially showed some interest in following in her mother’s footsteps. But when her mother eventually left education after growing frustrated with the politics of public schooling, she encouraged her daughter to find a career in a different field.

Kane heeded the warning. After graduating from a traditional public high school in Littleton, she went on to earn an engineering degree from the University of Colorado Boulder. A gifted student, she completed her coursework well ahead of schedule and took a job with IBM. From there, she carved a successful professional path in consulting and management in the commercial software industry.

As her family grew to include three young children, Kane made what she calls “the hardest decision I ever made” and gave up her career to be a full-time mother. But old habits die hard, and with her oldest child preparing to enter kindergarten, Kane focused her analytic talents on selecting the best school for her children. She found a well-respected charter school in

Highlands Ranch—one of only a handful of charters in Douglas County at the time—and attempted to enroll her children there. But the school was oversubscribed, and she was met

with a deep lottery pool. Her children would need to rely on the luck of the draw if they were to get into the school.

Though Kane’s experience occurred when Colorado’s charter community was much smaller than it is today, waitlists and lottery pools are still common among Colorado charter schools. Exact overall numbers are difficult to ascertain due to the presence of individual children on multiple lists, but many schools have lists in the hundreds or even the thousands. Parents wishing to enroll their children in schools with waitlists have two choices: Wait to get a slot—a proposition that can take years and may never come to fruition—or find another school.

In the case of lottery pools, students are randomly selected to fill empty seats each year. While some students are often exempted from lottery processes—siblings of students already at the school or students of school founders or staff, for instance—others must wait for their names to be drawn. In these situations, parents’ hopes of getting their children into a high-quality, popular charter school can be no better than chance. While Colorado’s charter sector has grown in terms of both the number of schools available and overall enrollment, demand for public school choice is outpacing supply in many areas.

Like other parents faced with the prospect of rolling the dice on their children’s futures, Kane began looking for alternate educational avenues. She was told her children could earn a spot in her preferred charter school if she could win an election for a seat on the school’s governing board. She ran for the seat and ultimately lost by a narrow margin. Demoralized and frustrated, she realized she would need to take matters into her own hands if her children were to get the kind of education for which she was looking. She would have to start her own school.

Kane began to reach out to other parents and friends in her community to gauge interest in



The American Academy team works on plans for the school

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Left to Right: Jackie Santos, Erin Kane, and Denese Gardner

starting a new public charter school. One of these parents was Denese Gardner, who played a key role in American Academy’s formation and now works for the school as a data specialist. Gardner worked with Kane and a number of other parents to conceptualize the school and brainstorm ideas about how it should operate, what kinds of roles were needed, how policies and finances should be handled, and numerous other things.

Though her children were very young at the time, Gardner hoped that this new charter school could provide the type of high-quality, STEM-focused education she wanted for them. It was this motivation—coupled with a desire to offer an innovative, challenging academic environment for other students in her area—that carried her through the hard work and long hours. Gardner says she spent “hundreds and hundreds of hours” working on establishing American Academy. She used nearly all of her free time to support the effort, working on school-related issues while her children napped or into the early morning hours after putting them to bed. Her husband would watch the children in the evenings and on weekends as she devoted her energy to developing the school. The work was challenging and sometimes frustrating, but Gardner and the team believed that “depriving kids of this choice was not an option.” They pressed on, recruiting other parents and community members as they went.

The level of support they found far outstripped their expectations. Soon, the small group of interested parents meeting in the living room of Kane’s home grew to a dedicated army of roughly 100 people. Bringing her experience as a project manager to bear, a “baby on her hip the whole time,” Kane swiftly assigned people to various groups based on their interests and abilities. But there were many puzzles to solve and questions to answer in a relatively short amount of time. What were the requirements? The timelines? Where would the startup money come from? These questions—and many, many others—would have to be answered if

American Academy hoped to submit a successful charter application to the Douglas County School District Board of Education.

The core of all new charter school efforts is the charter application process. These applications require detailed information on curriculum, programming, employment practices, financial plans, and a wide variety of other subjects—everything needed to start a new school. They guide and organize ideas into real, concrete, actionable plans to start and operate a school. Yet education is incredibly complex, and the integration of so many moving parts can easily overwhelm parents or community members. The finished product is often enormous; it is not uncommon to see charter applications hundreds of pages long.¹¹

As the American Academy team began the daunting work of building its charter application and gathering the required documents, Kane quickly realized the scale of the task she had undertaken. In frustration, she called a friend who founded the charter school to which she had initially applied. “I don’t know what some of this stuff even means,” she confessed to her friend. After providing some moral support, her friend agreed to assist her with the more complicated portions of the application process. Kane says she was immensely grateful for the “moral support and advice of those who had gone before,” and she went on to provide the same type of support to other prospective charter school leaders.

