ANALYSIS OF SPECIAL EDUCATION COMPLIANCE AND SPECIAL EDUCATION FUNDING IN FOUR TEXAS OPEN-ENROLLMENT CHARTER SCHOOLS

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The purpose of this study was to conduct an in-depth examination of special education services in open-enrollment charter schools in north Texas and to examine relationships between special education compliance and funding. Six questions guided the research: How have the charter schools designed special education services, and do these services meet individual needs of students with disabilities? Have federal education and disability laws affected charter schools’ admissions, operations, or student performance ratings? What were the levels of special education funding and compliance with federal and state regulations? Is there a relationship between special education funding and special education compliance with rules and regulations?

Studies at the national and state levels have frequently been conducted in the form of surveys, and provide only preliminary information about the status of special education in charter schools. There is a paucity of case specific information about the management and delivery of special education services in open-enrollment charter schools.

A within-case study research design was used for this investigation utilizing qualitative methods of structured open-ended interviews, observations at the schools, and document analysis. Administrators at four open-enrollment charter schools were interviewed to gather data for this multi-case study.
The data supported the hypotheses related to special education services in open-enrollment charter schools. The schools in this study provided special education services with an inclusion model for the first two years. In their first years of operation, charter schools face challenges of small budgets, few if any special education students, and difficulty finding special education teachers and other staff. In the third year and beyond, the schools were able to add special education services and staff and were more stable in terms of budget and operations. For the time period analyzed, special education costs exceeded special education funding. Compliance with special education regulations was relatively high as services were provided to students with mild disabilities with a high commitment to individualized instruction.
ACKNOWLEDGMENTS

No project of this magnitude is a solitary endeavor. There are several people whose contributions of time, talent, and encouragement have been significant to the completion of this work. I am especially grateful to Frank Kemerer for being a teacher in the highest sense of the word. He has led, inspired, challenged, encouraged, and mentored me throughout this process. His exceptional leadership and high expectations provided important momentum.

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To my family, Verne, Kelly and Audrey, you are the love of my life. Your pride in me, your endless encouragement, and your love for me surpass all expectations.

Most of all, I pay tribute to my parents, Howard and Barbara McKaughan. Their unfailing support and assistance sustained me. It is not an overstatement to say this project would not have been possible without them. Their influence has profoundly affected me. They instilled in me a love of learning, a drive for finishing tasks started, and the joy that comes from deep, active faith. Thank you.
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CHAPTER 1

THE PROBLEM

Introduction

Charter schools are independent public schools of choice. They are exempt from most state and local regulations with the exception that as public schools, they are accountable for the results of student learning. The charter school movement is currently the most visible and fastest growing form of school choice. Thirty-seven states and the District of Columbia have written charter laws. During the 2001-2002 school year, over 2,350 charter schools were operating with a total enrollment in excess of 580,000 students in 34 states and the District of Columbia (Center for Education Reform, 2002; Education Commission of the States, 2001). These schools are essentially autonomous in their operations for curriculum, instruction, staffing, budget, and internal organization. They are open to all who wish to attend, without regard to race, religion, or academic ability. Parent/student choice governs enrollment in charter schools. Since tax dollars fund charter schools, they cannot charge tuition.

Though charter schools are exempt from most state and local regulations, they are likely to be closed by the state or chartering authority if they fail to produce satisfactory results in terms of student achievement or fail to adhere to the terms of their charter (Manno, Finn & Vanourek, 2000). In this they are unlike conventional public schools. A situation in Texas provides striking example of the high stakes accountability for charter schools. In November 2002, the Commissioner of Public Education announced that five Texas open enrollment
charter schools would be closed at the end of the 2002-2003 school year because they had been rated as low performing in the state’s accountability system for three consecutive years (Texas Education Agency, 2002).

Concisely stated, charter schools operate from three basic principles: accountability for student achievement, parent/student choice, and use of public money with autonomy or freedom from traditional public school bureaucracy and regulations (Center for Education Reform, 2002).

Charter schools operate free from the regulations that govern conventional public schools in order to allow freedom for creativity and innovation. The same student achievement standards are set for charter schools and conventional public schools. The federal government’s stance toward charter schools is conflicted. There is praise for charter schools as examples of educational excellence, innovation, and accountability. Yet charter schools have been placed in the same federal “regulatory straitjackets [used] for conventional schools” (Manno, Finn & Vanourek, 2000 p. 739). In particular, open-enrollment charter schools that are considered local education agencies by state definition are required to implement the Individuals with Disabilities Education Act (IDEA, 1997) to the same extent as conventional school districts.

Although charter schools typically operate independent of many state, provincial and district codes and regulations, there is consistent agreement that they must observe federal rules governing the civil rights of children and youth, including the constitutional and statutory protections in place for children with disabilities (Fiore, & Cashman, 1998; Ahearn, 2001). There has been little
guidance, especially at the beginning of the charter school movement, about how the legal rights of students with disabilities will be protected as they participate in public school choice programs. It is clear, however, that current federal laws (especially the Individuals with Disabilities Education Act (IDEA), Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act (ADA), the Civil Rights Act of 1964, and the Education Amendments of 1972) afford children with disabilities enrolled in charter schools, and those who wish to enroll, all of the substantive and procedural safeguards available to such children ages three to twenty-one years.

Again, to date, there is little guidance for charter school operators, apart from the federal laws and regulations specified above, regarding how charter school state statutes and federal disability laws fit together or how to sustain innovation and autonomy in public education, given the heavy weight of required compliance with federal disability laws. There is concern that most charter schools have had little success extending access to students with disabilities (Gill, Timpane, Ross & Brewer, 2001). This concern, although expressed in the charter school literature, has not been systematically examined.

Approximately a decade after the first charter school opened in 1991, state and federal attention is focused on the status of special education in charter schools. In May 2000, the U.S. Department of Education in cooperation with the Department of Justice published a document on civil rights principles that apply to charter schools. In September 2000, the Department of Education sponsored a special education conference on charter schools. Several concerns have
emerged with the examination of the status of special education and charter schools. There is growing concern that charter schools are in serious violation of federal legislation in the area of special education (Good & Braden, 2000). There is also growing concern that charter schools may not receive the share of federal funds to support special education for which they are eligible (U. S. Government Accounting Office, 1998). A further concern is that charter school administrators may discourage parents from enrolling their children with disabilities when they are fearful of the financial burdens of special education that may accompany the child (Cosmos, 2000; Good & Braden, 2000; Fiore, Harwell, Blackorby & Finnigan, 2000).

Statement of the Problem

This study was designed to analyze provision of required special education services in four Texas open-enrollment charter schools. The study focused on the administrators’ views of the rewards and challenges of implementing required special education services at their schools. In particular, this study examined relationships between federal and state funding for special education, compliance with federal and state requirements for educating students with disabilities, and the management and provision of special education services at those schools.

Purpose of the Study

It was the initial purpose of this study to conduct a meaningful examination of the issues related to the provision of special education in open-enrollment charter schools in north Texas. A second purpose was to gain insight into issues
related to special education compliance and funding for required special
education services in open-enrollment charter schools as perceived among
charter school leadership personnel. A third purpose was to relate relevant
documents that represent funding, accommodations, and other federal
expectations in compliance to the issues initiated by leaders in charter schools.
A final purpose was to analyze the relationship between the perceptions of
charter school leaders and the documents that indicate school compliance with
the IDEA legislation.

Context for the Study

The charter school movement has bipartisan support at national and state
levels. In his 1997 State of the Union address, President Clinton called for the
establishment of 3,000 charter schools by the year 2002 (Hubley & Genys, 1998;
McKinney, 1998). President George W. Bush and state governors have
proclaimed that charter schools and other choice options are the most promising
approach to public school improvement (Howe, Eisenhart & Betebenner, 2002).
Provisions for charter schools are included in the recent federal education
legislation No Child Left Behind (P.L. 107-110).

Most research studies on charter schools at the national level have
compared regulations governing charter schools in different states, assessed
parent satisfaction, assessed how well charter schools serve specific
populations, described how charter schools differ from conventional public
schools, assessed the impact of charter schools on conventional public school
districts, or discussed the place charter schools have in public education.
However the research points to a lack of specificity in state charter laws about how charter schools are expected to serve students with disabilities (Nelson, Muir & Drown, 2000). Basic conclusions found in the literature to date indicate that very few charter schools provide outcome data for students with disabilities, or have data to document the impact of their program on students with disabilities (Gill et al., 2001; Fiore et al., 2000). Accountability for the performance of students with disabilities in charter schools also appears to be largely undeveloped (Fiore et al., 2000).

At the state level, the Texas Education Agency monitors compliance with IDEA through desk audits and on-site visits. None of the open-enrollment charter schools monitored with an on-site visit during 1998-1999 was in full compliance with special education requirements (Texas Education Agency public information request, 2000). Open-enrollment charter schools are required to be in full compliance with IDEA. Tension exists for state governments as they struggle to move toward a system in which student achievement, test performance and other student learning outcomes replaces compliance monitoring as the primary mechanism of accountability in charter schools.

Recent studies at the national and state levels provide preliminary information about the status of special education in charter schools. However, they are inconclusive regarding provision of special education services and funding for special education in open-enrollment charter schools. Key questions about special education services in open-enrollment charter schools remain unanswered. Do open-enrollment charter schools allow viable school choice
options for parents of children with disabilities? Are open-enrollment charter schools providing students with disabilities the required free appropriate public education in the least restrictive environment? Is there adequate funding available for open-enrollment charter schools to provide special education services? Is it possible for charter schools to reduce bureaucracy to focus funds on classroom instruction and still meet the statutory and regulatory requirements of the IDEA? Is there a relationship between the amount of state and federal categorical aid for special education received by a charter school and the level of compliance with state and federal requirements for education of students with disabilities? Answers to these questions have important implications for the school choice and charter school movements.

Research Questions

The following questions will be addressed in the study:

1) How has the open-enrollment charter school elected to design special education services?

2) Are the special education services provided at the open-enrollment charter school designed to meet the individual needs of students with disabilities?

3) Have federal disability laws affected the open-enrollment charter school’s a) admissions, b) operations, or c) student performance ratings?

4) What was the level of compliance with federal and state requirements for educating students with disabilities at the open-enrollment charter school at the time of the Initial Onsite Review?
5) Does the level of funding for special education match the level of funding needed to provide the required special education services?

6) What are the opinions of the open-enrollment charter school administrator regarding the relationship between funding for special education and the level of compliance with federal and state requirements for educating students with disabilities?

Significance of the Study

To reiterate, charter schools, by design operate unbound from the regulations governing conventional public schools engendering freedom for creativity and innovation, while remaining accountable for student achievement. Open-enrollment charter schools in Texas are required to provide special education services to the same extent as conventional public school districts. These two factors, freedom and mandates, may represent competing interests and tension for charter school operators.

One of the most sensitive topics in the area of school finance is special education (Bierlein & Fulton, 1996; Education Commission of the States, 2001; Howe, Eisenhart & Betebenner, 2002; Zollers & Ramanathan, 1998). According to Nelson (2000), this is a concern of charter schools as well. Charter school funding and serving high-cost special education students have been cited as serious concerns for charter school operators (Nelson et al., 2000). Cost comparison data between funding level for special education and actual cost of required special education services were not located in the literature.

