In this final report of a 3-year evaluation, researchers explored the developing infrastructure in New York City charter schools and identified areas in which school stakeholders—private partners, boards of trustees, school leaders, parents, and teachers—needed support to help charter schools succeed. The study was based on monthly visits to eight charter schools in metropolitan New York City. Of the eight schools, two have for-profit institutional partners and four have nonprofit institutional partners; two are not partnered. Six were start-up charter schools and two were traditional schools that converted to charter status. In the schools that had partners, these partners provided many of the supports offered by school districts to traditional public schools. The schools with nonprofit partners did not have formal agreements in the first year, but in the second year, two partners began to itemize services they provided within the school budget. The charter schools that were startup schools were entitled to waive collective bargaining agreements, but the charter schools had to create their own policies to clarify and normalize teachers’ working conditions. Operators of charter schools also had to make important financing and management decisions within the pressures of a 5-year performance-based charter. It was essential that school stakeholders have the knowledge and supports to make informed decisions on behalf of their schools. The range of capacity in these sample charter schools suggests that institutional partners, boards of trustees, and charter school leaders need technical assistance in developing the governance and administrative infrastructure associated with new school development and organizational change. (Contains 15 references.) (SLD)
GOVERNANCE AND ADMINISTRATIVE INFRASTRUCTURE IN NEW YORK CITY CHARTER SCHOOLS

GOING CHARTER YEAR THREE FINDINGS

CHARTER SCHOOL RESEARCH PROJECT
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May 2003
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ACKNOWLEDGEMENTS

We are deeply indebted to the charter school board members, administrators, teachers, and other school staff who welcomed us into their offices and classrooms and spoke frankly with us, as well as a number of parents who shared their experiences with us. We also wish to thank representatives of partnering organizations and other institutions assisting charter schools for their candid discussions of their work.

We are grateful to the Annie E. Casey Foundation and the Rockefeller Foundation for their generous support of our two extended studies: Going Charter and Public-Private Partnerships. We are especially grateful to Fred Frelow of the Rockefeller Foundation and Bruno V. Manno of the Annie E. Casey Foundation for their commitment to our work.

Our studies have been enriched by the burgeoning literature generated by other charter school researchers, and by our Charter School Advisory Board, which since fall 2000 has been meeting annually to review and further our work.

Robin Jacobowitz, Yolanda McBride, and Tammi Troy played a leading role in conceptualizing this report and Tammi Troy brought it to fruition.

Clyde Cole and Jodie Harris joined the Charter School Research Project this year, and have already made strong contributions to our research. Finally, the good spirited support of Norm Fruchter, Director of the Institute for Education and Social Policy; Geraldine Pompey, our Fiscal Administrator; and Catherine Waldo-Elliot, our Administrative Assistant all enabled our work.
EXECUTIVE SUMMARY

The charter school movement has experienced tremendous growth since the first schools opened in 1991. As of January 2003, nearly 2,700 charter schools in 36 states and the District of Columbia are serving over 684,000 students. True to the autonomy promised by the charter movement, these schools generally operate as isolated “points of light.” Yet, in the absence of traditional district support and services, many charter schools initially struggle to create the internal structures needed for fiscal solvency, addressing the needs of families, and stabilizing the work environments for teachers. In this final report of a three-year study, we explore the developing infrastructure in New York City charter schools and identify areas in which school stakeholders—private partners, boards of trustees, school leaders, parents and teachers—often need support to help charter schools succeed.

Our study, which began as the first charter schools opened in September 1999, is based on monthly visits to eight charter schools in metropolitan New York City. Of the eight study schools, two have for-profit institutional partners, and four have nonprofit institutional partners; two are not partnered.2 Six of the eight charter schools were start up schools and two—conversion charter schools—were traditional public schools before converting to charter status.

An important aspect in the early development of new charter schools has been the formation of administrative infrastructure in a range of operational areas, from vehicles for parent-school interactions to the rules governing the hiring and firing of teachers. While much of what happens during those first years can be viewed as typical new school development, all charter schools differ from traditional public schools in having boards of trustees, and many have partnerships with nonprofit and for-profit institutional partners.

In the six charter schools partnered with private institutions, these nonprofit and for-profit partners provided many of the supports offered by school districts to traditional public schools. Procedures and boundaries therefore had to be developed to ensure that the schools were both separate from and worked smoothly with these private institutions. While schools with for-profit partners had contracts that delineated the responsibilities of both the institutional partners and the boards, schools with nonprofit partners did not have formal agreements. These schools began by receiving services from their partners as gifts; only in the second school year did two partners begin to itemize services they provided within the school budgets.

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2 The nonprofit organizations are small institutions, while the for-profit companies are larger with business operations outside of New York City.
As nonprofits, charter schools are the legal responsibilities of their boards of trustees. A well-functioning board not only stewards a charter school during the turbulent early years, but provides stability for continuous school improvement. Thus, boards must develop governance structures both to negotiate their relationships with their schools and to ensure their proper functioning. Our eight study schools varied in their success in these areas. In several schools, board members were untrained in their oversight roles. Their reliance on their institutional partners allowed the partners' roles to expand beyond support responsibilities into oversight functions.

As schools of choice, charter schools must also cultivate instructional environments that attract parents and keep them satisfied. The eight charter schools created a variety of opportunities to inform parents about the schools' offerings, and they developed structures to encourage parental support of their children's schools. However, the lack of a common understanding about the areas of parental involvement and decision making at times caused difficulty with the school and partner.

Finally, six of the eight charter schools were start up schools that opened with less than 250 students. While this entitled them to waive collective bargaining agreements, the charter schools had to create their own policies to clarify and 'normalize teachers' working conditions. Some new charter schools quickly implemented salary scales and evaluation and grievance procedures for teachers, but others struggled to develop these systems. By contrast, the two conversion charter schools operated under a union contract, which set policies for compensation, workday, evaluation and grievances. Although teachers' working conditions were specified in these contracts, both schools had been in existence for nearly a decade and had developed the trust necessary for flexibility.

Since charter schools in New York State operate outside of local school districts, school operators must make important financing and management decisions within the pressures of a five-year performance-based charter. Given the critical relationships with boards of trustees and institutional partners, as well as staffing, and parent involvement, it is imperative that school stakeholders have the appropriate knowledge and supports to make informed decisions on behalf of their schools.

