Good afternoon members of the Education Committee. My name is Rick Pressler, and I am Director of School Services for the NJ Charter Schools Association. I am also a charter school founder, charter school parent, and former school leader, as well as a former member of the Roosevelt, NJ, Board of Education. I appreciate this opportunity to testify on behalf of the 88 public charter schools in New Jersey, the nearly 50,000 students attending those schools, and the many thousands of households currently on waiting lists for public charter schools.

As a charter-focused educational association, we strongly advocate for charter schools, but we do so because we believe charters are one of the best, most efficient, ways to bring new educational opportunities and innovative educational practices to students who desperately need and want them. We see strong charter schools as an essential element in achieving educational equity, especially for historically underserved children.

Also, as both a charter school trustee and a school board member in a small school district, I deeply appreciate the pressures felt on all sides and the sense of urgency in addressing public school funding in a comprehensive, long term way.

**Who Do Charter Schools Serve?**

Charters predominantly serve a group of students who are urban, disadvantaged, and of color. In 2016, 70% of charter school students qualified for free or reduced lunch—about twice the state average. In addition, more than 80% of charter students were Black or Latino. Over 90% of charter school students live in urban school districts previously identified as “Abbott” districts.

Charter schools also serve a growing number of special education students and English Language Learners—the number of special education students in Newark charters has doubled from 5% to 10% since 2009, even as the number in the district is decreasing.

Charter schools are closing the achievement gap between our different demographic groups and parents are noticing—the demand for charter schools in urban districts such as Newark, Camden, Paterson, Plainfield, Jersey City, Trenton, and New Brunswick is unabated. Tens of thousands remain on waiting lists. Many parents see charter schools are transformative for their children—literally a life and death issue.
The growth of charters has been fueled by their successful outcomes—and by parents who see a valuable opportunity for their children.

**Charter School Funding**

The current method for funding charter schools and distributing those funds can be frustrating and disruptive for a lot of people. For districts struggling for years now with flat funding, managing their sending/receiving relationships with county CTE programs, special placements, regional programs, and charter schools can create a sense of scarcity.

For charters, the situation can feel like a shell game. The statute promises them 90% of the district per pupil aid, and the regulations define, to some extent, what is meant by this, but in the course of interpreting SFRA without fully funding it and developing state budgets that seem to invent new types of state aid on an annual basis, charters often find themselves receiving far less than 90%. In some cases, such as in Jersey City, they receive less than 50% of the per pupil aid received by the district. Statewide, on average, charters receive about 70% of district per pupil aid.

This is especially frustrating for families with students in both district and charter schools—they experience firsthand how disparities in funding arbitrarily and unfairly disadvantage their charter school children. And it is simply not sustainable to continue funding any of our schools—charter or district—at far less than the state-defined adequacy amount.

But the inequities in charter school funding are a reflection of broader inequities in the entire funding system. It is difficult to see how we will treat every student equitably without fully funding the formula and ensuring that state aid is apportioned progressively. As realists, we see the challenge here; it will take unprecedented determination by policymakers and stakeholders to make this work for everyone.

But we have to start somewhere, and perhaps the first place to look is adjustment aid.

**Adjustment Aid and Moving Towards Full Funding**

Last year’s education budget included about $600 million in adjustment aid that was distributed to school districts according to precedents established back when the School Funding Reform Act was passed. What was intended as a temporary cushion has become an ongoing commitment that further complicates full implementation of the formula. Redirecting these funds towards equalization aid will bring us that much closer to funding SFRA. Because charter schools are funded based on 90% of their sending district’s per pupil aid calculation, fuller funding of SFRA translates into more equitable treatment of charters as well.

Other suggestions have emerged to address the state aid shortfall in funding the formula, including revisiting the non-instructional components of state aid, redistributing aid going to districts that are funded at more than 100% of the adequacy amount, and revisiting fair share calculations for school districts, and this should all be part of the conversation. But it’s hard to see how any of this adds up to full funding without raising additional revenues.
In spite of all these challenges, New Jersey continues to make progress in better serving our most disadvantaged students and a significant share of that progress comes from the charter school sector. Year after year, charter schools continue to close the achievement gap between economically disadvantaged students and State averages. In districts with Universal Enrollment programs, charter schools continue to be among the top choices of parents; in other districts, the availability of charter seats cannot keep up with demand.