This study is significant because it examined special education services at
four open-enrollment charter schools in the north Texas area in a new light. An in-depth qualitative investigation into the impact of funding on special education services in open-enrollment charter schools has not been conducted. This type of study is needed to inform charter school leaders and policy makers about the interaction between funding, choice for students with disabilities, and capacity for charter schools to reasonably implement effective special education programs.

The qualitative approach to data collection and analysis of open enrollment charter school administrators' views of and experience with special education yield important findings that may not have been discovered utilizing quantitative approaches. Most research on charter schools is in the form of surveys or questionnaires that allow for quantitative analysis and the identification of major surface patterns. Use of a multi-case study approach provided a mechanism to capture the point of view of charter school administrators in detail in order to increase depth of understanding of the forces that drive decisions about special education in open-enrollment charter schools.

Further, this study contributes to the growing body of shared knowledge about provision of special education services in open-enrollment charter schools, and clarifies the relationship between special education compliance and special education funding in open-enrollment charter schools. The findings of this study have implications for open-enrollment charter school administrators, state education agency staff, and policy makers. The findings of this study serve to inform open-enrollment charter school administrators about design, implementation and funding of special education services. Findings have
implications at the state level regarding the type and amount of technical 
assistance needed by open-enrollment charter schools in the areas of special 
education funding and compliance. Further, findings of this study will have 
implications for policy makers with case study information about the effects of 
under-funded federal mandates on the provision of special education in charter 
schools.

Research Methodology

This study was an examination of the interactions between funding, 
compliance, and special education services at four open-enrollment charter 
schools in Texas. The methods applied in the study of these four schools 
included several data collection methods. A within-case study research design 
employed qualitative methods of structured open-ended interviews, observation 
at the school, and document analysis. Charter school administrators’ views on 
special education services at their schools were recorded, transcribed, and 
analyzed using Nudist®, a qualitative analysis software. Funding for required 
special education services and compliance with state and federal special 
education mandates were examined for alignment between documentation of 
expenditures and information gathered in the interviews. The analysis included 
comparisons of the administrators’ views with reports from the Texas Education 
Agency in the areas of finance, special education compliance as rated during an 
onsite visit as well as results of the annual special education desk audit, and 
student performance in the statewide assessment system.
Four open-enrollment charter schools were selected for this study representing a demographic range of urban, suburban, and rural schools that included at risk and/or accelerated populations. Emic style interviews with the four charter school administrators were conducted in an open-structured format allowing interviewees to provide unstructured responses based on their experiences and perceptions. School observation visits made over a three-month period prior to conducting the interviews, provided insights into the schools’ operation. Each interview was treated as a single case; thus, the researcher examined multiple cases for patterns across cases to discern themes that were common to all cases. The constant comparative method of data analysis was utilized to code data recorded during the interviews. The coded data were used to develop categories of findings that were then used to frame research findings.

Limitations of the Study

Inherent in case study work is the limitation of generalizability. The study is limited for six reasons:

1) the small number of cases included in the sample,
2) an open-enrollment charter school with a target population of students with disabilities was not included in the sample,
3) an open-enrollment charter school that served students with severe disabilities was not included in the sample,
4) the participating charter school administrators had varying levels of knowledge and understanding of special education regulations and funding for special education,
5) less that fifty percent of the schools contacted about this study agreed to participate; it is unclear if there is disparity between participating and non-participating schools in terms of special education services, compliance, and funding, and

6) the reluctance of open-enrollment charter school administrators to participate fully in anything that may result in unwarranted criticism of the charter school movement.

Definition of Terms

The following terms have been defined as they relate to this study.

Americans with Disabilities Act (ADA) – Title II of the ADA enacted by Congress in 1990 prohibits discrimination based on a disability by public entities. Title II applies to all services, programs and activities provided or made available by public entities. A significant requirement of this federal law is that buildings and bathrooms be handicapped accessible.

Charter school – independent public schools of choice that operate from three basic principles: accountability for student achievement, parent/student choice, and autonomy from traditional public school bureaucracy.

Content mastery - an instructional setting that supports the special education student with the general curriculum. The student receives instruction in the regular classroom and goes to a special education classroom for additional help in that subject area. For example, a student may receive reading instruction in the special education resource room, receive science instruction in the regular classroom, and go to content mastery for help with reading the science textbook.
Conventional public school – public schools that operate within a school district; term used to contrast between charter schools and other public schools.

Free appropriate public education (FAPE) – one of the central tenets of the federal education law for students with disabilities; special education services must be provided at no cost to the parent and be determined for each child based on individual needs.

Individuals with Disabilities Education Act, Amendments of 1997 (IDEA) – a federal law that requires states to adopt goals to ensure full educational opportunity for children with disabilities as a condition for receiving federal funds; in states that choose to participate in the state grant program, every public school has obligations for compliance with special education regulations regardless of whether or not the public school receives federal funds.

Least restrictive environment (LRE) – one of the central tenets of the IDEA; students with disabilities must be educated in the least restrictive environment and to the maximum extent possible with non-disabled students; students with disabilities must also have the opportunity to make progress in the general curriculum.

Local education agency (LEA) – a school district in Texas with certain reporting requirements to the state education agency; open-enrollment charter schools in Texas are considered local education agencies.

Mainstream setting – one of several instructional arrangement options for students with disabilities outlined in the Texas Attendance Accounting Handbook (Texas Education Agency, 2002); the mainstream setting does not allow for pull-
out special education services, and the students’ individualized educational program is implemented entirely in the regular classroom.

No Child Left Behind Act of 2001 (NCLB) – title for public law 107-110, the reauthorization of the Elementary and Secondary Education Act first enacted by Congress in 1965; emphasis in this federal education law is given to closing the achievement gap between disadvantaged and advantaged learners, accountability for student performance, parental involvement and choice, and increased flexibility for school districts in the use of federal funds to increase students’ academic performance; provisions for charter schools are included in this law.

Open-enrollment charter school – one of the three types of charter schools defined in Texas law; open-enrollment charter schools are public schools of choice that are considered local education agencies and have all of the responsibilities of conventional public school districts.

Resource - an instructional setting where the IEP calls for special education instruction, by a certified special education teacher, in the areas of reading, English/language arts, and/or mathematics. Special education instruction for “resource” in these subjects is often provided in a special education classroom, and takes the place of regular classroom instruction for that subject area.

School choice – a system that allows parents the choice of sending their child to any public or private school rather than being restricted to their attendance-zone school; public school choice is made available through charter
schools; private school choice is available on a limited basis through vouchers, and in large part through personal choice and the election to pay tuition.

Section 504 of the Rehabilitation Act of 1973 – a civil rights law protecting students and other participants in programs and activities that receive federal financial assistance from discrimination on the basis of a disability; the Office of Civil Rights in the U. S. Department of Education is responsible for enforcing Section 504.

Special education – the specially designed instruction and related services provided at no cost to parents when children have a disability and educational need for customized services as outlined in federal and state laws.

Speech therapy - a special education service provided by a licensed speech-language pathologist for students who have a speech or language disorder that affects their ability to make progress in the general curriculum.

Summary

The charter school movement is currently the most visible and fastest growing form of school choice in the country. Charter schools operate from three basic principles: accountability for student achievement, parent/student choice, and use of public money with autonomy or freedom from traditionally public school bureaucracy and regulations. They are intended to operate free from the regulations that govern conventional public schools in order to allow freedom for creativity and innovation while remaining accountable for student achievement. Open-enrollment charter schools in Texas are required to provide special education services to the same extent as conventional public school districts.
These two factors may represent competing interests and tension for charter school operators. There is a paucity of case specific information about the management and provision of special education services in open-enrollment charter schools in Texas. This study was designed to examine special education services at four open-enrollment charter schools in north Texas and specifically to clarify the relationship between special education compliance and funding in those schools.
CHAPTER 2

REVIEW OF RELATED LITERATURE

Introduction & Organization of the Review

This study addressed the delivery of special education services and the relationship between compliance with federal and state regulations and funding for special education at four open-enrollment charter schools in north Texas. The literature review provides an overview of the charter school movement across the country and in Texas, a brief history of special education and a review of research studies that examined issues related to the provision of special education in charter schools. To provide a scaffold for the study, the literature review includes a description of federal and state funding mechanisms for special education and a description of the special education compliance monitoring system in Texas.

The intent of the review is to provide a background for understanding the context in which charter schools operate to provide required special education services. In addition, the intent of the review is to provide findings of research pertaining to special education in the relatively young charter school movement and to summarize what is known and not known about the design and delivery of special education, funding for special education, and compliance with special education regulations in charter schools.

Charter School Movement

The beginnings of the charter school movement date to a conference in 1988 on public school reform held in Minnesota, which drew together many of the
key participants in the Minnesota school choice movement. Enabling legislation
that encouraged the creation of “new public schools” which exist outside the
franchise of the public school district was introduced, and in 1991 the first charter
schools in the United States were authorized (Bulkley & Kirp, 1999). Most of the
literature related to charter schools has been written since 1995. As the charter
school movement became the most visible and fastest growing form of school
choice in the country, concerns about funding for charter schools and appropriate
education in charter schools for children with disabilities emerged, and were
reported in the literature.

National Perspective

Charter schools operate from three basic principles: accountability for student
achievement, parent/student choice, and autonomy or freedom from traditional
public school bureaucracy and regulations (Center for Education Reform, 2002).
Charter laws have been written in 37 states and the District of Columbia, and
over 2,350 charter schools were operating during the 2001-2002 school year with
a total enrollment in excess of 580,000 students in 34 of the states and the
District of Columbia (Center for Education Reform, 2002). The charter agreement
is a limited-term performance contract. Mulholland and Bierlein (1995) define a
charter school as:

- an autonomous education entity operating under a charter or contract, that
  has been negotiated between the organizers, who create and operate the
  school, and a sponsor who oversees the provisions of the charter. Organizers
  may be teachers, parents, or others from the public or private sector, and
sponsors may be local school boards, state education boards, or some other public authority (p.7).

There are several distinguishing features of charter schools. They are exempt from most state and local regulations and are essentially autonomous in their operations for curriculum, instruction, staffing, budget and internal organization. They are open to all who wish to attend, without regard to race, religion or academic ability. Charter schools are filled with students based on parent/student choice. They are likely to be closed if they fail to produce satisfactory results or fail to adhere to the terms of the charter (Manno, Finn & Vanourek, 2000). Charter schools, paid for with tax dollars, cannot charge tuition.

There is wide variability in state laws regulating charter schools. Each state has designed its public charter school law based on politics and compromise, and no state has yet created a “pure” charter school option (Center for Education Reform, 2001). Typically, charter agreements require submission of a non-sectarian mission statement, description of school governance procedures, and the educational program of the school student admission criteria, as well as the means by which student performance is assessed, such as statewide mastery exams. Charter school statutes are generally described as “stronger” or “weaker” depending on provisions relating to organizer options, sponsorship options, legal and fiscal autonomy, employee requirements or professional exemption from certification regulations, and limits to the number of charter schools that can open (Bierlein, 1995; Hassel, 1999). Some states allow charter schools complete independence from a local school district while other
states keep charter schools subject to the control of a traditional school district and require local school board permission to open. Strong charter school laws have been characterized as those that are expansive, allow for a significant number of charter schools, and contribute positively to their growth and development (Center for Education Reform, 2001).