The range of capacity in our sample charter schools suggests that institutional partners, boards of trustees, and charter school leaders need technical assistance in developing the governance and administrative infrastructure associated with new school development and organizational change.
Various private and governmental institutions, including charter school resource centers, charter school associations, consulting firms, and offices of new school development within traditional educational agencies, all have expertise in these areas. These technical assistance providers could offer the appropriate services to help prospective and operating start up and conversion charter schools thrive in their entrepreneurial environment.
I. METHOD

We draw our third-year findings from monthly visits to a sample of eight metropolitan New York City public charter schools—two conversion and six start up charter schools. Of the eight schools in our study, four were partnered with nonprofit organizations, two charter schools were partnered with for-profit companies, and two did not have partners.

Each month we conducted open-ended interviews with a school administrator and a rotating group of two teachers. In schools with small student populations and teaching staff, usually only one teacher was interviewed during each visit. Interview protocols were crafted to elicit information about the charter schools' relationships with boards of trustees and their partners; issues of finance and governance; teachers' work responsibilities, conditions, and compensation; as well as parent involvement in the school. Because decision making in charter schools operates on many levels, we observed school site-based management team meetings, parent associations and parent teacher organizations meetings, and boards of trustees meetings.

To track the institutional partners' experience of their relationship with charter schools, we conducted periodic interviews with representatives of the partnering organizations and the majority of the boards of trustee chairs. In addition, we attended the monthly meetings of the New York State Coalition of Charter Schools, a voluntary group consisting of nonprofit and for-profit institutional partners of charter schools, charter school administrators, authorizers, and others interested in charter school reform in New York State, particularly New York City.

This final report of a three-year study, Going Charter, describes the development of administrative infrastructure in eight public charter schools in New York City. We began our study as the first schools opened in September 1999. An important aspect in the early development of new charter schools has been the formation of policies and procedures in a range of operational areas, from parent and school interactions to the hiring and firing of teachers. While much of what happens during those first years can be viewed as typical new school development, charter schools differ from traditional public schools because they operate outside of district guidelines and technical expertise, and thus rely on their boards of trustees for oversight as well as partnerships with nonprofit and for-profit institutional partners for critical supports.
II. STRUCTURING RELATIONSHIPS WITH PARTNERS

Since the 1980s, many traditional public schools have benefited from privately sponsored enrichment, social service, and apprenticeship programs. However, the deregulated charter school environment has increased the intensity of private involvement. Nonprofit and for-profit organizations offer charter schools a range of operational and instructional supports, some of which have typically been provided by school districts (accounting, payroll, professional development, and student support services). An executive of a nonprofit partner described the organization's role in this way: "We look at ourselves as almost a superintendent. We are providing the back office support and whatever else the school needs." Indeed, the role of private partners in New York City charter schools is significant. In 2001-2002, of the eighteen operating charter schools, thirteen schools, or 72 percent, had either a nonprofit or for-profit institutional partner.

In the sections that follow we will discuss the critical school support services that institutional partners provide to charter schools, as well as the agreements between these partners and schools. Our findings suggest that establishing accountability structures and monitoring processes is a preventive means to ensure that partners deliver expected services to schools and an important element in developing a school's administrative infrastructure.

A. Services

Nonprofit institutional partners in our study provided a variety of services to their schools, including legal assistance, strategic planning, curriculum development, meeting space, and the provision of such ancillary staff as a school nurse, dance or art teacher. In addition to offering similar services, the two for-profit companies provided comprehensive instructional programs. These support services were central to school operations and academic programs, as such institutional partners play a pivotal role in charter schools.

Charter school founders entered into relationships with nonprofit and for-profit institutional partners for practical reasons. At the same time, several partners who had been involved with traditional public schools welcomed the deregulation ushered in by charter reform as an opportunity to play
stronger roles in school development. Early affiliation with an institutional partner was often beneficial, both because the partners took charge of the cumbersome application process, and because having a partner was an indication to the charter school authorizer that there would be a financial safety net for the school.

The overwhelming expense of construction, renovation, leasing, insurance and debt service for school facilities was also a major impetus for start up schools to partner with external organizations. While conversion charter schools rented their facilities for one dollar a year from the New York City Department of Education, new charter schools spent anywhere from $1,400 to $42,000 a month in rent for their buildings. Due to the high cost of space, most new charter schools did not have a gym, cafeteria, or auditorium.

As experienced organizations, institutional partners often took primary responsibility for the public and private fundraising campaigns of their schools. Nonprofit organizations focused largely on private gifts and foundation grants, while for-profit institutions raised private capital from their investors. Both nonprofit and for-profit partners employed full-time development staff, who wrote federal and state grant proposals, coordinated letter writing campaigns, sponsored benefit dinners, and gave school tours for corporate, foundation, and individual funders. Institutional partners had dramatically varied success in raising funds. One partner raised $500,000 for two charter schools and pledged $4 million for a capital campaign, while another partner struggled to obtain $150,000.

B. Agreements

The New York State Charter Schools Act of 1998 requires charter schools with for-profit partners "to specify the extent of their participation in the management and operation of the school." The two charter schools in our study with for-profit institutional partners had contracts that delineated the responsibilities of the partner and the school, including asset ownership, intellectual property, and the grounds for terminating the relationship. The companies' performance was tied to accountability clauses, and the schools' boards of trustees decided whether the contract would or would not be extended. Both for-profit institutional partners charged management fees: one charged 13 percent and the other charged 22 percent of the school's total budget. An executive from one company stated,

> It is a business partnership. The contract between [us] and [the charter school] is a legal document. The contract can be amended. There are evaluations and outs for all parties.

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3 Charter schools are created through charter agreements signed by charter school authorizers, which can be governmental agencies, separate boards established by the state legislature, or universities. In New York State, there are three charter school authorizers. New York Charter Schools Act of 1996, section 281(3).

4 Conversion charter schools are responsible for the maintenance of their facilities, including heat, water, sewage, electricity, custodial services, etc. These fees could range from $250,000-$500,000 per year. As of fall 2002, however, the New York City Department of Education had not collected maintenance facility fees from conversion charter schools.

Within this contractual relationship, both parties in these two schools were able to make adjustments when necessary. In one school the institutional partner did not collect its management fee during the school’s first year, to allow funds to be targeted to high-cost start up operations, such as the purchase of instructional materials. By the second year, the school was able to pay the management fee. As both schools developed, their dependence on their institutional partners shifted from administrative and development activities to a stronger emphasis on instructional and operational supports. In one school, the partner continued to provide full-time curriculum specialists at the site three times a month. However, as the principal’s managerial capacity increased, the partner wrote grants and negotiated long-term facility solutions instead of coordinating the school’s annual enrollment lottery.