As is the case with all efforts involving large numbers of people with diverse opinions, conflict was not uncommon within the parent group working on the founding of American Academy. As the group wrestled with the various questions raised by their charter application, Kane spent a good deal of her time and energy managing conflicts and disagreements among participating parents over a

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variety of issues. These conflicts eventually led her to create a more formal process for making decisions involving a five-person voting board on which she sat. Slowly but surely, the process stabilized and the group worked its way through the application, deciding how its educational model would look, how it would handle personnel, how it would manage its money, and myriad other things. When they finished, their application was hundreds of pages long.

The application wasn't the only thing the nascent American Academy leadership had to think about. They also needed to market the school to parents and families in order to demonstrate a need and reach a level of enrollment that would make the school financially viable. To accomplish this, Kane and her "marketing team" held meetings at libraries and homeowners associations to which they invited their fellow community members. These meetings were paid for out of pocket by parents who were part of the American Academy team. Sometimes, they drew crowds so large that many had to stand. Other times, they drew only a handful. Through these efforts, the team eventually secured over 500 sign-ups for the new school.

With prospective enrollment numbers growing, Kane and her team were faced with the challenge of finding someplace to physically house the school. "When you're founding a school," Kane says, "You're thinking about curriculum and educational models and how awesome it will all be when it's done. You aren't thinking about buildings." Yet finding facilities is often among the tallest hurdles faced by charter schools thanks to Colorado law and the current ways in which school districts handle new construction.

When a new traditional public school is required, the most common way to finance it is through a voter-approved bond issue in the district or through the use of a complex form of lease-purchase agreement called certificates

of participation (COPs). Although Colorado law requires that public charter schools be included in discussions about potential bond issues in their school districts,¹² it is rare for charters to have their facility needs met by a district bond issue or COPs. Instead, these schools are typically responsible for finding, financing, and maintaining their own facilities using their own operating revenue.

On average, charter schools spend more than \$700 per student on facilities-related expenses—most of which comes out of their per-pupil operating revenue.¹³ By contrast, district-run traditional public schools are able to retain the entirety of their per-pupil operating revenue because the financing and payments related their facilities are handled by the school district itself using bond issues or COPs. Charter schools do have access to additional capital construction support from the state, but this additional funding covers only a small portion of charter schools' overall capital needs—approximately \$278 per student in 2016-17.¹⁴

Kane and her team eventually located a building in a shopping center in the City of Lone Tree. The building was dirty, and it "needed to be gutted." In addition, the school would need desks, books, equipment, and a variety of other basic items in order to prepare it to serve the hundreds of students expected to enroll. The school received sizeable start-up grants from both the Walton Family Foundation and the Colorado Department of Education, but because of a mismatch between public school funding timelines and the logistical requirements of opening a school, the team found itself with little available money. They had to lease rather



than purchase the building, and many of the costs associated with renovating the building were rolled into their lease by their landlord. Parents volunteered to paint the walls and prepare the building on their own time because the school lacked the funds to hire professional contractors.

One of the parents who helped prepare American Academy's first academic home was Alison Rausch. Rausch had met Kane socially after moving to Douglas County in 2003, and she was impressed with both Kane and her vision for a new charter school. At the time, Rausch's daughter was in preschool, and she was beginning to search for schools. She added her daughter to the school's list. Her daughter "won" the lottery for kindergarten and began school at American Academy in 2005.

Today, Rausch serves as the president of American Academy's governing board. Her journey to that position exemplifies the commitment charter schools inspire among many parents. When her family came to the school, they had few expectations of becoming deeply involved with the school's operations. Slowly, however, the American Academy community drew her in. First, she served as a volunteer "room mom" for kindergarten students. Then she was recruited for the school's parent-teacher organization (PTO), where she eventually worked her way up to president. She left her position on the PTO after American Academy opened its second campus in 2009, but was quickly drawn back into the fold as a member of the parent advisory board (PAB). In 2014, she was asked to fill an empty seat on American Academy's governing board. She became the president of the board shortly thereafter.