Due to lessening of rules and regulations regarding school facilities, charter schools can be found located in storefronts, church basements, revamped government buildings or traditional school buildings. The trend for charter schools to operate from non-traditional settings has resulted in concern that some charter schools operate from inaccessible buildings in violation of the Americans with Disabilities Act (Center for Law and Education, 1997). The orientation of charter schools varies greatly. There are charter schools designed for special student populations, while others provide a unique or specific curricular focus such as science and technology or international studies. Some charter schools are very traditional in orientation, providing a “back to basics” approach, and others provide a focused curriculum on conflict resolution and peace building in an urban environment, project-based learning, or a Montessori education. Charter schools may be designed with governance and parental involvement components that are integral to their mission; others do not have that emphasis. Some charter schools are designed for a cross section of students similar to conventional public schools, other charter schools are designed specifically to meet the needs of certain subgroups of students such as students who are deaf, gifted and talented, at risk of dropping out of school, or
learning disabled. In a 1999 survey of charter schools conducted by the Center for Education Reform, 20 percent of the 298 responding schools indicated they target special education students, 27 percent at risk, and 20 percent children from diverse backgrounds. The parameters for how charter schools organize and whether they can be specifically designed for certain student subpopulations are defined by state law (Center for Education Reform, 2001).

State Perspective

The Texas legislature passed the state’s charter school law in 1995. The Center for Education Reform (2001) has ranked Texas’ charter school law as the 19th strongest of the nation’s 38 charter laws. The Texas law allows for three types of charters: home-rule education districts, local campus or program charters, and open-enrollment charters (Texas Education Code (TEC) §12.002, found in 2002 Texas School Law Bulletin). A home-rule charter must be authorized by local district voters and frees the district from most state requirements. This flexibility allows the district more autonomy in designing curriculum, the educational program offered in the district, and school governance mechanisms. The home-rule district charter is not freed, however, from obligations to provide special education and bilingual programs. There are no home-rule district charters in existence in Texas.

A local campus or program charter is granted by a local district board of trustees and allows a campus or special program within a campus to operate free from most state and district requirements. A campus or program charter is exempt from instructional and academic rules and policies of the school district.
as long as students at the school perform satisfactorily. An unlimited number of district-approved, local campus or program charters are allowed. There are a few dozen local campus charters in a few school districts including Nacogdoches, Dallas and Houston (Texas Education Agency, 2002). Open-enrollment charters are the most common in Texas. As of spring 2001, there were 214 open-enrollment charter schools in Texas serving approximately 53,263 students. House Bill 6 of the Texas 77th Legislature limits the number of open-enrollment charter schools to 215 (Texas Education Code (TEC) §12.101).

The State Board of Education is the chartering authority for open-enrollment charters in Texas. The eligible applicants for open-enrollment charters are existing public or private schools, parents, teachers, non-profit entities, governmental entities, or public or private institutions of higher learning. In Texas charters may not be granted directly to for-profit organizations, though they may be selected by the charter recipient to operate the school (TEC §12.101). Open-enrollment charter schools have an automatic waiver from most state and district education laws, regulations and policies. For example, teachers at open-enrollment charter schools work independently and state teacher certification is not required (TEC §12.129). Open-enrollment charter schools are not exempt, however, from the personnel qualification standards specified in federal laws through IDEA and NCLB, since the state of Texas receives federal funding through these state grant programs. So, there is flexibility for innovation at the state level with federal requirements for implementation of federal education laws held intact for charter schools.
As public schools in Texas, open-enrollment charter schools are required to participate with all other school districts in the state in two important areas. First, open-enrollment charter schools must participate in the state’s general public school reporting system – Public Education Information Management System (PEIMS) (TEC §42.006). This is a collection and tracking system of information in public education in Texas at a variety of levels including student performance in the state assessment program, school finances, student and teacher demographics, per pupil spending on instruction, and teacher qualifications. Second, open-enrollment charter schools in Texas must participate in the Academic Excellence Indicator System (AEIS), which has included campus and district ratings based on student participation and performance on the state achievement test for certain subject areas tested at selected grade levels (TEC §39.051). The Texas Assessment of Academic Skills (TAAS) was replaced by the Texas Assessment of Knowledge and Skills (TAKS) in the 2002-2003 school year. The TAKS is described as a more rigorous assessment that tests students in more subjects and at more grade levels than the TAAS test.

Admission to charter schools is an area of concern cited in the literature for students with disabilities (Cosmos, 2000; Good & Braden, 2000; Rhim & McLaughlin, 2000; Zollers & Ramanathan, 1998). In Texas, all students residing in the geographic area specified in the charter are eligible to attend the open-enrollment charter school. No enrollment preferences are permitted and in the case of over enrollment available positions must be filled by a lottery drawing or in the order in which applications were received before the application deadline.
(TEC §12.117 (a)(2)). Open-enrollment charter schools must be non-sectarian and may not discriminate in enrollment of students. There are no racial balance provisions in the Texas charter school law.

A Brief History of Special Education

Concerns relative to access and appropriate education in charter schools for children with disabilities must be viewed against the backdrop of a struggle against discrimination and denial of public education solely based on a disability. For most of this nation’s history, children with disabilities were not allowed the same educational opportunities as non-disabled peers. Access to equal educational opportunity and due process were hard fought battles. Children with disabilities were categorically excluded from public education until the 1960s. In 1954 when the Supreme Court’s ruling in Brown v. Board of Education set aside the fifty-eight year “separate but equal” doctrine from Plessy v. Ferguson, educational practices based on racial segregation that had been in place for more than a century, were successfully challenged. In the late 1960s and early 1970s several federal and state courts used the Supreme Court’s ruling in Brown to strike down state laws that denied an equal educational opportunity to students with disabilities (Wolf v. Legislature of the State of Utah, 1969; Pennsylvania Association for Retarded Citizens (PARC) v. Commonwealth of Pennsylvania, 1972; Mills v. Board of Education of the District of Columbia, 1972).

During the 1970s, federal disability laws served to bolster these court decisions. In 1975, Congress enacted Public Law 94-142, the Education for All
Handicapped Children Act, now the Individuals with Disabilities Education Act (IDEA). This legislation requires states to adopt goals to ensure full educational opportunity for children with disabilities as a condition of receiving federal funds. IDEA is a voluntary state grant program. With participation, states seek funding, and with funding, come obligations to educate children with disabilities in public schools. From a legal perspective, the federal government puts responsibility for implementation of IDEA on state departments of education. States are required to designate implementation programs of IDEA in public schools. All 50 states and the District of Columbia participate in IDEA, possibly to avoid the kind of discrimination litigation evident in the Mills, PARC and Wolf cases. Since all of the states receive federal funds through IDEA, every charter school, as part of a state public education system, has obligations under IDEA.

Public Law 94-142 in 1975 closely followed enactment of the Rehabilitation Act of 1973. Section 504 of the Rehabilitation Act is a civil rights law protecting students and other participants in programs and activities that receive federal financial assistance from discrimination based on a disability. The Office of Civil Rights in the Department of Education is responsible for enforcing Section 504 and Title II of the Americans with Disabilities Act (ADA) of 1990, which prohibits discrimination based on a disability by public entities. Title II applies to all services, programs, and activities provided or made available by public entities and is most commonly associated with the requirement for buildings and bathrooms to be handicapped accessible. The IDEA, Section 504, and the ADA together form the foundation legislation to ensure all students with
disabilities are provided equal access to education (Federal Register, 1998; Americans with Disabilities Act, 1997).

Section 504 and Title II of the ADA prohibit discrimination based on disability. They both have specific mandates that govern physical access of persons with disabilities to facilities, including provisions for site selection, new construction, existing facilities, and maintenance. These provisions could have significant impact for charter schools since charter school administrators identified inadequate funding and start-up costs as primary barriers to success (Nelson, Muir & Drown, 2000; Taebel & Daniel, 2002).

The essential elements of IDEA remain the same as with initial enactment of P.L. 94-142 in 1975. The state must provide a free appropriate public education (FAPE) to all eligible students (zero reject provision) in the least restrictive environment (LRE), with an education program individualized to the child's needs. To the maximum extent appropriate, children with disabilities are to be educated with children who are not disabled. The state's plan must identify, locate, and evaluate all eligible children and have a system of personnel development (Rothstein, 1999). The state must ensure a plan to have procedural safeguards in place at the identification, evaluation and placement stages of a students' interface with special education. These issues, especially FAPE, LRE, and procedural safeguards, form much of the basis for parents when they exercise their rights on behalf of their child to petition for relief through administrative due process hearings and/or through federal courts.
Charter Schools and Federal Regulations

With the reauthorization of the IDEA in 1997, Congress added clarification language and provisions specifically for charter schools serving students with disabilities. In particular, for charter schools operating within a local districts must demonstrate to their state education agency how service for children with disabilities aligns with practices of inclusion observed in traditional public schools. The local district must also provide IDEA-Part B funds to charter schools in the same manner as it provides those funds to its other non-charter schools (34 C.F.R. §300.241 et seq., 1998). Special education funding for district operated charter schools is the responsibility of the school district and must be provided to charter schools in the same manner as other schools in the district.

Final regulations of the IDEA apply to all public agencies, including public charter schools. Open-enrollment charter schools, established as school districts or local education agencies (LEAs) in Texas, have all the responsibilities of LEAs listed in federal regulations. Children with disabilities who attend public charter schools, and their parents, retain all rights under IDEA-Part B. Compliance with IDEA is required regardless of whether a public charter school receives funds through IDEA (34 C.F.R. §300.312 (a)), since the flow of federal funds to the state requires compliance in all public schools. Special education funding for open-enrollment charter schools is provided as it is to other school districts or local education agencies. That is, special education funding is provided through federal per pupil allotments for students with disabilities and through the state school finance system, primarily categorical aid for special education.
An important requirement of the IDEA with potentially significant impact for open-enrollment charter schools in Texas is the “highest qualified provider” requirement for the delivery of special education and related services. The IDEA requires states to ensure that professionals providing special education or related services meet the highest requirements in the state for certification, licensing, or registration applicable to a specific profession or discipline (34 C.F.R. §300.136 (a)). Although the Texas charter school law relieves charter schools from state teacher certification requirements (TEC §12.129), these IDEA regulations override that relief for teachers who are responsible for the implementation of individualized educational programs (IEPs) for students with disabilities.

The No Child Left Behind Act of 2001 is the most recent reauthorization of the Elementary Secondary Education Act of 1965. Support for the charter school movement at the national level is evident in this important piece of public education legislation. Title V, Part B of the Act relates to Public Charter Schools. The purpose of this section of the law is “to increase national understanding of the charter school model by providing financial assistance for planning, program design and initial implementation” (20 U. S. C. §7221). Federal funds are made available to states to provide support for charter schools facilities financing. The funds are made available to charter schools for a period not to exceed three years. Title V, Part B specifies that States must ensure and provide a description of how charter schools will comply with the Individuals with Disabilities Education Act (20 U. S. C. §7221b, (a)(2)(B)).
As public schools in Texas, open-enrollment charter schools are eligible to participate in and receive funding through other programs outlined in the *No Child Left Behind Act of 2001*, The federal categorical funds flow through the Texas Education Agency on a per-pupil basis through non-competitive grant application. During 2000-2001, 2.4 percent of the revenue for open-enrollment charter schools generated from federal funds compared with 1.4 percent in non-charter public schools in the state (Ausbrooks, 2002).

Research on Special Education and Charter Schools

National Perspective

Three major studies, conducted at the national level, included information on students with disabilities in charter schools.