None of our sample charter schools that partnered with nonprofits had contracts or memoranda of understanding with these organizations. Instead, these schools either received pedagogical and administrative support services as gifts or were charged for them on an ad hoc basis. However, by the second school year, to improve accounting and move the charter schools towards fiscal independence, two of the four nonprofit partners in our study started to itemize the cost of the services within the schools’ budgets. This gave the boards of trustees and school administrators a heightened awareness of their schools’ actual expenditures, and enabled them to plan for the schools’ financial future.

In contrast to this evolving formalization between institutional partners and schools, in two schools where the institutional partners were the sole access to private fundraising, the partners were not held accountable for their verbal commitments of fiscal contributions to the schools. In one school, the board of trustees was under pressure from both its authorizer and the students’ parents to consolidate the school from multiple sites into one building. With a strong recommendation from its institutional partner, the board entered into a contract in which the landlord was also in charge of renovations. However, the institutional partner underestimated the costs of the facilities renovation and lease agreements, which it handled, by $500,000. When relations with the landlord went sour, the school and the landlord went to court to settle facilities disputes. In 2001-2002, the institutional partner was unable to raise enough money to close the budget gap and the renovations remained incomplete. Because the school could not enroll additional students, it could not take in anticipated revenue. Moreover, without a formal agreement with the institutional partner, the board of trustees was unable to hold the partner accountable for funding the completion of the renovations.
In another charter school, the nonprofit institutional partner managed the school's budget as part of its own budget. By fall 2001, this partner had failed to meet its verbal commitment of approximately $300,000 in direct contributions and private fundraising. With no other external funding connections, the school administrator, teachers and parents paid for classroom and office supplies. In February 2002, the institutional partner began an aggressive fundraising campaign to support the school, but the school's deficit remained. A few months later, the institutional partner temporarily suspended the teachers' health benefits, without notification or approval of the board. In August 2002, the school was placed on probation by its authorizer, and the board of trustees was directed to separate the school's account from that of its institutional partner.

Institutional partners played critical roles in charter schools by providing funding for facilities and operating expenses, managerial expertise, and pedagogical services. Charter schools that had contracts with for-profit partners, and consistent board oversight were able to monitor their schools' finances and operations. Although none of the charter schools partnered with nonprofit organizations in our study had legal agreements, in some of these schools the partners and boards of trustees were able to negotiate formal processes to clarify the provision of services. In other schools whose boards of trustees did not create accountability structures (such as contracts) and monitoring processes (such as quarterly reports), the school's finances went unsupervised. When the institutional partners did not provide anticipated funds or services, the schools' boards lacked the oversight mechanisms to safeguard the schools.
III. GOVERNANCE BY
BOARDS OF TRUSTEES

Relationships among boards of trustees, school administrators, and institutional partners in our study schools varied widely: some were hierarchical, others collaborative, and still others in the process of definition. Administrators of conversion charter schools had voting positions on their boards, while administrators of start-up charter schools were ex officio members. Moreover, the resources and expertise of institutional partners were powerful influences on boards of trustees, particularly when board members were unsure of their responsibilities. A board of trustee member reflected on the ideal versus the reality of charter school governance:

In the charter it's very clear that the school director, who reports to the board of trustees, governs the school, and the [institutional partner's] role is via representation on the board. The reality is somewhat different because there are significant operational staff that are employed by the [institutional partner], and significant cash outlays from the [institutional partner], and control and experimental issues also come with the [institutional partner] because of their educational agenda and experience. So, on any given issue, it cannot be so clear-cut.

The discussion of charter schools' boards of trustees that follows is based on observations conducted in 2001-2002, when our sample schools were in various stages of maturation. Thus we have divided the boards of trustees into three types: those with clear roles, those in the process of role clarification, and those experiencing challenges. While there is no absolute model for a successful board of trustees, our findings suggest that clarifying roles and developing policies for school governance are essential to a charter school's administrative infrastructure. Although we discuss each type through the story of one or two charter schools, aspects of the situations described below surfaced in several of our sample charter schools.

A. Boards of Trustees
with Clear Roles

Several New York City charter schools had developed clearly delineated relationships with their boards of trustees and transparent governance structures. These structures facilitated efficient oversight and helped school leaders manage their schools' financial,
In the start up charter school, the role of the board of trustees resembled a traditional nonprofit board. Monthly meetings were well attended, a set agenda included routine updates from the school administrators, and the board took formal votes on school policies. Board members understood their financial and advisory obligations to the school, and they made their connections to private funds and institutions readily available. This board of trustees created a separate corporation to hold the school's assets and through that entity raised $12 million in private donations and loans for the school's capital campaign. Furthermore, most members had participated on other civic boards and used these experiences to diligently monitor the charter school's fiscal and operational stability.

The charter school's mission of high quality teaching and learning was articulated through the board's emphasis on accountability. The responsibilities of the board, school director, and principal were clearly articulated in the board of trustees' by-laws. Board members set a performance-based salary scale with monetary incentives for teachers, and they approved yearly staff contracts. The relationship was managed through a hierarchical structure: the board of trustees set school policy; the administrative director supervised the principal's instructional and operational plans; and the principal guided the teachers' classroom activities. Thus, the day-to-day management of the school was left to the school's principal, whom the board members held accountable for academic progress through an annual review. The board of trustees requested frequent progress reports and enthusiastically supported the administrators' academic support plans for students and professional development for teachers and, when necessary, provided the appropriate financial assistance.

The two conversion charter schools also had transparent governance structures with formalized roles for all parties. One conversion school had a long-time partner with which it had negotiated boundaries over the years. Both the institutional partner and the school administrator had worked to establish clear roles within the school's collaborative community, so that the board of trustees—which included parents, teachers, community members, and the institutional partner—could act efficiently on behalf of the school. The board's mandate was oversight; the institutional partner took charge of development activities and offered curriculum support; and the school administrator was charged with guiding staff and instructional programming. At a board
meeting in which board members suggested the development of a curriculum committee, the administrator immediately objected, noting that curriculum was an internal issue for school staff. When the institutional partner supported the administrator, the board quickly yielded.

In the second conversion charter school, which did not have an institutional partner, the primary function of the board of trustees was to oversee the school mission and finances, as well as approve fiscal, operational, and instructional policies and projects decided by the school's site-based management team (teacher, parents, and school administrators). When the board initiated policies, school administrators and the school's site-based management team executed the tasks. The board of trustees consisted of school administrators, site-based management team members, officers from the parent association, founding school parents, and community members. While this school used a multi-level and collaborative governance structure, the principal retained voting authority on the board. The veteran principal explained that, "Problems arise when a principal is distanced from fiscal decision making because budget constraints can drive the instructional programming, instead of the other way around."