Having been involved in so many different levels of the school, Rausch has a unique perspective on American Academy's journey from fledgling charter to multi-campus success story. She saw the school move from its original building to a new campus in

2009. The move involved a significant number of challenges and an even more significant number of headaches as the school struggled to navigate the fraught political waters of both the Douglas County School District Board of Education and the City of Castle Pines. Kane, who was still on the school's board during the struggle for a new academic home, helped guide the school through these trying times. She left the board after five years of countless volunteer hours to once again focus on her software career. But American Academy was not done with her yet.

One of the most important components of successful charter schools is human capital. American Academy faced significant hiring challenges when it came to finding teachers. Thanks to budgetary constraints, the school's compensation when it opened was roughly \$10,000 per year lower on average than compensation levels in Douglas County School District. Similar pay gaps persist statewide today. In 2016, the average charter school teacher salary was \$39,052. In contrast, the average salary for non-charter public school teachers was \$54,465—a difference of roughly 33 percent.¹⁵

These large pay disparities are due in part to the unique funding pressures faced by charters. Two-thirds of the state's 178 school districts have passed mill levy overrides (MLOs), or voter-approved local property tax increases to provide additional funding for public schools in specific school districts.¹⁶ Yet most of these school districts do not share this additional revenue with public charter schools in their districts. Only 12 districts—including American Academy's home district of Douglas County—equitably share their MLO revenue with their authorized public charter schools.¹⁷ Coupled with charters' responsibility to finance their own buildings, often at great



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expense, these pressures can leave significantly less money available for staff and teacher compensation.

American Academy managed to fill its open teaching positions. However, finding effective leadership remained a challenge. As American Academy grew rapidly, the school found itself in need of strong leadership that truly understood its mission and vision, and that could handle the complexity of running a multi-million dollar educational endeavor. Erin Kane was a natural choice. Kane was brought into the school as its executive director in 2009. She remained in that role, guiding American Academy through its journey, helping expand it to three campuses, and facing the accompanying challenges, until she was selected by the Douglas County School District Board of Education as the district’s interim superintendent following the departure of the district’s previous leader, Elizabeth Fagen. She says that she loved the career she had at American Academy, but she found it difficult to pass up the opportunity to put her skills to use helping Douglas County’s wider public school community.

One of the aspects of American Academy that its leaders are most proud of is the school’s Student Support Services department. Headed by a former special education teacher named Jistine Harrison who worked in traditional public schools before moving to the charter sector, the department offers extensive services to students with additional academic needs. These services include special needs support, gifted and talented programing, academic intervention, and a variety of other supports. Harrison says she “couldn’t be more proud

of the programming we provide our special education students when compared to my past educational experiences.”

Charter opponents often attack charter schools for a supposed unwillingness to serve special needs. However, recent research shows that differences in the numbers of special needs students served by charters versus traditional public schools—6.3 percent of Colorado charter students require special education compared to 10.3 percent statewide¹⁸—are due largely to application patterns and differences rather than the systematic “counseling out” of children with special needs.¹⁹ Most charter schools are equipped to serve children with mild to moderate special needs, though it is true that many charter schools do not have the capacity to serve students with severe special needs. However, the same is true of many traditional public schools. In Douglas County, students with severe special needs attend specialized schools or take part in specialized center-based programs in select locations and schools throughout the district.²⁰

Through Kane’s leadership and the commitment of many of American Academy’s parents, the school has blossomed into a model of charter success in Denver’s southern suburbs. The school has consistently exceeded academic performance on standardized tests both statewide and in Douglas County. It has received numerous awards for its performance, including the prestigious John Irwin School of Excellence Award and the Colorado Governor’s Distinguished Improvement Award.²¹ The school’s biggest challenge now is finding its way forward as its founding-era leadership moves on to other opportunities and “operating leadership” begins to take the helm. If the school’s success and popularity to this point are any indication, its future looks bright.





New Legacy Charter School: Overcoming Obstacles in the City

The suburban housing developments of Douglas County are defined by pristine single-family homes, green lawns, and bustling shopping areas. American Academy helped meet parental demand for a certain type of education in this more affluent area of the Front Range. Elsewhere in the Denver area, however, things look considerably different.