*Charter Schools and Students with Disabilities*

The U.S. Department of Education sponsored a research study titled *Charter Schools and Students with Disabilities* (Fiore, et al., 2000). The purpose of the study was to examine how charter schools have elected to serve students with disabilities. The researchers investigated the following issues relative to special education and students with disabilities: charter school admissions, enrollment, instruction, accountability for student achievement, parent satisfaction, and staff and parent views on funding for special education. Related to admissions policies, administrators at approximately one fourth of the thirty-two schools in this study said that they were unable to serve certain students with disabilities and that they discouraged parents of these students from enrolling.
their children in the charter school. The number of parents who have been
c counseled out of charter schools is unknown.

The researchers found that of 32 charter schools in 15 states included in
the study, slightly less than half the charter schools routinely provided an
orientation for parents of all students prior to admissions decisions. Only a few of
the schools in the study had a pre-admission or counseling process specifically
for parents of children with disabilities who were considering enrolling their
children at the school. Administrators at a few schools reported that they always
conducted an interview with the parent or student with a disability to determine if
the school could meet the student’s needs.

Administrators at eight of the thirty-two charter schools in the study clearly
stated that they were unable to serve certain types of students with disabilities
and actively discouraged parents of some students with disabilities from enrolling
their children in the charter schools. Most administrators saw “counseling out” as
a process that is in the student’s best interest. Usually, counseling out occurred
informally during initial meetings with parents and students. In one reported case,
an administrator of a charter school enrolled three students with autism then
became “brutally honest” with a parent whose child was in a wheelchair and
needed catheterization. The administrator explained that the other three special
needs students had exhausted the charter school’s financial resources and the
school could not afford to provide the needed assistance to another special
education student. This case demonstrates denial of choice to the student with
physical disabilities.
In a second charter school in the study, the administrator reported that the charter school contracted services from the local public school for students with significant disabilities who needed self-contained special education placements. That is, the students were enrolled in the charter school based on parent choice, but attended the local conventional public school for special education instruction. The charter school arranged to contract the required special education services from the neighborhood public school. Consequently, the charter school was not a true or viable choice alternative for the students with severe disabilities. Other researchers have noted growing concern that charter school administrators may discourage parents from enrolling their children with disabilities when they are fearful of the financial burdens of special education that may accompany the child (Cosmos, 2000; Good & Braden, 2000; Rhim & McLaughlin, 2000; Zollers & Ramanathan, 1998).

Charter schools serve a slightly lower proportion of students with disabilities than other public schools in the states with charter school statutes (Nelson, et al., 2000). Of the students with disabilities who choose to attend a charter school, the majority are students with mild disabilities. Another major finding of the study indicates that throughout the nation, parents are enrolling their children with mild disabilities in charter schools yet charter school enrollment of students with more significant disabilities is relatively rare except in schools specifically designed for these students. The State of Charter Schools 2000: Fourth Year Report (Nelson, et al., 2000) reported to the U.S. Department of Education that students with disabilities make up about eight percent of charter
school enrollment compared to about eleven percent of traditional public school enrollment.

Other earlier studies suggested that students with disabilities might be under-identified, but not under-enrolled in charter schools when the number of students with learning impairments who do not have IEPs is taken into consideration (Finn, Manno & Bierlein, 1996; Manno, Finn, Bierlein & Vanourek 1997). These researchers note that the individualized instruction and small class size characteristic of many charter schools may have resulted in increased enrollment of non-identified students with disabilities in need of special education services. Once enrolled, many students are not referred to special education because the students perform satisfactorily with the individualized supports. In addition, parents prefer not to have their child labeled with a disability. Finally, the perception on the part of school operators that there is no financial incentive for identifying these students discourages identification (McLaughlin, Henderson, & Ullah, 1996). In the Charter Schools and Students with Disabilities report (Fiore, et al., 2000), staff at a number of the schools in the study talked about students at their schools who they thought had unidentified disabilities. Some of the staff at these schools reported that their charter school’s standard instructional approach did not work with these students or other students with learning problems.

Choice is a central feature of the charter school movement. Studies show that parents of children with disabilities choose charter schools for many of the same reasons as other parents. The reasons listed include dissatisfaction with
their child’s previous non-charter school or special education program, or positive characteristics of charter schools such as small school and class size, special curriculum focus, staff attitudes, the school’s positive reputation, and the safe community-like environment (Fiore, et al., 2000; Ysseldyke, Lange & Gorney, 1994). Parents have also reported more positive experiences with the special education identification and IEP process at the charter school than at the previous traditional public school. Very few parents with children at the charter schools in the study reported negative reactions to the IEP process (Fiore et al., 2000).

Most charter schools in the Charter Schools and Students with Disabilities study used the term “inclusion” to describe their approach to serving students with disabilities. In some schools included in this study, inclusion was a pedagogical preference; in other schools, inclusion was the result of a financial decision not to employ a special education teacher. Parents and charter school staff did not identify special education instruction that was superior to the special education instruction provided at the previous schools. Most students with disabilities attending the charter schools in the study were reported to be well integrated into the overall life of the school. Individualized educational programs (IEPs) tended to be de-emphasized at many of the charter schools, and a few of the schools in the study operated without a special education program because of the perception that testing and labeling students with disabilities would not improve their education.
Charter schools vary a great deal in terms of schools size, student demographics, educational purpose, and instructional approach (Education Commission for the States, 2001; Fiore et al., 2000). The implications for students with disabilities of the different instructional models that may be implemented in charter schools are not known. Based on case studies developed in five urban areas, McKinney and Mead (1996) found that schools that adopted a single curriculum or instructional approach may have problems serving some students, including those with disabilities.

In the Charter Schools and Students with Disabilities study, researchers also reported that although accountability is a central feature of charter schools, most of the schools have little data to document the impact of their program on students with disabilities. When asked to state the charter school’s most important goals for students with disabilities, administrators, teachers and parents identified goals in two areas: academic achievement and interpersonal or life skills. The goals that were identified were most frequently stated in broad terms such as “to help students with disabilities reach their highest potential and achieve their dreams.” Finally, the Charter Schools and Students with Disabilities study looked at views of parents and staff regarding funding for special education in charter schools. Parents and staff viewed the lack of adequate funding as a barrier to the success of students with disabilities at some charter schools.
The National Charter School Finance Study

The U. S. Department of Education also sponsored a second major study, the National Charter School Finance Study (Nelson, Muir & Drown, 2000). This study found that the systems established to finance charter schools varied from state to state, but the common central feature of these systems was a base amount of funding for each student enrolled. In some states, these amounts were based on state average per-pupil expenditures, in other states a county or school district average was used. Many states also provided charter schools with additional funding for special education and low-income or at-risk students on the same basis as other public schools. Charter school operators reported concern that a high-cost student could undermine a charter school’s financial position, yet only slightly more than half of the schools either received direct federal special education funds or federally funded special education services.

This study found that six of the 23 states included in the study based funding for special education on average school district special education spending, rather than the specific needs of students enrolled in the school. This system discourages charter schools from serving high-cost special education students, while charter schools serving only low-cost special education students may reap a windfall. Other states link special education funding to the actual cost of special education students, usually through a pupil weighting formula. A very sensitive topic in school finance is the need for school districts to pay for a significant share of special education costs from general operating funds. This
burden on the general operating budget may pose a significant challenge for small open-enrollment charter schools.

*Rhetoric Versus Reality: What We Know and What We Need to Know About Vouchers and Charter Schools*

A third meta-analysis study at the national level conducted by the Rand Corporation examined the status of the charter school movement (Gill, et al., 2001). This study examined the available research in five policy areas: academic achievement, choice, equitable access, integration, and preparation for civic responsibilities. Based on this national review of the existing evidence regarding charter school achievement, researchers found inconclusive evidence, with none of the studies showing that charter school achievement outcomes are dramatically better or worse on average than those of conventional public schools. However, the researchers reported that there is very little evidence of student achievement outcome data for students with disabilities. Results of the study also indicated that most charter programs have had little success extending “full” access to students with disabilities. State legislation and regulatory practices for charter schools differ from state to state. In 1998-1999, charter schools in a selected sample most frequently reported monitoring of school finances (94%), student achievement (87%), and student attendance (81%)(Finn, Manno & Vanourek, 2000).

**State Perspective**

At the state level, research on the status of charter schools differed from national studies somewhat. The Texas State Board of Education commissioned
an annual evaluation of charter schools. The *Texas Open-Enrollment Charter Schools: Fifth-Year Evaluation* (Texas Education Agency, 2002) provides the most comprehensive information about the history and status of open-enrollment charter schools in Texas across a variety of indicators. During 2000-2001, there were 160 charter schools and 200 campuses operating in Texas with a student enrollment of 37,696. This total represents a very small proportion of the approximately four million public school students in the state (Weiher, Shapley, & Stamman, 2002). The enrollment of special education students in Texas open-enrollment charter schools is approximately eight percent compared to the state average of twelve percent. More specifically, open-enrollment charter schools serving primarily at-risk students (75 percent or more) have a special education enrollment of 8.7 percent compared to 7.4 percent in open-enrollment charter schools serving less than 75 percent at-risk students. The percentage of special education enrollment across years of charter school operation is relatively consistent ranging from 6.2 percent special education enrollment for schools in operation for four or more years, to 8.6 percent special education enrollment for schools in their first year of operation (Weiher, Shapley & Stamman, 2002).

Compared to the state, charter schools’ student performance on the state’s achievement test improved between 2000 and 2001. In the state of Texas, in contrast to the national findings reported in the Rand study, apparent gaps in achievement have become evident between charter and regular schools. Charter school students continue to perform well below state averages in all areas of the state’s achievement tests, especially in mathematics and writing.
Many charter schools in Texas were developed to meet the needs of students considered at-risk of dropping out of school. In 2002, forty-eight percent of charter school campuses were rated under the alternative accountability procedures because they serve primarily students who are at-risk; four percent of other public schools in Texas were rated under the alternative accountability procedures (Texas Education Agency, 2002). Schools that serve primarily at-risk students petition to be rated under the Alternative Education system. This system has lower test performance and dropout standards, but schools under this rating system must pass attendance standards (Shapley, Benner & Stamman, 2002). From 2000 to 2002, the passing rates of charter school students on the state achievement test increased for all student groups in all subject areas, although they continue to lag behind the scores of students in conventional public schools. In terms of participation in the state assessment program, nearly the same percentage of charter school students and other public school students were tested (96 percent). The percentage of students tested with the State-Developed Alternative Assessment (SDAA) was slightly higher for charter school students (7.7 percent) than for other school districts (6.7 percent). The SDAA is the state assessment administered to certain students in special education for whom the TAKS test is not a fair or appropriate measure. Student performance on the TAKS and the SDAA is analyzed and included in campus and district accountability ratings for conventional public schools and for open-enrollment charter schools..
The *Texas Open-Enrollment Charter Schools: Fifth-Year Evaluation* (Texas Education Agency, 2002) examined student performance, parent and student satisfaction, perspectives of charter school directors and teachers, and effects of open-enrollment charter schools on conventional school districts. Focused examination of special education services, admissions, parent satisfaction with special education services, and achievement outcomes for students with disabilities in open-enrollment charter schools is not systematically included in the Texas annual evaluation. The most commonly used educational practices employed in charter schools were reported by school directors to be mainstreaming students, using technology for learning, and individualized learning (Taebel & Daniel, 2002). In terms of parent satisfaction with open-enrollment charter schools, 62 percent assigned a grade of “A” and 28 percent a grade of “B” to their children’s current school. Charter parents expressed higher satisfaction levels than comparison parents with children in non-charter public schools. They also expressed higher satisfaction with the current charter school than their previous non-charter school (Weiher, 2002). These satisfaction ratings are an aggregate and not specifically an indication of the satisfaction of parents of children in special education at charter schools. There is little if any specific information available about how open-enrollment charter schools in Texas provide required special education services to students with disabilities.
Special Education Funding

National Perspective

In addition to state funding for charter schools outlined in each state’s charter school statute, open-enrollment charter schools, as public entities, also have access to federal categorical funds on a per-pupil basis through application to programs such as special education, Title I-Part A of the No Child Left Behind Act of 2001, and Career and Technology Education. Title V-Part B of the No Child Left Behind Act is the Public School Charter Schools program and provides federal charter school dollars designated for facility financing to states that have a charter school statute. This program is a federal matching incentive grant to states that provide charter schools with state per pupil expenditure funds. Title V also includes the Charter School Facility Financing Demonstration project that encourages development of innovative approaches. Three hundred million dollars were appropriated for this federal charter schools program for fiscal year 2002, with guaranteed funding through fiscal year 2007 (20 U. S. C. §7221b). Despite this federal financial assistance for facilities during the first two years a charter school is open, lack of funds remains the number one implementation difficulty of start-up charter schools, followed by inadequate operating funds, lack of planning time, and inadequate facilities (Nelson, Muir & Drown, 2000).