Overlap in membership allowed for consistency in decision making, as well as for preparation when difficult issues were raised at board meetings. For example, when the possibility of increasing the kindergarten class size from 20-22 students to 25 students was raised for a board vote, parents, teachers, and administrators, who had discussed the issue in other forums, were well versed in the advantages and disadvantages of the proposed change. The board was able to focus efficiently on prospective costs and potential effects on achievement—the most salient school-wide concerns—with the result that small kindergarten classes were retained for the school year.

These three charter schools' boards of trustees created coherent and transparent governance systems. Although the three systems were quite different, the roles and responsibilities of various constituencies in all three schools were articulated, understood, and carried out by all parties.

B. Boards of Trustees in the Process of Role Clarification

In several start up charter schools in our sample, while school administrators, teachers, parents, institutional partners, and board members were in the process of learning their decision making roles and responsibilities, ambiguities led to conflict and a formalization of roles among school constituents.
In one charter school, the board of trustees was comprised of professionals with previous board experience, including representatives from the partnering organization, founding parents, and community members. The board’s monthly meetings had set agenda items such as fiscal and administrative updates. The school administrator, as an ex officio member, presented a director’s report at each meeting and offered input on most motions. The institutional partner exercised both formal authority through its two voting board members and vice board chair position, and informal influence through its fiscal contributions, on-site instructional and administrative consultants, and a close working relationship with the school administrator. In this way, a quasi-hierarchical structure existed; both the board of trustees and the institutional partner held power over the school administrator. However, the charter school’s board had not yet developed a clear sense of its own responsibilities, and the institutional partner’s support role was not explicitly defined.

In late 2001, the institutional partner asked for board approval to solicit monetary contributions and in-kind services from parents. Concerned with the school’s financial needs, the board approved the institutional partner’s request and created its own development committee. But the parameters of that committee were left unclear. Soon after, a member of the board’s development committee unknowingly approached a funder that the institutional partner had already contacted. Since the institutional partner had been the school’s benefactor and fiscal manager, it perceived the board’s fundraising approach as inappropriate.

During several boards of trustees meetings, it was decided that, in the best of the school, the institutional partner should maintain its prominent financial role, without assistance from the board. The board of trustees would assume responsibility for the school’s shortfalls, including fundraising, once the school was out of the start up phase. In spring 2002, to avoid future confusions, the institutional partner and the school administrator drafted a legal document that divided responsibilities between the board of trustees and the partner and set strategic goals for both parties. The board approved this memorandum as part of the school’s governing policies for the 2002-2003 school year.

While the responsibility for a charter school rests with its board of trustees, the expertise and financial weight of an institutional partner can challenge a board’s authority when the roles are not defined. In this school, both the institutional partner and the board sought to resolve the ambiguity in decision making by creating formal processes and agreements.
C. Board of Trustees
Experiencing Challenges

In this section we offer examples of the complications that arise when boards of trustees lack structures and stability, and do not function independently of their institutional partners. The circumstances of two start up charter schools in our sample differed, but the common factor was their boards of trustees' reliance on the partnering organizations in the absence of their own independent supervision over school finances.

The dependence of boards on institutional partners was a result of both board inexperience and board members being appointed and/or recommended by their partnering organizations. In one school, the charter agreement made the president of the school's partnering organization the board of trustees chair; the partner also had three additional votes on the nine-member board, which the partner took the lead in recruiting. In another charter school, six of the twelve members of the board of trustees overlapped with the staff from the partnering organization and its affiliate institution. The institutional partner also selected the two community board members, including the board chair. When board members resigned, the institutional partner found replacement candidates, who were presented to the board for nominal approval.

In this charter school, the board of trustees received most of its financial information from the school's institutional partner, who was the liaison with funders, contractors, and vendors.

Although the information was accurate, it was partial and delayed. In fall 2001, board members were aware that the school had a fiscal deficit, but the institutional partner took responsibility for solving the shortfall.

In March 2002, the board created a finance committee so that it could pay closer attention to the school's spending. However, the committee did not make fiscal decisions independent of the partner. By May 2002, the school's shortfall was severe, and the institutional partner presented the board of trustees with a few options, including closing the school. Since the institutional partner had close ties with a lending organization, and would guarantee a loan on the school's behalf, the board agreed to borrow the necessary funds. While this solved the school's financial problems, the loan only increased the school's reliance on its partner's entrepreneurial skills and connections. The board of trustees still had not developed its own capacity to initiate solutions or conduct fiscal oversight.

In another start up charter school, where an interim board of trustees met sporadically
during the school's first year (2000-2001), the institutional partner played key fiscal, instructional, and operational roles. Having conceived of the school, the partner hired the school administrator, assisted in selecting faculty, recruited board members, designed the curricula, and provided pedagogical consultants and administrative back office support.

More than half of the 2001-2002 monthly board meetings were canceled because of limited attendance. Parents wanting to attend the meetings were phoned at the last moment or sent away at the door. Even when a board meeting took place, attendance was often not sufficient for a quorum. (Although the school administrator routinely attended, as an ex officio member this individual could not contribute to the quorum.) Moreover, the rules of public meetings were not followed. Agendas and meeting materials were typically not available to board members or school families; minutes from the previous meeting were not distributed; and formal procedures to keep order, pass motions, and vote were not executed. Confusion about meeting rule procedures and the lack of a quorum led to such critical issues as the principal’s evaluation, the teachers’ salary scale, and the school’s deficit being tabled on multiple occasions. Most important, the board of trustees did not receive regular or complete quarterly fiscal reports from the institutional partner, and so did not monitor the school’s finances.

While a group of committed teachers and the principal attempted to fill the external governance void, they suffered from the same lack of information as the board of trustees, and had no authority to make legally binding decisions. It was only when the institutional partner was unable to purchase supplies and pay the school’s vendors that the administrator learned of the partner’s serious financial difficulties and school’s dire fiscal straits.