Roughly 20 miles north of American Academy, the open spaces, broad vistas, and sprawling residential developments of Douglas County give way to cityscape. Here, concrete dominates the landscape and housing more often takes the form of small homes or apartment buildings. Bars adorn the windows of many stores and businesses. In the midst of this urban landscape sits Aurora, a major part of the Denver Metro Area. It could not be more different than Douglas County. Students here often face difficult challenges that are less prevalent in suburban Colorado—poverty, struggling neighborhood schools, and difficult home situations are common.

Just north of Colfax Avenue, a modern-looking building with red walls stands out against the grey-brown of the surrounding landscape. This is New Legacy Charter School, and it has been

quietly working since the fall of 2015 toward addressing one of the area's most pressing student issues: higher than average rates of teen pregnancy.²²

The roughly 100 high school students who walk these halls predominantly come from various minority groups, and most are low income. Some are pregnant, while others have already given birth to their children. Those infants and toddlers spend their days in New Legacy's early childhood wing, where they are cared for free of charge as their teen parents work toward completing their high school studies in a separate wing of the school. At lunch and for certain parenting classes, the young parents are reunited with their children before resuming their regular coursework.

New Legacy certainly does not look or feel like a traditional high school. It is a jarring experience to see students as young as 14 either pregnant or caring for an infant at school. Yet without this school, many of these young mothers and fathers would face bleak prospects.

Teen birth rates have declined sharply in recent years in both Colorado and the United States.²³ However, the Front Range is still home to

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thousands of teen parents. In 2014, Colorado saw more than 3,300 teen births.²⁴ According to New Legacy’s analysis, the four primary zip codes served by the school saw 265 births to teen parents in 2015 alone.²⁵

For teens who become pregnant, there are few good options when it comes to education. School districts typically struggle to accommodate such students. Aurora Public Schools, the district in which New Legacy is located, no longer offers the same support to these students that it once did, and the closest program specifically for teen mothers is more than 10 miles away. Lacking the necessary support, many of these students face difficult decisions about the future of their education—decisions that can and often do lead to dropping out of school. Nationally, only about 40 percent of teen mothers finish high school. Among teenage girls dropping out of high school, 30 percent do so because of pregnancy and parenthood.²⁶

Jennifer Douglas, New Legacy’s founder and current executive director, has been deeply involved with public education for many years. She taught overseas and in American public schools until 1999, when she found herself filling in for a teacher on maternity leave as a long-term substitute teacher at Columbine High School in Littleton. She was there on April 20, 1999, when Eric Harris and Dylan Klebold entered the school and murdered 12 of their fellow students and one teacher before taking their own lives. Following that experience, Douglas “could not imagine working in a school anymore.”

Yet her passion for education remained. She joined the Colorado League of Charter Schools, a membership organization that supports charter schools across the state, where she worked as an assistant director and, later, director of the organization’s school accountability arm. Her work with the Colorado League of Charter Schools brought her into contact with many charter school founders and leaders whom she found

inspirational. That inspiration led her to help found Highline Academy in Denver and to serve as the school’s founding vice principal. Afterward, she returned to the Colorado League of Charter Schools to continue the work of supporting other charter schools in the state.

It was during this time that the idea for New Legacy began to take shape in Douglas’s mind. In 2000, she visited a school in Montrose, Colorado, that served teen parents. She “fell in love with it” on the spot, and carried the idea of the school back to the Front Range with her. Slowly, that seed began to develop into a desire to start a similar school in her community in eastern Denver. And as that desire developed, questions arose. Was there a need for such a school? If so, could such a school be successful? Douglas began to research these questions. The results were clear: There was a need for such a school in her area, and it could work.

Thanks to her time with the Colorado League of Charter Schools, Douglas was well positioned to tackle the complexity of starting a school. She built a team around her that could help form and shape the school into a reality. One of those team members was Taishya Adams, a charter school supporter in Boulder whom Douglas asked to be president of the new school’s governing board. Adams now works for the American Institutes for Research as a senior technical consultant, but she was employed by the National Alliance for Public Charter Schools when she joined the New Legacy team. Douglas had met Adams through collaboration between the Colorado League of Charter Schools and the National Alliance for Public Charter Schools.

Adams loved her work at the National Alliance for Public Charter Schools, but she also loved to be involved directly with schools, to “put knowledge into practice.” Douglas approached her about New Legacy because Adams is deeply passionate about serving at-risk student populations. Adams jumped at the opportunity to help teen parents in partnership with the

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local community. “There was as real opportunity not only to address a pressing need, but to do that with a really high level of involvement in the community,” she says.