In a 1998 report to Congress, the General Accounting Office (GAO) provided information regarding states’ allocation of IDEA funds to charter schools, and on factors that help or hinder charter schools in accessing these funds. At the time of the report, slightly more than half of the charter schools
studied received IDEA funds or IDEA-funded special education services. Most
charter schools did not apply for funds and consequently did not receive them.
The greatest barriers for charter schools’ access to IDEA funds were: 1) lack of
enrollment and student eligibility data to submit to states before funding
allocation decisions were made, 2) the time and costs involved in applying for the
funds, and 3) the philosophical differences between IDEA and charter school
program is a federal grant program for helping states pay the cost of providing a
free appropriate public education to all eligible children with disabilities between
the ages of three and 21 years. The Department of Education annually allocates
funds to state education agencies based on reported numbers of eligible children
receiving special education and related services for the preceding fiscal year, the
national average per pupil expenditure, and the amount the Congress
appropriates for the programs. Base funding to any state is capped at 40 percent
of the national average per pupil expenditure, multiplied by the number of eligible
children with disabilities in the state, up to an allocation of about $4.1 billion (34
CFR § 300.233).

For charter schools that obtained IDEA funds during 1998, amounts
received ranged from $30 to $1208 per eligible student depending on the state’s
method for distribution of funds (GAO, 1998). The average amount was $421 per
student and the median amount was $206. IDEA funds received by charter
schools represented between 0.08 percent and 2.5 percent of their total
operating budgets. The permanent base federal funding level established with
IDEA-1997 has been reached, with expenditures in excess of $4.9 billion. Current and future federal funding for special education will be based on the established base allocation, with any increases to the base allocation figured on district student enrollment and poverty counts. A district’s base allocation is figured on the 1999-2000 federal funding amount of $546.86 per child in Texas and the December 1 1998 federal child count reported to the state by each local education agency or open-enrollment charter school. The federal funding challenge for open-enrollment charter schools in Texas is that the majority of charter schools were not in existence or did not submit a federal child count report for December 1 1998 in order to have an established base amount. Texas Education Agency staff reported (July, 2000) that the $546.86 per student amount for 1999-2000 is likely to be used from this point forward for the child count of students with disabilities that is reported through the PEIMS public education data management system. With the cap on base federal (IDEA) funding to Texas, conventional school districts may lose some of their base allocation amount if they lose students to charter schools.

One of the most sensitive topics in the area of school finance is special education funding. State and federal funding for special education seldom covers all special education costs for school districts, resulting in the need to pay for a significant share of special education costs from general operating funds (Nelson, Muir & Drown, 2000). Campus charter schools operated by a school district are in a more secure position than open-enrollment charter schools because of the school district’s obligation to provide special education funding to
the campus charter on the same basis as all other schools in the district. Open-enrollment charter schools often have very limited general operating budgets from which to absorb the unfunded costs of special education. Funding for special education should be analyzed in this framework. The impact of students with special education needs on a budget is frequently raised as a barrier to the fiscal viability of open-enrollment charter schools, especially at the outset (Bierlein & Fulton, 1996; Finn, Manno & Bierlein, 1996). Charter schools may have difficulty diverting base state funding generated from general education students in order to meet under-funded special education mandates. Despite this, no evidence has been reported to date suggesting that special education costs caused fiscal instability in a charter school (Fiore, Warren & Cashman, 1998).

State Perspective

Since public education in the United States is the responsibility of the states, federal special education funds are intended only for supplemental services over and above what is funded with state and local funds. Funding for public education in Texas is provided through a combination of three school finance models: flat grants, a foundation program, and power equalization. Flat grants provide the same level of funding per student regardless of relative local wealth. Foundation programs guarantee that a specified minimum educational program is made available to every public school student in the state, with each school district remaining free to enrich the minimum program in keeping with its ability and willingness to tax itself. The state shares in the cost of the specified
minimum foundation program. Power equalization formulas neutralize differences in fiscal capacity between school districts and give incentives for increasing local tax effort, while attempting to provide the same resources per pupil with a formula that guarantees all districts an equivalent property value base. Power equalization formulas guarantee a dollar amount per student for each penny of tax a district is willing to accept. These formulas attempt to reduce the disparities between school districts that result from varying property values.

Funds are allocated annually to each school district in Texas through two mechanisms: the Available School Fund and the Foundation Program. The Texas Constitution demonstrates the founding fathers’ commitment to support for public education equally for each public school student with establishment of the Permanent School Fund. The Available School Fund is the interest from the Permanent School Fund and is divided equally among public school students in Texas as flat grant (TEC §43.001). During the 2000-2001 school year, regardless of relative district wealth, the amount sent to districts from the Available School Fund was $251 per student.

The second funding mechanism for public schools in Texas is the Foundation Program (TEC §42.002) which combines the guarantee of a specified minimum educational program to every public school student in the state (foundation program finance model) and power equalization. There are three tiers in the Foundation School Program in Texas. At Tier I, the Basic Allotment guarantees that a specified minimum educational program is made available to every student in the state on an equal basis. Joint effort between the state and
local community is required with a minimum $0.86 local tax rate and a maximum rate of $1.50. The Foundation Program guarantees $2537 per student per year at the lowest local tax rate. Relatively property-poor school districts that raise less than $2537 per student at the $0.86 tax rate receive the balance foundation program amount from the state. Richer districts (based on property tax assessment) receive little or no power equalization support from the state to reach the guaranteed per student amount of the Tier I Regular Block Grant. Also calculated at Tier I are the categorical allotments for special education, career and technology, gifted and talented, compensatory education, bilingual education and transportation. Information about students receiving support through these categorical programs is submitted to the state through the PEIMS data collection system. Student data reporting is audited annually and monitored periodically by the state education agency. A district's special education allotment in Tier I is figured on a weighted funding formula established in law and based primarily on the amount of time a student spends in special education classes, attendance, and a funding weight assigned to the instructional setting. Relative wealth of the district is taken into account in the formula since state funding for special education is determined at Tier I. At least 85 percent of the funds generated through the State Special Education Block Grant must be spent directly for students with disabilities (TEC §42.151(h) and TEC §105.11).

A power equalization funding model is used at Tier II with the state guarantee of a specified dollar amount per student per penny of tax that a district is willing to levy. Tier II of the Foundation Program allows for enrichment and
equalization above the Tier I specified minimum educational program. The goal of power equalization funding is the removal of wealth as a determinant of local school revenues to equalize tax resources among districts. The state currently guarantees a tax yield of $24.70 per student per penny of tax the district is willing to set above the $.86 minimum tax rate with a maximum tax rate of $1.50. The state funding plan allows districts to keep up to $4.80 per student per penny of tax above the $24.70 guaranteed level, up to $29.50 per student per penny of tax set, if they are able to raise it. So, for example, $24,700 property value per student will raise $24.70 per student. At that property value, the district would receive no state aid. Once a district surpasses $295,000 property value per student at Tier II, the district is required to give the excess tax money back to the state for distribution to property poor districts. If one penny of tax raises $20 per student in a district, the state equalizes for the district with $4.70 per student to reach the guaranteed $24.70 amount. If one penny of tax raises $26.00 per student in a district, the state does not send any money to the district at Tier II, and the district keeps $1.30 per student above the $24.70 guaranteed tax yield amount.

Tier III of the Foundation Program is the Facilities Allotment to assist districts with debt associated with school facilities (TEC §46.003). There are two parts of the Tier III Foundation Program. The Instructional Facilities Allotment helps districts with new debt; the Educational Debt Allotment helps districts with old debt. Open-enrollment charter schools in Texas are not included at Tier III
because the state charter school law does not allow for state financial assistance for facilities, transportation, or start-up costs.

Texas Education Code §12.017 entitles open-enrollment charter schools to financial payment from the school district in which a student resides. The payment amount is equal to the maintenance tax revenue collected in the district, divided by the total number of public school students enrolled, including charter school students. The commissioner of education is required to distribute to each charter school an amount equal to the Foundation Program allotment (Tier I and Tier II) calculated for the student, in the district where the student resides, minus the payment amount from the district, plus the per-student distribution from the Available School Fund.

In practice, open-enrollment charter schools have been treated as though they were school districts without tax bases. They have received state aid for one hundred percent of Tier I and Tier II funding. Funds have flowed directly from the state to the open enrollment charter school. With the exception of the high-wealth school districts that are required to reduce their wealth by sending money back to the state, districts have not been required to send financial payments to charter schools. The Foundation Program Allotment for students in charter schools has been calculated using an adjustment to the basic allotment for the county average cost of education index, and the county average size adjustment. This approach was used to avoid the disparities in Foundation Program allotments that would occur between students coming from small districts that have higher state allotments because of size, and students coming from larger districts.
Charter schools are eligible to receive the additional Tier I allotment amounts for categorical programs including special education. The Texas Education Agency verifies student participation in special programs to assure accurate funding distributions. Discrepancies between enrollment estimates used to make aid payments and actual enrollments reported in the PEIMS data submission in June are made up by the charter school the following school year (Texas Education Agency, 2001). In October, the charter school reports budget estimates by object and function. Actual expenditures are reported at the end of the school year. Charter schools, like traditional public school districts may not spend or keep overpayments from the state.

Results of the *Texas Open-Enrollment Charter Schools: Fifth Year Evaluation* (Ausbrooks, 2002) showed that open-enrollment charter schools in Texas rely on the state for almost 88 percent of their revenue funds, 2.4 percent from federal funds and almost ten percent from other local and intermediate funds. Public schools statewide receive an average of $2,835 per pupil in local taxes. Charter schools do not have the authority to impose taxes. In 2000-2001 the total per pupil revenue for public schools statewide was $5,894 and for charter schools $5,617 (Ausbrooks, 2002). The fifth year evaluation also showed that open-enrollment charter schools had higher per pupil expenditures for regular education ($3,009) for 2000-2001 than public schools state-wide ($2,867) but lower per-pupil expenditures in all other program categories than public schools throughout the state, including program expenditures in special education. The per-pupil program expenditure for special education in open-
enrollment charter schools for 2000-2001 was $381 and for public schools statewide $632 (Ausbrooks, 2002).