As the three types of boards we have discussed suggest, boards of trustees played critical roles in overseeing school finances and operations. When these boards had clearly defined roles and structures for executing their responsibilities, they operated efficiently in safeguarding and supporting their schools. When there was role confusion, however, school stakeholders collided as they performed school functions. Finally, boards that had little experience, structure or stability, sporadic meetings, limited fiscal information, and supervisory capacity struggled to monitor their schools. In the absence of established governing policies and strong board oversight, partnering organizations at times took the lead to keep schools afloat. When the institutional partner faltered, and there were no accountability mechanisms in place, the charter school bore the brunt of the fiscal consequences.
IV. STRUCTURING RESPONSES TO PARENTS

As the challenges inherent in the start up phase subsided, charter schools began to formalize mechanisms for parent participation. This section details the ways in which charter schools worked with parents during the 2001-2002 school year, from creating voting positions on their boards to establishing parent roles on committees and in parent associations. Although boundary and authority issues were raised in some schools, the formalization of structures for parent involvement generally facilitated parent/school relationships.

A. Meeting Parent Expectations

School choice, combined with the unique educational programs created by charter school deregulation, is supposed to enable charter schools to address the specific needs and concerns of students and their families (Finn, Manno and Vanourek, 2000). Yet prospective founders from outside the community often write school charters long before the new school has drawn its students. Moreover, as we discussed in our second year report, Going Charter: New Models of Support (2001), several institutional partners located their schools in communities where the schools’ educational philosophies did not coincide with community preferences. While the founders believed that the new schools would add an element of choice to the neighborhoods’ schooling options, and that parents would choose the schools only if the educational programs met their children’s needs, this was not always the case. Parents selected schools for reasons other than instructional programming, including proximity to home, safety, small class size, and the existence of extended day and after school programs. In one new charter school, the parent association president spoke of new families being “excited about having new school opportunities” in a historically low performing school district. Yet most parents were unfamiliar with the school’s scripted curriculum. In another charter school with a progressive education philosophy, a number of parents had chosen the school despite wanting a back-to-basics curriculum for their children.

Choice theory also assumes that dissatisfied parents will simply leave and choose another school. However, parents tended to stay in our study schools instead of leaving, and some pressured the administration to alter policies and/or programs. In other words, parents sought to hold these charter schools accountable.
to meet their needs, irrespective of the choice environment. Since founders remained committed to their (generally progressive) educational visions, several charter schools sought to appease parents by yielding to demands in peripheral areas that left their school missions intact. In a charter school faced with parents’ demands for a kindergarten graduation ceremony, for example, the principal compromised with a “stepping-up ceremony.” Another school implemented school uniforms in response to parents’ wishes, while retaining its progressive education philosophy. Parents were ultimately responsible for deciding whether or not to dress their children in uniforms, since the school administrator and the institutional partner were not particularly supportive of uniforms, and did not enforce the policy.

In a child-centered school with a “no homework policy” and with some students whose academic skills were below grade level, a number of teachers addressed parents’ desires for remediation and skill-building exercises with activities and lessons that parents could do at home with their children. The following year, formalizing the teachers’ initiative in response to parents’ concerns, the principal instituted a daily homework policy, changed from mixed age settings to single grade classrooms, and created subject-focused learning centers within all classrooms. These modifications pleased new and returning families who wanted greater structure, while maintaining the school’s commitment to child-centered learning.

In 2001-2002, as the charter schools in our sample moved into their second and third years, they became more proactive about the potential disjuncture between parents’ expectations and their school offerings by informing parents about their missions and educational philosophies prior to enrollment. Open houses, information sessions, tours of the school, and other orientation activities and meetings were held for prospective parents. Some charter schools asked parents to sign agreements upon registration, acknowledging that they understood the school’s philosophy and expectations for student performance, behavior, and parental involvement. Teachers also conducted workshops for parents and made presentations at parent association meetings during the school year.

B. Creating Vehicles for Parent Participation

All of the charter schools we studied sought to create a culture that welcomed parents and encouraged their involvement. In 2001-2002, however, these schools created formal structures
to widen parental support of the schools’ educational missions.

Two schools, for example, had included parents as voting members of their boards of trustees from the schools’ inception, and a third gave parents a position on its board at the end of the school’s first year. A fourth school, recognizing that its parent association was not functioning as it had hoped, granted one voting position on the board of trustees to a parent.

To communicate the importance of parent involvement, and to create a consistent mechanism for that participation, several schools also formalized their parent associations. One school drafted by-laws to govern its parent-teacher committee. Although this committee had been in existence since the school’s inception, the by-laws helped transform this group into a formal mechanism for addressing general parent concerns and connecting parents’ decisions to other school governing groups.

Another startup school initiated a parent-teacher organization led by five elected members, which coordinated parent fundraising, managed its own budget, and provided the communication link between parents and the board of trustees. This parent-teacher organization had a permanent agenda item at each board of trustees meeting, and the president of this organization—a parent—held a voting position on the board of trustees.

A conversion school used its an elaborate structure for parent voice in the operations and functions of the school through several separate bodies: the parent-teacher association, the school site-based management team, and the board of trustees. The parent-teacher association, which had its own budget and by-laws, provided a monthly forum for parents and teachers to discuss pedagogical and instructional issues. In addition, the parent-teacher association co-presidents met three times a year with the school administration. Beyond the parent-teacher association, parents were voting members in equal numbers with teachers on the school site-based management team, which was in charge of the school’s budget and comprehensive education plan. Finally, parental influence on school decisions extended to the board of trustees. In 2001-2002, four parents, including the parent-teacher association representative, held voting positions.

In addition to creating structures for parents to have input in their schools, four schools encouraged families to give money “to demonstrate school support.” School families in our study raised $500-$3,000 through typical school fundraisers such as the sale of books, Tupperware, candy, baked goods, and raffle tickets. Boards of trustees and institutional
partners then used this evidence of “positive consumer satisfaction” to persuade funders to make financial investments. Indeed, one school in crisis secured $15,000 from its families, which its institutional partner then leveraged into a $50,000 grant from a corporate sponsor.

School administrators in our sample were aware that parents with low incomes were often unable to make direct monetary contributions to support their child’s school. One principal confessed, “I don’t encourage parents to fundraise. I wait for parents to come to me. Because of the community’s income level, I don’t feel it is appropriate for me to initiate a fundraiser.” Even when parents did initiate fundraisers on their own, this principal expressed some discomfort: “Sometimes, parents’ ideas for fundraisers are not consistent with what we want to teach the kids. Like the idea of playing lotto, or selling candy.” While the administrator was appreciative of parents’ enthusiasm and contributions, this individual felt it was important that school activities be consistent with the school’s philosophy.

In the four schools that sought concrete support from parents, the institutional partners and school staff emphasized that demonstrating “full parent involvement” was not limited to financial contributions, but also included volunteer time. In-kind contributions (such as trip monitors, reading time, office duty, and supplies), were seen as evidence of parents’ willingness to participate in the health and welfare of the school, and critical to creating a meaningful relationship between schools and families. One institutional partner was so intent on building a culture in which families took responsibility for “giving back to the school” that in-kind contributions as well as fiscal donations were charted publicly in the school’s entranceway.