Resolving New Jersey’s funding crisis will require an inclusive approach, in which the voices of charter families are allowed to balance other voices of those who habitually oppose charters and the opportunity they represent. As we urgently address New Jersey’s education funding crisis, let’s not forget the fierce urgency of families who are seeking better opportunities for their children and have found them in New Jersey charter schools.

Thank you for this opportunity to present my testimony, and thank you for your work on behalf of our students.
The Whole Picture of School Funding for Different Types of Public Schools

The issue of public school choice is sometimes inaccurately characterized as charter vs. district. In fact, New Jersey’s charter schools are part of a broader system of public education options that includes:

- Open enrollment district schools
- Districtwide magnet or special focus schools
- Interdistrict School Choice Program schools
- County CTE programs, including career academies, STEM schools, and Vo-Techs
- County Educational Services Commission schools
- Charter schools
- Renaissance schools

Each of these types of schools is enrolled and funded in slightly different ways. Charter schools, like county CTE programs, have essentially a sending/receiving relationship with local districts. Students in both cases attend these schools by choice, and districts are obligated to pay tuition or provide aid.

District magnet schools and some of the county programs are highly selective, based on academic or other criteria; some specialized Commission schools serve exclusively special needs students; charter schools, like Interdistrict School Choice Program schools, are enrolled through a lottery process in demand exceeds available seats. Additionally, charter schools must enroll students without regard for a student’s academic achievement or special needs.

The Growing Collaboration

There is a growing trend towards collaboration and sharing between charters and district schools. A few notable examples:

- Universal Enrollment in Camden and Newark has provided families with easier access to all district and charter options within their community.
- The Newark Public Schools has contracted with North Star Academy and Great Oaks Legacy to operate district schools, leveraging the innovative and effective programs these schools have pioneered.
- The Camden School District has contracted with North Star Academy and TEAM Charter Schools to replicate their groundbreaking charter school programs in the form of Renaissance schools in Camden.
- Many charter schools purchase services from districts for everything from special education services to lunch programs.
- Charters both offer and benefit from professional development programs shared by districts and charters (most recently at Philip’s Academy Charter School).
- This collaboration around professional development is growing: the Association and the New Jersey School Boards Association are currently planning a shared
professional development program in which teachers from district and charter schools will share best practices.

Charter Schools 20 Years In

New Jersey’s original cohort of charter schools are now in their twentieth year of service, and there is an ample body of data and research to provide insights into their dramatic successes and their positive impacts on the lives of our children. Throughout New Jersey, but particularly in our larger urban centers such as Newark, Camden, Jersey City, Plainfield, Trenton, Paterson, and New Brunswick—cities with our largest concentrations of at-risk students—charters have helped tens of thousands of students rise towards their potential.

New Jersey charters, through their urban focus, overwhelmingly serve disadvantaged students of color. Charters have brought alternative public education opportunities to families and students who have traditionally been denied such choices. But beyond our cities, charters also flourish, in smaller numbers, in rural and suburban settings, offering programs and serving student needs that are not otherwise addressed.

Newark, NJ – A National Exemplar

New Jersey’s charter school sector has become a model for the rest of the nation, with Newark’s charter schools singled out as especially strong. A few examples from our Newark charters schools:

- Best in the State: Newark’s KIPP and North Star schools are now 2 of the top 4 high schools in the entire state at sending African American students to college—sending 90% or more of their graduates to 4 year colleges.¹
- Best in the Nation: In a study by Stanford University researchers that looked at the 41 largest cities with charter schools, Newark’s charter schools ranked best in the nation at boosting African-American student reading, and #2 in Math.² The study compared demographically identical district and charter students using an innovative “virtual twin” method.
- Extraordinary Impact: The same study found that the high performance of Newark’s charters was the equivalent of charter students getting 150 additional days of learning in Reading, and 160 additional days of learning in Math.³
- Newark’s African American Students: From 2006 to 2014, African American students in Newark were three times more likely to attend a school that is beating the state average in math and reading—nearly all of those new opportunities came from charter school expansion.