The impact of students with special needs on a budget is frequently raised as a barrier to the fiscal viability of charter schools, particularly for small, newly created schools (Bierlein & Fulton, 1996; Fiore, et al., 2000). Since 1992, 59 charter schools in the country have opened and closed. Twenty-seven schools closed during the 1998-1999 school year alone (Nelson et al., 2000). Many of the charter school closures have been related to fiscal mismanagement or financial difficulties (Archer, 2000). In Texas, five open-enrollment charters have been revoked by the State Board of Education. Four of the five revocations were based on financial irregularities (Weiher, Shapley & Stamman, 2002). Despite the lack of evidence that special education costs have caused fiscal instability in a charter school (Fiore, Warren & Cashman, 1998), charter school financing and serving high-cost special education students continue to concern charter school operators (Finn, Manno & Vanourek, 2000; Nelson, Muir & Drown, 2000). In Texas, lack of start-up funding, inadequate facilities, and securing adequate funding year to year were cited as the greatest challenges in operating charter schools (Taebel & Daniel, 2002). Cost comparison data between the level of federal and state special education funding for charter schools and the level of funding needed to provide required special education services were not located in the literature.
Special Education Compliance in Texas

Open-enrollment charter schools in Texas are included in the state’s monitoring system for public schools. The Texas Education Agency implements a three-prong monitoring system. The Program Analysis System (PAS) consists of 55 data elements used by the state education agency to analyze special programs operated by school districts and charter schools over program areas such as bilingual education, career and technology education, gifted and talented, state compensatory and programs from the No Child Left Behind Act of 2001 (Texas Education Agency, 2002).

The Special Education Data Analysis System (DAS) consists of 12 data elements used by the state education agency to analyze each district’s and charter school’s special education program. The data elements provide a snapshot of the district’s or open-enrollment charter schools’ compliance status. The data elements include:

1) percent of students identified as receiving special education,
2) distribution of special education students across ethnic categories,
3) percent of special education students identified as limited English proficient,
4) percent of special education students identified as economically disadvantaged,
5) percentage of students for each of the five major disabilities compared to the state median,
6) number of self-contained placements compared to resource and mainstream placements,
7) percent of special education students who pass the state achievement test,
8) percent of students exempt from the Texas Assessment Program as determined by student Admission, Review, Dismissal (ARD) Committee meetings,
9) number of special education students placed in a discipline alternative education program,
10) number of special education student who were dropouts,
11) percent of students identified as both African American and mentally retarded, and
12) percent of special education students identified as both limited English proficient and speech or language impaired.

The third prong of the state’s monitoring system is a comprehensive on-site District Effectiveness and Compliance (DEC) visit. Open-enrollment charter schools also receive an Initial Onsite Review (IOR) during their second year of operation. Following analysis of the PAS and DAS data elements, risk points are assigned for each of the data elements as well as an overall risk rating for the school district or charter school. Risk points range from zero to four. The Texas Education Agency identifies districts and open-enrollment charter schools for on-site DEC visits based on an overall risk level of four, length of time since the last comprehensive DEC visit, substantiated formal complaints to the Texas Education Agency and/or due process hearings filed with the state agency regarding special education, and a routine six-year DEC cycle. The Texas Education Agency reported 54 formal complaints in the area of special education
during the period September 1, 2001 and February 14, 2002. Five of the complaints (nine percent) were from parents of children enrolled in open-enrollment charter schools (Texas Education Agency, 2002).

The DEC monitoring six-year cycle is operated with the intent for an on-site review of each district’s and open-enrollment charter school’s implementation of state and federal mandates for students being served through categorical aid programs/services. Open-enrollment charter schools are classified as LEAs or school districts. The special education portion of DEC is a comprehensive analysis of all of the requirements of local districts and open-enrollment charter schools in their implementation of federal special education mandates. The DEC monitoring, system along with the DAS desk audit have become the measurement of special education compliance status in Texas. Compliance provides the framework upon which a quality program is built (Texas Education Agency, 2002a).

The special education DEC system consists of 34 indicators with 29 additional specific items addressed within the 34 indicators. There are 12 administrative indicators that allow districts to demonstrate compliance in areas such as personnel credentials, funds tracking, PEIMS child count accuracy, and coordination of services in areas such as early childhood intervention, transition to post-high school experiences, and private school and Child Find notification activities. There are 22 indicators that call for a review of a sample of student folders that are representative of the district or open-enrollment charter schools’ total special education population.
For charter school Initial On-Site Reviews (IORs) eight administrative indicators and ten student folder indicators are reviewed (Texas Education Agency, 2002a). Discrepancies are cited during the on-site review when it is determined that a violation occurs systematically throughout a district or charter school. Certain violations determined to be of a serious nature are cited if even a single occurrence is found. The Office of Special Education and Rehabilitative Services (OSERS) in the Department of Education, requires that all identified noncompliance be communicated to the district or charter school regardless of whether or not a citation that is due to a systemic discrepancy is given. Each instance of noncompliance reported to the district or charter school must be corrected with documentation kept on file for possible review by the Texas Education Agency at a later date. A corrective action plan and documentation of corrective actions must be sent to the Texas Education Agency for all citations received from a DEC visit or an IOR visit.

Fifteen open-enrollment charter schools in Texas received a DEC monitoring visit in 1998-1999. None of these schools was found to be in full compliance for special education at the time of the on-site visit (Public Information Request – Texas Education Agency, 2000).

Summary of Literature Review

Most of the research studies on charter schools have compared regulations governing charter schools in different states, assessed parent satisfaction, assessed how well charter schools serve specific populations of students, described how charter schools differ from conventional public schools,
assessed the impact of charter schools on conventional public school districts, or discussed the place charter schools have in public education. Specific to special education, the research points to lack of specificity in state charter laws about how charter schools are expected to serve students with disabilities.

There is concern that most charter schools have had little success extending access to students with disabilities (Gill et al., 2001). When access is provided, very few charter schools provide outcome data for students with disabilities (Fiore et al., 2000). A further concern is that charter school administrators may discourage parents from enrolling their children with disabilities when they are fearful of the financial burdens that may accompany the child (Cosmos, 2000; Good & Braden, 2000; Fiore et al., 2000). Adequate funding continues to be cited by school administrators as the greatest challenge in operating charter schools (Taebel & Daniel, 2002; U. S. Government Accounting Office, 1998). In contrast with this concern, no cost comparison information is available about actual costs of providing special education and the level of state and federal funding made available to charter schools. Finally, there is growing concern that charter schools are in violation of federal legislation in the area of special education (Good & Braden, 2000). Further research is needed to examine special education services at open-enrollment charter schools and specifically to clarify the relationship between compliance with state and federal regulations and funding for special education services.
CHAPTER 3
METHODOLOGY

The research method used for data gathering and analysis in this qualitative study was case study. Information about the funding and delivery of special education services at four open-enrollment charter schools was collected over a three-month period during the spring of 2003. Interviews with school administrators, observation at the schools, and review of documents were used to gather information at the school level in order to gain insight into issues related to special education compliance and funding for special education in open-enrollment charter schools in Texas. In data collection and analysis, the following questions using the multi-case study research method within the framework of one program were posed:

1) How has the open-enrollment charter school elected to design special education services?

2) Are the special education services provided at the open-enrollment charter school designed to meet the individual needs of students with disabilities?

3) Have federal disability laws effected the open-enrollment charter school’s a) admissions, b) operations, or c) student performance ratings?

4) What was the level of compliance with federal and state requirements for educating students with disabilities at the open-enrollment charter school at the time of the Initial Onsite Review?

5) Does the level of funding for special education match the level of funding needed to provide the required special education services?
6) What are the opinions of the open-enrollment charter school administrator regarding the relationship between funding for special education and the level of compliance with federal and state requirements for educating students with disabilities at the school?

The population sample for this study included four open-enrollment charter schools located in north Texas. The schools were representative of the population of open-enrollment charter schools operating in north Texas in terms of location, enrollment, grade-span and target population. In particular, the following features were represented in the sample:

1) school location – rural, urban, suburban, suburban location serving primarily inner city students
2) enrollment – range from 115 to 1050 students
3) grade-span – PK – 12, K – 6, 8 – 12
4) target population – at risk/struggling learners, accelerated/gifted-talented

Two of the administrators interviewed were male and two female. Two of the administrators had been involved with their school since the time the charter application was proposed, one administrator came two months after the school opened, and one was in the second year of association with the school. Two of the schools were in their fifth year of operation with the other two schools in their third and fourth years of operation. Three of the administrators interviewed had the title of superintendent or chief executive officer and two had the title of special education director. One interview was conducted jointly with the special education director and the chief executive officer.
Procedures and Data Collection

A within-case research design employing qualitative methods following the case study structure was used – the problem, the context, issues, and the “lessons learned” (Creswell, 1998, p. 36; Patton, 2002). Individual structured open-ended interviews, document analysis and observations at the schools for this investigation were used as data for the study. Administrators’ views of the rewards and challenges of implementing required special education services at four open-enrollment charter schools were sought. These focused attention on the relationships between funding for special education, compliance with federal and state regulations, and the management and provision of special education services at those schools.

The initial meeting with the school administrators was conducted on-site in order to review the purpose, procedures and consent form for the study. Approval by the school board of trustees or board of directors for participation in the study was required by all four schools, resulting in an interval of up to two months between the initial meeting and the interview with the school administrator. Two of the four school boards requested additional information regarding anonymity and the manner in which the results would be reported. All four of the schools requested a copy of the results of the investigation.

In order to establish a context for conducting the interviews, as much information as possible about each of the schools was obtained in advance of the interviews. Three of the four schools have websites containing varying amounts of information about the schools. Information about each of the schools was also
The second component of data collection consisted of interviews with administrators at each of the open-enrollment charter schools in the study. The interviews were conducted at the charter schools either in a conference room or in the office of the interviewee. Interviews were conducted in an open-structured format in an emic style allowing interviewees to provide responses based on their experiences and perceptions. An interview protocol was used and each interview took between 45 and 60 minutes. Each interview was tape-recorded and transcribed for verification during the coding phase of the project.

Interview questions were developed to elicit responses from the interviewees about their experiences with special education services at their school (Appendix B). The questions related to three areas: 1) the design and delivery of special education services, 2) funding for special education, and 3) compliance with special education regulations. Probing sub-questions in each area were posed. In addition, interviewees were encouraged to provide additional information that was of special interest to them.

Questions about the design and delivery of special education sought to elicit the “story” of special education services at the charter school since opening,
including the administrators’ perceptions about the rewards and challenges of providing individualized special education services. Questions about funding probed for the administrators’ views on funding adequacy, advantages or disadvantages in funding relative to special education enrollment, and perceived relationships between level of special education funding and compliance with federal and state special education regulations. The questions and sub-questions about compliance explored administrators’ views on special education compliance, results of monitoring visits in special education, and the value of monitoring visits for improving special education services.

The third component of data collection involved a review of documents pertaining to the three focus areas of the study listed above. The following documents that were reviewed for each school were obtained either from the Texas Education Agency website or from a public information request to the Texas Education Agency:

1) open-enrollment charter school application/agreement
2) self-evaluation and final report from the Initial Onsite Review

The interview data, interview transcripts, were coded and analyzed using the Nudist® qualitative analysis program. Through the analysis, categories were developed that established patterns and themes. The triangulation of the multiple
documents and interview data created a verification procedure which served to corroborate evidence found in responses during the four interviews.