C. Clarifying an Ambiguous Parent Role

Although parent participation was generally welcomed, parents’ enthusiasm sometimes spilled over into areas that institutional partners perceived as outside parents’ purview. In one charter school that faced financial difficulties, the parents talked to the press about the underfunding of charter schools—in the same way as they might protest the lack of funding in a traditional public school. However, two staff members of the school’s institutional partner were upset that the news story reflected poorly on the fiscal health of the school and indirectly on its partner. Parents were cautioned not to speak with the press without first consulting with the institutional partner or the school administration.
While charter schools' missions have not always coincided with parents' instructional preferences, schools in our sample sought both to inform their families of their schools' philosophies and policies before enrollment, and to make adjustments in school programming to address parental concerns. Schools also created structures for involving parents in governance, and encouraged parents to support the school through monetary and in-kind contributions. As parents became more involved, charter schools were pressed to be increasingly clear and articulate about appropriate parental roles.
V. STRUCTURING RELATIONSHIPS WITH TEACHERS

Qualified and committed teachers are an essential component of charter school reform. Moreover, control over hiring and firing, an important element of charter school autonomy optimizes the chances of securing a quality and cohesive teaching staff committed to the school’s mission and vision. Yet, low salaries, long working hours, and lack of clarity about roles have resulted in high teacher turnover in many charter schools. This section describes the terms of employment for teachers and identifies the need for processes and structures to regulate teachers’ work environments in our study charter schools in 2001-2002.

A. Letters of Employment and Contracts

In New York State, charter legislation waives collective bargaining agreements for start up charter schools that open with fewer than 250 students, and relinquishes to these schools the responsibility for establishing teachers’ working conditions. All conversion charter schools, on the other hand, must continue to operate under collective bargaining agreements. Thus charter legislation in New York State has created a dual public school teaching force: traditional public schools and conversion charter schools operating under union contracts, and start up charter schools hiring at-will employees, who can be discharged without due process.

Of the eight charter schools in our sample, teachers in the two conversion charter schools “were deemed to be included within the negotiating unit...in which the charter school is located and subject to the collective bargaining agreements covering that school district.” The United Federation of Teachers (UFT) union contracts specified the salary range, benefits, grievance, work week/year, working conditions, and professional development to which teachers are entitled. As site-based option schools, which are granted waivers from some items in the union contract, the conversion charter schools were entitled to modify the contract with the approval of a majority of teachers and the school’s board of trustees in such areas as hiring, class size, rotation of teacher class assignments and professional development. However, charter school administrators in both conversion schools commented that trust among a long-standing and committed staff enabled them to make flexible arrangements.

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5 The United Federation of Teachers (UFT), founded in 1919, is the sole bargaining agent for teachers, classroom paraprofessionals, school secretaries, attendance teachers, guidance counselors, psychologists, social workers, education evaluators, nurses, laboratory instructors and adult education teachers in New York City. The UFT is Local 2 of the American Federation of Teachers and is also affiliated with the New York State United Teachers and belongs to the AFL-CIO and the Central Labor Council.
with teachers when needed, without formal modifications to the contract.

By contrast, the six start up charter schools had developed non-binding letters of employment for their teachers. While the agreements varied in content, most described the schools' mission/vision and included information on working hours and days, salary, and benefits. In some cases, the agreements also addressed the professional development to be offered. In two start up charter schools with for-profit partners, more detailed letters outlined the professional expectations and standards for teachers, the evaluation process, and teachers' general duties and responsibilities. In one instance, the contract highlighted federal, state and local regulations under which all charter schools must operate, and included a confidentiality statement that prohibited teachers from disclosing information about the school that is not public knowledge. A teacher working in a charter school with a for-profit partner appreciated the contract's detail:

I liked [the] specific things that stood out. For example, there were things to follow, goals and expectations laid out. This let you know what is the focus of the school, what being a charter school means, and what the school is working towards. When you sign a contract with the state you don't have that.

To reinforce the at-will status of teachers in non-union charter schools, all letters of employment included a statement to the effect that the letter, "should not be considered a contract of employment for any definite period of time or guarantee of any particular rules, policies, or condition of employment." One start up charter school was explicit about this:

Please note that your employment is at will and this letter should not be considered a "contract" of employment. The [charter school] does not offer employment on a fixed term basis, and the representations in this letter and from our meetings with you should not be construed in any matter as a proposed contract for any fixed term.

In addition to disclaimers, the letters of employment outlined the terms by which the schools, or teachers, could end employment. In general, teachers and schools could sever their relationship with 0-30 days notice.

While several teachers and school administrators referred to the letters of employment as contracts, using the language of traditional public school employees, some teachers were unsettled by what they perceived as a lack of job security. As one teacher admitted, "Teachers could be let go with ten days notice. That was
the worst thing in the contract. There was no protection." Another reported,

As a former UFT rep, I was sensitive to this and felt that being let go at any time was threatening. What could be the reason? I would have liked to get notice [ahead of time] to prepare financially and personally [for being laid off].

By contrast, conversion charter schools had to follow the due process procedures outlined in the UFT contract when they wanted to release a teacher. As a conversion school administrator noted, "There is no change in the removal of a teacher because there is a process for all tenured teachers." While the process of dismissing a tenured teacher (any teacher with certification and three years of experience) can take from six to twelve months, non-tenured teachers could be released within thirty days. Nevertheless, the two conversion schools in our sample did not dismiss teachers frequently or in large numbers. Instead these schools focused on assimilating novice teachers into their school culture and investing in the development of their craft to maintain a stable teaching force.

Several start up charter schools in our study experienced high levels of teacher turnover during the 2001-2002 academic year. In these schools the missions, operational policies, and curricula were often undeveloped or in the trial stage. Thus an often erratic working environment put additional pressures on inexperienced teaching staff. When teachers were reassigned to fill vacancies, they spoke of the letters of agreements as not accurately reflecting their current duties. In one charter school, teacher turnover and the fiscal inability to hire a replacement led to a teacher being given additional instructional responsibilities for which no extra training and support was provided. As the teacher stated, because her job description was not on paper, when the school wanted to make changes, "I couldn't say anything."

While union contracts provided expectations for both teachers and schools on a wide range of issues from teachers' compensation packages to firing, letters of employment did not offer teachers job security, nor did they fully outline uniform personnel policies.