• Charters are Closing the Achievement Gap: African American students in Newark charter schools are now within 4 points of the state average in Reading and Math—a state average that includes some of the best public schools in the country.4

• From 2011 to 2016, charter school enrollment in Newark doubled and, contrary to this popular myth, this rapid growth did not result in the concentration of high poverty, high special needs students in the traditional district schools—in fact, the district’s poverty and special education rates fell over that time.5

• Serving ALL Students: Newark charters have doubled their enrollment of special education student enrollment since 2009, growing from 5% to 10% of their student body.6

Beyond Newark – Diverse and Effective

Charter schools were established with two purposes:

1) To provide opportunities to students who need them
2) To drive innovation and become laboratories for educational practice

As we look out across the State, it is clear that charter schools have evolved and grown to meet the grassroots demand for new opportunities. New Jersey’s charter networks—Uncommon, KIPP, iLearn, Camden Charter School Network, Philip’s Education Partners, are homegrown, each of them having expanded in response to the extraordinary demands of urban parents and by virtue of their strong outcomes.

Beyond the basic issue of expanding opportunity, there are also many examples of charter school innovation. These are just a few:

• Innovative educational programs at rural schools such as Ridge & Valley Charter School in Blairstown and Sussex Charter School of Technology in Sparta have attracted a high proportion of special needs students, offering parents unique programs in earth literacy and technology that enable their children to succeed in a general education setting.

• LEAP Academy University Charter School in Camden, in partnership with Rutgers Camden, has excelled at parent and community engagement, offering wraparound services to families that enhance the academic success of their students.

4 49% of Newark’s black charter students were proficient in literacy, compared to statewide average of 53%; 41% were proficient in math, compared to statewide average of 44%. Source: NJDOE 2015-16 PARCC reports, available at http://www.nj.gov/education/schools/achievement/16/parcc/spring/

5 District special education rates fell from 18% to 13%, and poverty rates fell from 87% to 78%. See NJDOE ENR Files, available at http://www.nj.gov/education/data/enr/; NJDOE Special Education Data, available at http://www.nj.gov/education/specialed/data/2015.htm

• North Star Academy Charter School has long been at the vanguard of data-driven instruction and student engagement techniques; their founders have been instrumental in developing the Relay Graduate School of Education—an accredited and acclaimed graduate program that fosters excellence in instructional practice.

• In New Brunswick, the Greater Brunswick Charter School has implemented a bilingual education program to meet the needs of its growing ELL population. GBCS significantly outperforms the district average in PARCC even while serving a higher percentage of special education and ELL students than the district. It is one of several multi-lingual charters, each of which takes a different approach to language acquisition.

• Charter schools such as METS in Jersey City, STEMCivics in Trenton, and LEAP in Camden are among the State’s high performing STEM charter high schools.

• The Growing Cohort of Environmental Charters – ECO Charter School (one of highest performing in Camden), Unity Charter School (Morristown), Barack Obama Green Charter High School (Plainfield), Thomas Edison Energy Smart Charter Schools (Franklin Township), Ridge & Valley (Blairstown), and Philip’s Academy Charter School (Newark) all provide rigorous programs focused on environmental science and sustainability.

• Charters, such as Compass Charter School (Vineland) have pioneered innovative, research-based approaches to learning that rely on an advanced understanding of the human brain and how different learning strategies map to different learning dispositions.

• CharterTECH Charter High School (Somers Point) provides a unique CTE program that prepares students for careers in the Performing Arts.

• The Camden Charter School Network, which includes Camden’s Pride, Camden’s Promise, Camden Academy, and Katz Charter School has grown organically into a comprehensive K-12 program with a stellar record of guiding students into 4-year universities.