The idea at the core of New Legacy was to serve two generations at a time by providing educational services to teen parents, including teen fathers, while also allowing those parents’ children to be cared for and taught on the same campus. Charter founding processes are always complex, but this uncommon educational model posed additional challenges. Though it offers some support for certain at-risk students through the Colorado Preschool Program, Colorado does not fund early childhood education (ECE) through its school finance system. Instead, schools must rely on “braided funding” models in which they cobble together revenue from various sources and programs—federal, state, local, and private—in order to support the often costly work of running an effective ECE program in accordance with state laws and regulations.

Unlike other charters schools that slowly roll out their services over the course of several years, New Legacy’s educational model required it to be ready to serve both high school parents and their children on day one. Douglas and her team quickly learned that the paperwork and bureaucracy involved in beginning a charter high school and an early childhood education program were daunting. Hundreds of hours were spent filling out the school’s charter application while completing both the documentation and revenue procurement required to open the high school and the ECE program simultaneously. Despite the workload and difficulty, the team navigated these challenges under Douglas’s guidance—though they each remember that there were a number of “speed bumps” along the way.

New Legacy also faced an uncommon situation related to its charter: which charter school authorizer to partner with. In Colorado, public charter schools can be authorized by either a school district’s board of education or by the Charter School Institute (CSI),

which is the state’s authorizing body. Most districts in Colorado retain exclusive chartering authority, which means that they and they alone have the authority to authorize charter schools within their geographic boundaries. Districts with fewer than 3,000 students are automatically granted exclusive chartering authority by the Colorado State Board of Education, and districts with more than 3,000 pupils are also granted such authority by the state board if they can demonstrate a “recent pattern of providing fair and equitable treatment to its charter schools.”²⁷ Only five Colorado school districts with more than 3,000 students do not currently have exclusive chartering authority.²⁸

However, even districts that retain their exclusive chartering authority can agree to allow charter schools authorized by CSI to operate in their district. Such was the case with New Legacy. The school submitted its application to both CSI and the Aurora Public Schools Board of Education. Both boards approved the application, and Douglas and her team had to make a decision about which authorizer to use. Douglas characterizes her experience with the APS board as “positive,” but the school ultimately decided to charter itself under CSI.

The primary reason for this decision was funding. As mentioned previously, many school districts do not equitably share mill levy override revenue with their charter schools. At the time of New Legacy’s application, APS only shared such revenue with charter schools if those schools existed when the relevant ballot



Jennifer Douglas (left), students and their children



Ribbon Cutting ceremony at New Legacy

Though New Legacy differs greatly in almost every respect from American Academy, the two schools' largest financial hurdle was the same: Acquiring an adequate facility.



Photo credit: Urban Land Conservancy

The abandoned bowling alley that would eventually become New Legacy



Photo credit: Urban Land Conservancy

language passed. As such, New Legacy would not have been eligible to receive any additional revenue from APS's mill levy overrides. In addition, the school would be required to pay the district to support certain district programs. While Colorado law requires that districts retain no more than 5 percent of a charter school's per-pupil revenue provided under the School Finance Act of 1994 for actual costs associated with district administrative overhead,²⁹ there are often other fees that charters must pay to their authorizing districts. For example, Douglas says that chartering through APS would have resulted in the school being required to pay the district nearly \$750 per student for the district's special needs program.

While chartering through CSI would also deprive the school of local mill levy override revenue—CSI schools are not entitled to this local revenue because they fall under a separate state governmental entity—Douglas says chartering with that organization made it easier for the school to access federal funding to support its operations. However, the additional funds came at a price. Without a central district team to assist in some data-related services, CSI schools must carry much of the burden of gathering, aggregating, and reporting on their own.

Even today, New Legacy must use fundraising from various sources to make its model work. Charter opponents often assert that charters' use of private fundraising to support their operations gives them an advantage over district-run schools. Yet school districts and traditional public schools also raise private money to bolster their budgets. For instance, the Denver Public Schools Foundation raised \$14 million to support district schools and students in 2015-16,

including nearly \$1 million from a single annual gala.³⁰ Recent research indicates that while charters tend to raise more philanthropic money on a per-pupil basis than traditional public schools, this amount falls far short of what would be required to close the persistent funding gaps between charter schools and district-run schools statewide.³¹

As Douglas puts it, New Legacy relies on fundraising because it has little choice but to do so in the absence of additional financial support from public sources. Her experience exposes an interesting irony: Charter opponents often cite the schools' fundraising efforts as a reason they do not require public financial support equal to that received by traditional public schools, but in many cases these fundraising efforts are made necessary precisely because equitable public support has not been made available.