B. Salaries, Bonuses and Non-Monetary Incentives

National research has found the salaries of charter school teachers to be below that of traditional public schools in the same district (Miron and Nelson 2002; American Federation of Teachers, 2002). However, this research does
not place the lower teacher salaries in the context of the lower funding experienced by charter schools.\textsuperscript{10} The New York City start up charter schools in our study generally tried to align their salaries to the district/union scale. As one new charter school's letter of employment stated, "We have used the New York City teacher salary scale as a general guide to calculate all starting salary figures for the upcoming year."

Of the six start up charter schools in our 2001-2002 sample, teachers' salaries ranged from $30,000 to $64,000, depending on their level of experience or ability to negotiate. This range was comparable to the UFT salary range of $28,000 to $60,000.\textsuperscript{11} In two schools without uniform salary scales, teachers' compensation ranged widely, with little relationship to professional degrees or experience, and faculty lobbied for a uniform scale. In addition, there were instances in which experienced teachers took salary cuts to work in a charter school. A retired teacher in a new charter school who accepted a decrease in salary stated, "I would say that the salary is probably $5,000 to $6,000 less than anywhere else given [my] credentials and steps."

By contrast, conversion charter schools adhered to the UFT teacher salary scale. In June 2002, the UFT negotiated a 16 percent to 22 percent salary increase, retroactive to November 16 2000; the salary range for union teachers became $39,000-$81,231.\textsuperscript{12} In anticipation, a conversion charter school had put money aside for the increases, which allowed teachers to receive their retroactive pay a week after the contract's ratification. Nevertheless, school administrators predicted that the new salary range would eventually strain the budgets of all conversion charter schools and make it more difficult for new charter schools to compete for experienced teachers. A representative of a partnering organization confirmed this view. "There is a shortage of competent staff at a salary structure we can afford. Teachers can go anywhere in a shortage community."

In addition to salaries, New York City conversion charter school teachers are entitled to per-session pay for taking on jobs such as coaching athletic teams, covering classes for other teachers, advising school clubs, or working on school site-based management teams and extended day programs. In 2001-2002, teachers could earn $35 per session.\textsuperscript{13} At one conversion charter school, teachers could receive ten to twenty per-session assignments over the course of a semester, or $350 to $700. This cost the school $172,000 in 2001-2002. An administrator at this conversion charter school argued the benefits of the substantial cost:

Teachers get paid for meeting in collaborative groups and they get paid for curriculum night. We can pay them for what used to be voluntary. We don't want to abuse people.


\textsuperscript{11}This salary range was from the UFT teachers' contract that expired November 16, 2000. These salaries remained effective until the current was renegotiated in June 2002, after which teachers received retroactive pay from November 2000-June 2002.


\textsuperscript{13}Per-session fees are based on the union employees' salary and as of November 17, 2002 are pensionable.
To be competitive, some New York City start-up charter schools used bonuses and non-monetary rewards to acknowledge additional hours and days worked. In our sample, cash bonuses ranged from $100 to $5,000. In three start-up charter schools, teachers received signing bonuses of $500 to $1,000. One school’s letter of agreement made clear the additional time the school would expect in exchange for compensation:

Finally, as a new charter school, we will demand more of your time, energy and talents, particularly in these early years of operation. In recognition of this, we will provide you with a $500 signing bonus on your first day of service.

In addition to a signing bonus, one start-up charter school offered teachers a bonus of $2,500 for attending a two-week summer training program. Another start-up charter schools gave bonuses to teachers for merit or student performance. A teacher who received $1,000 as a direct result of student test scores stated happily, “The more you do and do well, the greater the reward!”

Non-monetary awards were also the means by which charter school teachers were acknowledged for their dedication and contributions. At one new charter school, the school’s institutional partner promised a free trip to the Caribbean for the top-performing teacher. In another school, the principal sent thank you cards to each of the staff, recognized one teacher every month, and celebrated each teacher’s birthday with a gift geared to his or her particular interests.

As part of their letters of agreement, returning teachers at one start-up charter school could negotiate such individualized rewards as flex-time, attending conferences, or assuming key leadership positions at the school. For example, a teacher with a newborn was given Fridays off to spend more time at home. Another teacher in graduate school negotiated early release to attend classes. Committed to promoting from within, this school was especially concerned with supporting and retaining good teachers.

New start-up charter schools in our study instituted salary scales in conjunction with bonuses and non-monetary awards to maintain a committed teaching staff. While compensation packages in both new start-up and conversion charter schools were competitive during the 2001-2002 school year, the new union salary scale may put new fiscal pressures on both groups of charter schools as they try to retain and recruit experienced teachers.
C. Evaluation Procedures

All the charter schools in our study had developed some evaluation process for teachers, however they varied in level of standardization and formality. In a conversion charter school, a co-teaching structure and peer review process allowed teachers to observe each other, and thus improve their practice. In contrast, evaluations in most new start up charter schools focused on classroom management and delivery of instruction. Structured evaluation processes enabled administrators to exercise charter autonomy by dismissing low performing teachers; on the other hand, a lack of performance standards sometimes left teachers uncertain about the criteria that led to their renewal or termination.

At one start up charter school, teachers were evaluated six times a year by either the principal or the professional development coordinator. At the end of the year, a comprehensive evaluation consisted of teachers’ self-evaluations, as well as meetings with the school administrator and the professional development coordinator who had observed classes. The evaluation took into consideration the growth in the teachers’ pedagogy, character, ethics, and contributions to the school team, but most important was the students’ test performance. As the school administrator stated, “The evaluation for all teachers at [this school] is very bottom line. We want to see results and know if the kids perform.”

In contrast, the evaluation processes in two start up charter schools was neither clearly articulated nor consistently implemented. Teachers in one school were to be observed yearly by the school administrator. However, both the evaluation and feedback appeared erratic. While a teacher new to the school thought that the evaluation process worked well, a returning teacher claimed to have been evaluated only once, during the second year at the school. Having not received feedback from the school administrator, this teacher was also unclear about how the evaluation would be used.

At another start up school, the administrator formally evaluated teachers once during the school year. Teachers were to have a conference with the administrator, before and after the observation, and were supposed to receive a written evaluation during the post-observation talk. However, since not all teachers received a written evaluation, teachers were unclear about what information was going into their permanent files. These teachers also complained that the performance standards by which they were assessed were undefined.