Data Analysis

The database for this case study included interview notes, transcribed interviews, field notes from observations at the schools, and summary notes from the documents review. Analyses of the data were as follows.

First, the data from the interviews were imported into the Non-numerical Unstructured Date Indexing Searching and Theorizing (NUD*IST 6) software program revised in 2002. The interviews were identified in the software program according to the schools included in the study as school 1, school 2, school 3 and school 4.

Second, the interview data and field observation notes were analyzed using initial codes composed of key words from the interview questions. “Admissions” and “Initial Onsite Review” are examples of key words used. All interviews were coded by the initial codes embedded in the interview questions drawn from the three major categories examined in the literature review: design and delivery of special education services, funding for special education, and compliance with special education regulations.

The constant comparative method of analysis was used in order to “systematically examine and refine variations in emergent and grounded concepts” (Patton, 2002, p. 239). The initial categories were established from the concepts embedded in each interview question using inductive analysis (Patton, 2002). Each individual case was analyzed by sentence and coded in the initial
categories. All responses from each interviewee were analyzed in detail and sub-categories were created along the level of properties and dimensions. The microanalysis allowed for consideration of alternative explanations, including *in vivo* concepts. As concepts emerged within each sub-category, they were classified according to the school site and interviewees’ interpretations. Patterns emerged from this conceptual mode of analysis revealing dominant themes around which an in-depth description of special education services, funding and compliance in open-enrollment charter schools in north Texas could be developed.

Data from the documents review were coded on summary sheets and were used to cross-check and triangulate the findings from the interviews and school observations. The data gathered from the documents were noted to the various codes entered by school in order to substantiate the patterns and themes established from the interviews. Descriptive detail, classification and interpretation were utilized to answer the research questions.
CHAPTER 4

INTERPRETATION OF THE DATA, ANALYSIS, FINDINGS

Description of the Data

The purpose of the investigation was to examine issues related to the provision of special education in four open-enrollment charter schools in order to gain insight into each school’s experiences with meeting the needs of students with disabilities who chose to attend a charter school. This study focused on the design of special education services at the four schools in the study, special education compliance with federal and state regulations and funding for special education services. The methodology employed was a multi-case study using the qualitative method of structured open-ended interviews. Descriptive and demographic information about each of the schools in the study was collected. The data were gathered through interviews with administrators at the four open-enrollment charter schools included in the study, observations at the schools, and document analysis. The research focused on the interviewees’ responses to the interview questions and insights and experiences related during the interviews. A narrative format with evidence supporting each theoretical assumption was used to report the research findings. Comments from the interviewees related to the major findings and themes that emerged were included to substantiate the findings.

To establish a context for the study, information about each of the schools was gathered from school websites, the Texas Education Agency website and the Charter School Resource Center of Texas. Previous research produced on
special education services in charter schools, was conducted with surveys of various stakeholders such as school directors, teachers, parents and students. Consequent to a paucity of in-depth descriptions of the charter schools’ experiences with development and management of special education services found in the literature, this study approached the problem differently.

This study closely examined special education services in open-enrollment charter schools in Texas using a case study process. Schools selected for the study represented charter schools operating in north Texas with regard to enrollment, grade-span, and target population. Six questions were posed:

1) How has the open-enrollment charter school elected to design special education services?

2) Are the special education services provided at the open-enrollment charter school designed to meet the individual needs of students with disabilities?

3) Have federal disability laws effected the open-enrollment charter school’s a) admissions, b) operations, or c) student performance ratings?

4) What was the level of compliance with federal and state requirements for educating students with disabilities at the open-enrollment charter school at the time of the Initial Onsite Review?

5) Does the level of funding for special education match the level of funding needed to provide the required special education services?

6) What are the opinions of the open-enrollment charter school administrator regarding the relationship between funding for special education and the level of
compliance with federal and state requirements for educating students with disabilities at the school?

Prior research and the literature review highlighted growing concerns over the limited success charter schools share in extending access to students with disabilities (Gill et al., 2001). It is suggested that charter schools are in violation of federal legislation in the area of special education (Good & Braden, 2000). Adequate funding has been cited by school administrators as the greatest challenge in operating charter schools (Taebel & Daniel, 2002). The schools included in this study were representative of open-enrollment charter schools operating in north Texas in terms of location, enrollment, grade-span, and target population. Table 1 summarizes descriptive information about the schools in the study.

Table 1

<table>
<thead>
<tr>
<th>Case Attributes</th>
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<tbody>
<tr>
<td><strong>Case</strong></td>
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<td>2</td>
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<tr>
<td>3</td>
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</tbody>
</table>
Two of the schools in the study had been operating for five years, one for four years, and one for three years. The literature review guided the formulation of the interview questions that were developed to elicit administrators’ descriptions of special education services at their schools, with specific probes in the areas of special education funding and compliance. The interview protocol employed (Appendix B), assured that identical questions were posed during each interview. The interviews were conducted in an emic style allowing the administrators to provide their insights and perceptions and allowing for follow-up conversation on topics of special interest to the administrators. At the conclusion of each interview the final question posed was, “Is there anything I have not asked you about special education or about your school that you would like to share?” This question, in an emic manner, allowed administrators the freedom to lead the discussion into areas they deemed important to the discussion.

The documents selected for review augmented the level of detail and served to substantiate information from the interviews. Table 2 displays the documents reviewed for each of the schools in the study.
### Table 2

**Documents Reviewed**

<table>
<thead>
<tr>
<th>Document</th>
<th>Reviewed For</th>
</tr>
</thead>
<tbody>
<tr>
<td>Charter application/agreement</td>
<td>Program design</td>
</tr>
<tr>
<td>Self-evaluation for Initial Onsite Review</td>
<td>Program, design, compliance</td>
</tr>
<tr>
<td>Final report from Initial Onsite Review</td>
<td>Program design, compliance</td>
</tr>
<tr>
<td>Summary of Finances 2000, 2001, 2002</td>
<td>Funding</td>
</tr>
<tr>
<td>Data Analysis System reports 2001, 2002</td>
<td>Compliance</td>
</tr>
<tr>
<td>Academic Excellence Indicator System (AEIS) reports 2000, 2001, 2002</td>
<td>Programs, funding, student achievement</td>
</tr>
</tbody>
</table>

**Description of Context, Informants, and Approach to the Interviews**

As mentioned, studies at the national and state levels provided only preliminary information about the status of special education in charter schools. Most studies have been conducted as surveys of various stakeholders in the charter school movement. Key questions about special education services in open-enrollment charter schools remain unanswered. Of special interest for this study were the issues of the required free appropriate public education in the least restrictive environment for students with disabilities, funding adequacy, and charter schools’ compliance with state and federal special education regulations. In order to explore these questions, rich descriptive information about
experiences with special education services at the school level was collected and analyzed.

Initial contacts with administrators at ten open-enrollment charter schools in the north Texas area were made during the fall, 2002. Of the ten, six administrators agreed to meet to learn more about the project and to consider participation. After meeting with the six administrators, one declined participation and five administrators took the research proposal forward to their school's board of directors for consideration. Approval for participation was obtained from four of the five boards. It was interesting to note that the reason given for declined participation by the board of directors was the need for the administrator to concentrate her time on writing grants and pursuing additional funding for the school. Less than fifty percent of the schools contacted about this study agreed to participate. This was a limitation of the study because it was unclear if there was disparity between participating and non-participating schools in terms of special education services, compliance, and funding.

Two of the four participating school boards requested additional information regarding anonymity and the manner in which results would be reported. Approval from these two schools was delayed by at least one month until the time of the next board meeting. At the time of the initial contact, all of the administrators asked if the researcher was considered a “friend or foe” of charter schools. They each seemed wary of participating in a study that was intended to criticize or emphasize negative aspects of the charter school movement. Time was spent building rapport and trust with the administrators while remaining
objective. Following approval from the university to conduct the study and approval from the board of directors at the four charter schools in the study, the school administrators were given an opportunity to review the consent form, discuss the general parameters of the interview, and pose questions. Each participant received a copy of the signed consent form. Concerns about confidentiality and anonymity were considered, and sensitivity to these remained a consideration throughout the study. All of the participating administrators expressed trepidation about the negative effects that the media attention to charter schools have had on their schools. Due to the focus of this study on two especially sensitive areas, funding and special education, apprehension about the results and reporting of results was understandable.

School observations were conducted at the four schools prior to conducting the interviews. In addition, and in order to establish a context for the interviews, information about each school was gathered from a variety of sources including school websites, the Texas Education Agency website, and the Charter Schools Resource Center of Texas. The interviews were conducted at the charter schools, either in a conference room or an office. The interviewer sat across the desk or a table from the interviewees with the recorder placed between them. Sound reception and replay quality were good on all tapes. Each interview lasted between forty-five and sixty minutes. The audiocassette tapes were stored in a safe until the study was complete and then destroyed.

The interviewees consisted of two men and three women. Three of the administrators interviewed held the position of superintendent or chief executive
officer and two held the position of special education director. One of the interviews included two administrators – the chief executive officer and the special education director. Two of the administrators had participated in writing the charter application and had been involved with their school since inception, one came to the school two months after it opened and two had been associated with the school for three years.

Each of the administrators who participated in the study was interesting and forthcoming in relating remarkable “stories” about their experiences with special education services in open-enrollment charter schools. The administrators communicated a high-level of commitment to the charter school concept in general and to the mission of their school in particular. One administrator said, “It really isn’t about money. It’s about where the child is gonna be best educated…if it works and it’s good for kids that’s the bottom line.” Another commented about his experience with the charter school, “I’ve been in public education for twenty-four years and it is the most rewarding experience I’ve had.” Each of the administrators seemed to enjoy the interviews. Good rapport was established and the pacing of questions and responses seemed appropriate with the school administrators talking the vast majority of the interview time.

Review of Data Collection and Analysis Procedures

Data Collection Procedures

Data collection procedures for this study included audio-taped interviews of four charter school administrators using a structured open-ended interview
protocol, observations, and documents review to substantiate findings from the interviews. School observations were conducted during a three-month period in the spring, 2003. The interviews were conducted during May 2003. Documents about each school were obtained from the Texas Education Agency website and from a public information request to the Agency in June 2003 for selected documents.

Data Analysis Procedures

The interviews were audio taped during which time field notes were taken. Tapes were transcribed and then verified by an independent reader. The NUD*IST 6 software® program was used to analyze the data. Initial codes were derived from the concepts embedded in the questions from the interview protocol. The initial coding resulted in the following categories:

<table>
<thead>
<tr>
<th>Category</th>
<th>Sub-Category</th>
</tr>
</thead>
<tbody>
<tr>
<td>Design of special education services</td>
<td>Proactive</td>
</tr>
<tr>
<td></td>
<td>Reactive</td>
</tr>
<tr>
<td></td>
<td>Instructional arrangements</td>
</tr>
<tr>
<td></td>
<td>Meeting students’ needs</td>
</tr>
<tr>
<td>Effects of federal education laws</td>
<td>Admissions</td>
</tr>
</tbody>
</table>
Operations
State assessments
Compliance

Funding for special education
Adequacy
Enrollment
Reflections

Relationship between funding and compliance
Direct relationship
Indirect relationship
No relationship
Shouldn’t be but there is

Success factors
Parent involvement
Curriculum
Start-up issues
Complaint/due process hearings
Kid fit
Other

Demographic – school
Enrollment
Years open
Number/percent special education
School rating
Purpose/mission
Handwritten field notes from the interviews and the school observations were also coded into the initial categories. The constant comparative method was used to identify concepts and compare these according to their properties and dimensions (Strauss & Corbin, 1998). First-level coding and pattern-coding (Miles & Huberman, 1994) were also used to progressively sort the data.