Though New Legacy differs greatly in almost every respect from American Academy, the two schools' largest financial hurdle was the same: acquiring an adequate facility. In order to meet the need identified by Douglas and her team, New Legacy needed to be located in the highest-poverty section of Aurora. Yet financial barriers made purchasing or building a new facility in that area essentially un navigable. Ultimately, it was the help of an organization called the Urban Land Conservancy (ULC), a non-profit in Denver that "acquires, preserves, and develops real estate in underserved areas for long-term community benefit," that allowed the school to get off the ground.

Through its partnership with ULC, New Legacy gained access to an admittedly less-than-spectacular

facility—an abandoned bowling alley that had sat empty for many years. ULC had acquired the building as part of its mission to preserve urban real estate to benefit surrounding communities and assisted the team in making the space into a working school building that New Legacy leases from ULC. The team considered attempting to renovate the building, but it was in such a state of disrepair that the effort was deemed unrealistic. Instead, they opted to demolish the bowling alley and construct a new school. The construction of New Legacy was completed in the summer of 2015, and it opened that fall.

Since then, the school has passionately pursued its mission of “impacting two generations at a time.” There is much work to be done, particularly as the school refines its unique educational model and works through the challenges associated with it. But Douglas is hopeful about the school’s future and remains convinced that it is meeting a pressing need and helping to break the cycle of poverty in this urban community.

One of New Legacy’s infant rooms



Teen parents celebrate graduation with their children



Photo credit: Vic Moss Photography
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New Summit Academy: The Complications of Choice

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All charter schools face numerous challenges on the road to success. For some schools, one of the most significant of these challenges is winning approval from their local school boards. While American Academy and New Legacy both had relatively positive experiences with their respective district school boards, other prospective charter schools have been less fortunate. New Summit Academy is one such school.

As mentioned previously, the overwhelming majority of Colorado school districts retain exclusive chartering authority from the Colorado State Board of Education, meaning that only their elected school boards can approve or deny charter applications. If a charter school cannot convince a board to approve its application, the process is halted until and unless the board reconsiders. Charter schools that feel they have been treated unfairly during the application process may appeal their cases to the Colorado State Board of Education, which may either reverse the relevant district board's decision or allow that decision to stand. As one might expect, navigating the waters of this system can and often does

lead prospective charter founders into a complex realm—a realm many of them are ill equipped to navigate without assistance.

Such was the case for Aaron Salt, Tony Valle, and Rick Van Wieren, three community members in Colorado Springs hoping to expand public school choice in Academy School District 20. Salt and Valle both have school-age children and have been searching for high-quality educational options that could meet their needs. Salt has two young children whom he hopes to enroll in a classical charter school. Unfortunately, he has swiftly discovered that the same long waitlists and deep lottery pools present in other areas are also a major obstacle in Colorado Springs districts. Valle has had a similar experience. Despite placing his daughter on one school's waitlist when she was just eight months old, he found that her position rarely improved thanks to the sibling-based weighting system used by the school. A mathematician by training, Valle says he crunched the numbers and concluded that his daughter was “mathematically not going to get there.”

Van Wieren's five children have all finished school. Over the years, his family has tried a wide variety of educational options—homeschooling, neighborhood schools, charter schools, and private schools. As a result, he says he had a chance to witness firsthand the difference educational choice made for his children. As a real estate agent in Colorado Springs, Van Wieren meets many families with children who have moved to the Colorado Springs area to take advantage of the education available in some of the higher-performing districts like Academy 20, sometimes by purchasing houses that are at the limit of what they can afford. When these parents discover that some of the best schools in Colorado Springs school districts—including the Academy 20's lone existing charter school—are oversubscribed and can't take any more students, he says, they are often very disappointed.

These frustrations led Valle and Van Wieren to join the founding team of a new charter school in the Colorado Springs area. Due to a variety of factors, however, that school's application was twice denied by Academy 20's board of education. Facing an uphill battle should they decide to appeal to the Colorado State Board of Education, the two and some of their fellow team members had to make a stark decision: walk away from the idea or start over. They chose the latter. Salt joined them a short while later. The New Summit Academy effort was born.