A defined evaluation process allowed charter schools to exercise their autonomy to dismiss
ineffective staff. In those schools with clear evaluations in place, teachers who did not perform well were generally not asked to return at the end of the academic year. However, two schools in our study asked teachers whose teaching did not improve, despite professional development, to leave mid-year. In schools that lacked a structured evaluation process, teachers were uncertain of the factors by which they were evaluated, and unclear about the school administrator’s reasons for renewing or terminating their employment.

D. Grievance Processes

The charter schools in our sample varied in the attention they gave to developing grievance processes. In a start up charter school, teachers were able to take their complaints first to the school administrator, second to the school director, and third to the board of trustees. The administrator believed that having a clear structure for working through issues and meeting frequently “clearly keeps grievances down.” A teacher in the school confirmed the administrator’s sentiments, “We do follow the letter of the law here [on the grievance policy].”

By contrast, grievance procedures appeared to be rudimentary for a few charter schools in our study. While the principal of one school was known for having an open door policy, teachers believed that a formal grievance committee was necessary to “think out solutions to our problems.” Even when grievance processes existed, they were not always followed in two other charter schools. Uncertain of where to turn for the resolution of their complaints, teachers used a range of methods to address their needs.

In a charter school where teachers were dissatisfied with their compensation, the length of the school day/year and how curriculum decisions were made, a memorandum outlining these concerns was sent to the school’s partner, its authorizer and the board of trustees. Believing that representation on the board of trustees would improve their situation, teachers advocated for membership on the board and were granted two voting positions.

In another school, in which teachers were displeased about having to work a nine-hour school day, they threatened to join the local teachers’ union if their concerns were not addressed. In response, the administration, with the institutional partner, hired additional staff to run the extended day program, relieving classroom teachers of these duties.
The charter schools in our sample were at various stages of formalizing the working conditions of their teachers. While most start up charter schools had clear salary scales with monetary and non-monetary rewards and bonuses, evaluation and grievances procedures tended to be rudimentary. Some of these schools had structures to manage grievances, including grievance committees on boards of trustees, or assigned school employees to handle teacher complaints. Other schools lacked uniform grievance policies and teachers were unsure of where to turn with their concerns. Without an administrative infrastructure to stabilize the work environment, new charter schools spent considerable time addressing personnel difficulties.

In contrast, the conversion charter schools in our study had been in existence for almost a decade as traditional public schools. They had a clear understanding of their school mission and had established systems of compensation, evaluation, and grievance for their teachers that reflected the union collective bargaining agreement. While they were union schools, the trust they had created over time allowed them flexibility within their personnel policies.
VI. CONCLUSION

This final report of a three-year study, *Going Charter*, is based on monthly visits to eight charter schools in the metropolitan New York City area. Of the eight study schools, two had for-profit partners, four had nonprofit partners, and two were not partnered. Six of the charter schools were start up schools and two were conversion charter schools.

An important aspect in the early development of new charter schools has been the formation of administrative infrastructure in a range of operational areas, from vehicles for parent-school interactions to the rules governing the hiring and firing of teachers. While much of what happens during those first years can be viewed as typical new school development, all charter schools differ from traditional public schools in having boards of trustees, and many have partnerships with nonprofit and for-profit institutional partners.

In the six charter schools partnered with private institutions, these nonprofit and for-profit partners provided many of the supports offered by school districts to traditional public schools. Procedures and boundaries therefore had to be developed to ensure that the schools were both separate from and worked smoothly with these private institutions. While schools with for-profit partners had contracts that delineated the responsibilities of both the institutional partners and the boards, schools with nonprofit partners did not have formal agreements. These schools began by receiving services from their partners as gifts; only in the second school year did two partners begin to itemize services they provided within the school budgets.

As nonprofits, charter schools are the legal responsibilities of their boards of trustees. A well-functioning board not only stewards a charter school during the turbulent early years, but provides stability for continuous school improvement. Thus, boards must develop governance structures both to negotiate their relationships with their schools and to ensure their proper functioning. Our eight study schools varied in their success in these areas. In several schools, board members were untrained in their oversight roles. Their reliance on their institutional partners allowed the partners' roles to expand beyond support responsibilities into oversight functions.

As schools of choice, charter schools must also cultivate instructional environments that attract parents and keep them satisfied. The eight charter schools created a variety of opportunities to inform parents about the
schools' offerings, and they developed structures to encourage parental support of their children's schools. However, the lack of a common understanding about the areas of parental involvement and decision making at times caused difficulty with the school and partner.

Finally, six of the eight charter schools were start-up schools that opened with less than 250 students. While this entitled them to waive collective bargaining agreements, the charter schools had to create their own policies to clarify and normalize teachers' working conditions. Some new charter schools quickly implemented salary scales and evaluation and grievance procedures for teachers, but others struggled to develop these systems. By contrast, the two conversion charter schools operated under a union contract, which set policies for compensation, workday, evaluation and grievances. Although teachers' working conditions were specified in these contracts, both schools had been in existence for nearly a decade and had developed the trust necessary for flexibility.

A. Recommendations

Since charter schools in New York State operate outside of local school districts, school operators must make important financing and management decisions within the pressures of a five-year performance-based charter. Given the critical relationships with boards of trustees and institutional partners, as well as staffing, and parent involvement, it is imperative that school stakeholders have the appropriate knowledge and supports to make informed decisions on behalf of their schools.

The range of capacity in our sample charter schools suggests that institutional partners, boards of trustees, and charter school leaders need technical assistance in developing the governance and administrative infrastructure associated with new school development and organizational change. We offer the following recommendations to assist these school stakeholders:

1 Institutional partners, whether nonprofit organizations or for-profit companies, act as service providers to charter schools. While institutional partners have expertise in various operational supports, in most cases these institutions have limited experience as educators involved in the daily life of schools. Thus partners need technical assistance in understanding their role in buttressing charter schools, including working with important school constituents—boards of trustees, administrators, parents, and teachers.
**Boards of trustees**, as the schools' legal guardians, need technical assistance in board organization and management, strategic planning, financial management, and contract development. Training in these areas will develop board members' capacity to effectively oversee their schools.

**Charter school leaders**—the school site-based management team and the school administrator(s)—need technical assistance in financial and personnel management. These managerial skills will build school leaders' capacity to make critical policy decisions involving the budget, operations, and staffing. Moreover, as parents take on critical school governance roles, schools need the administrative infrastructure to effectively inform and engage parents to support a common school vision.

Various private and governmental institutions, including charter school resource centers, charter school associations, consulting firms, and offices of new school development within traditional educational agencies, all have expertise in these areas. These technical assistance providers could offer the appropriate services to help prospective and operating start up and conversion charter schools thrive in their entrepreneurial environment.
REFERENCES


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