The previous charter school effort with which the group had been involved had been supported by individuals familiar with the chartering process. After a falling out with some of these individuals, however, that support largely disappeared. This time, the team started alone. Van Wieren still remembers the anxiety they felt as they stared at the "blank application in front of us." Valle, a U.S. Department of Defense contractor who spends his days working in a vault with no cell phones allowed, says that he "has seen multi-million-dollar Department

of Defense deals that require less paperwork than a charter application." They considered bringing a charter management organization on board to assist them with the process, but the organizations they spoke to did not fit with their vision of the school. They would have to complete the application on their own.

Not knowing where to start, the team began reviewing the applications of other successful charter schools around the state. They made their way through about two-thirds of the application doing "an okay job," but they were struggling to manage all the moving parts. Coupled with the complication of applying for start-up grants—a process that requires its own extensive paperwork—the team members quickly found themselves overwhelmed. Just as all began to seem hopeless, however, charter advocates in the Colorado Springs area put them in touch with an organization called No Waitlists that helped guide them through the rest of the application process. After what they describe as a "desperate push" to get the application done in time for review by the school district board, they finally submitted the document.

The Academy School District 20 Board of Education and one of its subcommittees reviewed the team's application and held a public presentation on New Summit in fall 2016. Though some concerns were raised, the team says they were told that these concerns were relatively minor and could be addressed before the board's final decision. Even so, the tenor of the meeting concerned the New Summit team. According to Valle, the public presentation was supposed to be an opportunity for the board to ask questions, clarify areas of concern, and gain insights into the school and the team behind it. Instead, he says, they came away feeling as though some board members were deliberately looking for reasons to deny the school. But the complications were only just beginning for New Summit.

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New Summit has the option to come back to the board for approval to open in 2018, but Van Wieren believes the delay is likely to cost the school its prospective facility. “We just didn’t make it,” he says.

With Salt’s help, the team had carefully constructed a budget demonstrating their financial plan for the school and proving the viability of the project. Budgeting is a complex process, and it was particularly difficult for New Summit because the school’s projected enrollment was somewhat concentrated in earlier grades. But the team made it work—until catastrophe struck. In November 2016, the school was informed that the Colorado Department of Education had denied its startup grant request under the Colorado Charter Schools Program, which “provides a grant and technical assistance for up to 3-years to new and expanding charter schools.”³² The grants are funded by tens of millions in federal grant money given to Colorado to promote the growth of high-quality charter schools.³³ The loss of the grant cost New Summit more than \$200,000,³⁴ which threw its budget into disarray.

To make matters worse, the school was scheduled for its second and final presentation to the school board the day after the grant fell through. With only 24 hours to adjust their plans and numbers, the New Summit team scrambled frantically to balance the budget by cutting staff, increasing fees, and trimming anything they could. The following day, the founding team delivered its presentation to the board. Citing serious budgetary concerns and the loss of the CDE startup grant, however, the board voted the school’s application down on a 3-1 vote. The team was tremendously disappointed and believed the board members made their decisions based on incomplete information in the resolution presented to them for a vote.

The New Summit team pursued an appeal to the Colorado State Board of Education, but political dynamics on that board following the November 2016 elections led them to believe that endeavor was a lost cause. However, the district soon expressed willingness to negotiate in order to avoid state intervention in a local matter. These negotiations resulted in New Summit being granted a “conditional

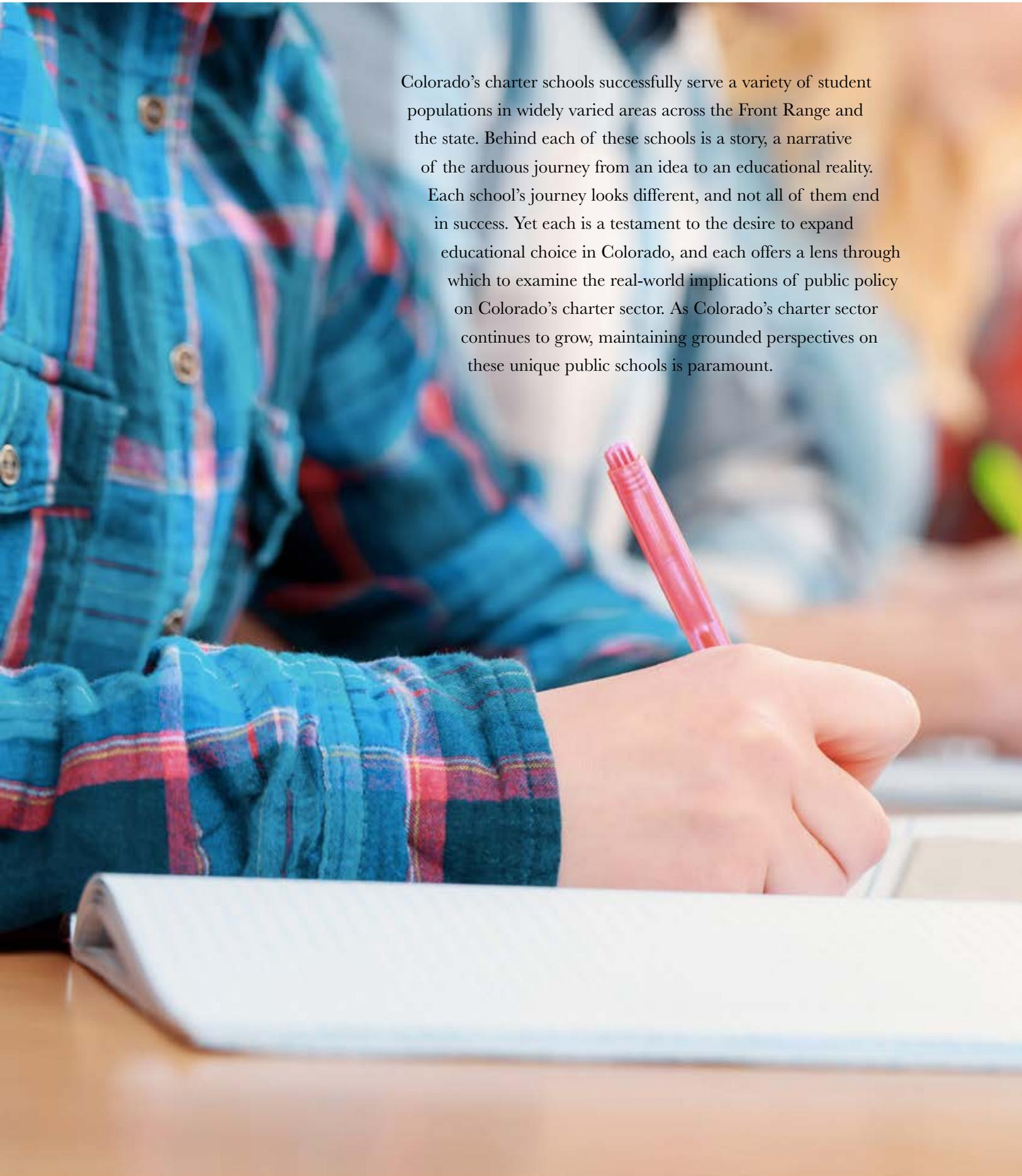
charter” to open as a K-3 school in the fall of 2017 if it could meet certain conditions within a specified period of time.

One of these conditions was that the school had to enroll 340 students by early spring 2017.³⁵ The original model of New Summit—a K-6—had easily surpassed this number with its non-binding expressions of interest. But a combination of the new K-3 model, which would require some parents to send their older and younger children to different schools, and the ongoing tension surrounding the application resulted in the loss of a significant number of enrollees. Additionally, Van Wieren says the enrollment process itself was problematic. In particular, he says parents enrolling in the fledgling charter were told that they would potentially lose their seats in other public schools, and they were required to provide certain physical documentation proving that they resided in Academy 20. Largely because of these obstacles, the team believes, the school failed to meet the enrollment requirement by its March deadline. Its conditional charter was revoked.

New Summit has the option to come back to the board for approval to open in 2018, but Van Wieren believes the delay is likely to cost the school its prospective facility. “We just didn’t make it,” he says. He and his team are not giving up on the idea of founding a charter school yet, but they have walked a long, difficult road, and the way forward may be no easier.

Conclusion

Colorado's charter schools successfully serve a variety of student populations in widely varied areas across the Front Range and the state. Behind each of these schools is a story, a narrative of the arduous journey from an idea to an educational reality. Each school's journey looks different, and not all of them end in success. Yet each is a testament to the desire to expand educational choice in Colorado, and each offers a lens through which to examine the real-world implications of public policy on Colorado's charter sector. As Colorado's charter sector continues to grow, maintaining grounded perspectives on these unique public schools is paramount.



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