Themes emerged from the detailed description within each case or interview, and cross-case analysis resulted in the development of themes across the four cases:

Table 4

<table>
<thead>
<tr>
<th>Emergent Themes</th>
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<tr>
<td><strong>Theme</strong></td>
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<tr>
<td>Commitment to purpose</td>
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<td>Realistic</td>
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The interpretations of the cases or lessons learned from the administrators about the story of special education at their open-enrollment charter schools are articulated in the data interpretation section. These interpretations emanate from the emergent themes. Commitment to the special purpose of the charter school and the specialized curriculum, a realistic approach to managing the school in all areas including admissions, individualized education for all students at the school, and a business-minded, responsible use of available resources were over-arching themes in the responses and comments during the interviews within each case and across all four cases. The data gathered from the documents review were summarized on a Document Summary Form and related to the
various codes. This process triangulated the findings from the interviews and substantiated the information, patterns, and relationships established from the interviews with the administrators.

Interpretation of the Data

Through the process of inductive reasoning, generalizations about each question were reached through the examination of interview data, observations, and document analysis. The supporting data for each conclusion follows the restatement of each question, which in turn is followed by substantiation from all data sources.

Research Question 1: How has the open-enrollment charter school elected to design special education services?

Generalization: As the open-enrollment charter school increased enrollment, coupled with the number of years in operation, special education options for students with disabilities increased and stabilized. There was a conscious effort to improve the quality of special education services each year that the open-enrollment charter school was in operation.

The interview questions that elicited responses on the design of special education services included: 1) Describe special education services provided for students with disabilities at your school, and, was the design of special education proactive – before the students with disabilities enrolled, or reactive – after students with IEPs enrolled? 2) Describe any significant rewards or challenges to providing special education services relative to the special focus or intent of this charter school.
All four administrators indicated that during their schools’ first two years of operation special education services were provided with “inclusion” or “mainstreaming”. In Texas, the “mainstream” instructional setting code is used for students who have an IEP for special education that is implemented entirely in the regular classroom (TEA, 2001b). Any specialized supports or services, instructional modifications or accommodations, are provided in the regular classroom and no pull-out services are needed to help students with disabilities make progress in the general curriculum. The teacher responsible for implementation of the IEP is the regular classroom teacher, not a certified special education teacher.

The administrators also reported that there were very few, if any, students with special education IEPs enrolled during their schools’ first year in operation. Three of the four administrators reported adding special education services during the school’s third year. At one school, speech therapy services were added during the third year based on student needs. At two schools, resource room, content mastery and speech therapy were added for the schools’ third year in operation. At the fourth school, and by design, mainstreaming continued to be the only special education option offered. The special education instructional settings available at the open-enrollment charter schools in this study are those that typically serve the needs of students with mild disabilities. Table 5 summarizes the evolution of special education services at the four schools in the study.
Table 5
Special Education Services Available Through Time

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<tr>
<th>CASE</th>
<th>YEAR 1</th>
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<th>YEAR 3</th>
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The evidence found in the data establishes the generalization that special education services in open-enrollment charter schools both increase and improve from year to year. Administrators’ comments about the special education program-design at their schools included:
“Well, when we started our school we started with nine students, none of which were special education identified at that particular time. We’ve grown to approximately a hundred and fifteen students in our third year. We’re in our third year and services that we’ve provided have been the same through the three years but the methods in which we provide them have changed…we focused predominantly on mainstreaming all of our special ed students.”

“We didn’t have that many kids identified, by the way, I mean I think we had three kids that were possibly served in a different district…So, in order to meet the needs of the kids we were just doing an inclusion type setting. We were so small at that time that everybody could have an IEP cause you’re just basically teaching by the kid…the next school year it was a little more organized in that we were able to set up their IEPs and basically meet their needs still using pretty much an exclusive inclusion model. Next year the school continued to expand. We actually set up resource classes and we also had content mastery…We’re covered in speech. We actually brought a speech therapist on. She works part time for us now and she covers on both campuses and that works out real well.”

“Originally we were told that we didn’t have to follow all the state guidelines and mandates under special ed…when we first started we didn’t really look at whether a child was receiving special education services at another school district or not because when we started I did have a person who had a background in special ed and so he was a
certified special ed teacher so we were probably a little ahead of the game of most charters…When we first started we probably only had two or three kids in the special ed program…We did not have speech until the third year…the (special education) kids were getting the same comparable educational opportunities as anyone in the general ed program…There’s nothing special about special ed here. Special ed here we view it as an interim bridge back to the regular program.”

A pattern emerged among the responses to the query about whether the design of special education services had been proactive – before students with disabilities enrolled, or reactive – after students with IEPs enrolled at the school. The pattern reflected a commitment to the special purpose or mission of the school, which in all four cases, was not special education. However, administrators at the two schools designed to serve at-risk or struggling learners reported a proactive approach to planning and developing special education services. One administrator said, “Well, we wanted to start out with a wide spread idea that we’re gonna meet the needs of all of our students and we knew that some of those students were gonna be special education students, and the plan was that when that occurred which wasn’t very far into the first year, we received our first special ed student, the first year we were open and you know I’d already arranged to contract services with these people so it wasn’t like I was scrambling…we had that lined up.”

Administrators at the two schools designed to provide accelerated or advanced curriculum reported a reactive approach to planning and developing
special education services. One administrator said, “The focus of the attention was on the accelerated nature of the curriculum that they wanted to have...And I think probably the vision there was that who was gonna be attracted to this school probably were not going to be students who possibly experienced learning disabilities.” Another administrator said, “In the very beginning this charter was never really set up to work with special education students in that respect. It was specifically designed to work with gifted and talented students or to treat all students as if they were gifted and talented.”

Regardless of whether special education services were designed in a proactive or reactive manner, the results were similar: special education services were provided at open-enrollment charter schools in a manner that allowed both for remaining consistent with the special purpose of the school and for meeting the individual needs of students with disabilities. Figure 1 depicts a flow map for different routes to meeting students’ needs in the schools in this study.

Figure 1

Open-Enrollment Charter Schools: Design of Special Education Services
Another pattern that emerged in the area of the design of special education services is in the area of continuous improvement from year to year. All four administrators reported a commitment to improving special education services at some level: curriculum, expanded options, full-time staff, more staff, and professional development are examples. Following are some of the administrators’ comments.

- “This is the first year we’ve had a pathologist that has been able to come and provide the therapy and do the testing and be in attendance at the ARDs [Admission, Review, Dismissal Committee meetings]. That has always been a scrambling game before now. We’ve been real pleased about that, and that’s the model I’d like to continue…It’s a goal of mine that we continue that.”

- “We’re in our third year and services that we’ve provided have been the same through the three years but the methods in which we provide them have changed.”

- “Our special ed department has expanded more than any department on the campus. We keep adding and looking and searching for certified teachers and we’ve been successful to some extent there….We have brought a speech therapist on. She works part time for us now and she covers on both campuses and that works out real well.”

- “The way our school is structured, special ed has been a big part of it from the very start and continues to be the growing part of our school. It is the focus of the school…The only thing we knew we had to do for sure was
obey federal law which was special ed law, so special ed came in as the dominant force and everything else just kinda had to move around it…and it has maintained a priority and even expanded the priority because as we bring in more and more options for special ed kids, in other words now we have more resource teachers, now we have more content mastery, now we're talking you know, speech therapy. Now we got all these different services coming in to us. When we sit down with an ARD…what goes out of there is that's the law, you know? Everybody understands we have to meet the IEP of this child and we don't have a choice. It's not an option.”

- “We've been blessed with being able to get dual role people in here that are willing to do that and our services have gotten so much better.”

- “We were in existence two years before our current special education director came on board…she is part of a team and that's probably another reason why special ed's so integrated here because she's not only over special ed but she works with the regular teachers on her team.”

- “That first year I believe they depended on contract personnel…then the year before [last year] they hired this position as a full time position.”

- “That's where the self paced [curriculum] is…where we are weakest right now in addressing the needs of our special ed kids…we've got to spend time this summer, we've got ten days earmarked this summer where we're gonna develop curriculum that is more on the level of the students that we have coming back…So we've gotta come up with another curriculum that
is more individualized for them and again that's part of our summer staff
development.”

- “Next year’s gonna be better and the reason I say that is because I’m
  relieving my special ed instructor…I’m gonna guess we’re gonna have
  more special education students coming from adjoining districts simply
  because of word of mouth. We’ve got the best qualified special ed staff in
  a small environment of anybody.”

- “We try to improve our faculty every year that we’re in business but our
  special ed faculty has improved dramatically since the initiation of the
  school and we have teachers that are in special ed now that are really
  dominant type teachers, in other words, they’re outstanding.”

Summary of Findings: The four open-enrollment charter schools in this
study provided special education services through an “inclusion” or
mainstreaming model for the first two years of operation. Charter schools in their
first years of operation face challenges of small budgets, few if any students
enrolled who need special education, and difficulty finding special education
teachers and evaluation professionals. In the third year and beyond, the schools
were able to add special education services. The evidence also showed that the
charter schools in this study showed a commitment to continued improvement of
their special education services from year to year. This was demonstrated by the
employment of full time special education staff, improved curriculum, staff
development, or more stable relationships with contracted service providers.
The findings were verified by both the school observations and the documents review. The instructional settings were noted during the school site visits as described by the administrators. The following information from documents substantiated the information from the interviews.

1) Summary of Finances for 2000, 2001, 2002 showed a progression from funding in the mainstream special education category to successively more funding from year to year in the special education block grant category. The special education block grant provides funding for all special education services provided other than the mainstream category.

2) Charter School Initial On-Site Review Reports described the instructional arrangements provided at the charter schools for the first two years of operation. Special education services were described as “mainstreaming” for all of the schools in the study.

3) The Academic Excellence Indicator System (AEIS) Reports for 2000, 2001, and 2002 provide information about increasing numbers of special education students in the school and participation in the Texas Assessment Program.

Research Question 2: Are the special education services provided at the open-enrollment charter school designed to meet the individual needs of students with disabilities?

Generalization: There was a strong emphasis on individualized instruction for all students at the open-enrollment charter schools, including students with disabilities. Special education services at open-enrollment charter schools met
the individual needs of students with disabilities who chose to attend those schools.

The interview question that elicited responses about meeting the individual needs of students with disabilities was: Discuss your views on the effectiveness of the instructional programs and approaches at this charter school in meeting the needs of students with disabilities. Sub-questions included probes regarding the quality of education at the school, whether services to students with disabilities are largely the same or noticeably different from other services, and student performance/achievement levels.

Comments from the administrators reflected an emphasis on individualized instruction for all students in the school. This was consistent with information from a review of the literature on the charter school movement in the United States. Individualized instruction to meet the needs of each learner was an emergent theme within each interview and across all four interviews in this study.

- “Well we started out with a vision that we would create a curriculum so engaging that the concept of self paced would explode…our vision of our school is to create an environment for students to grow personally.”
- “We started out with a wide spread idea that we’re gonna meet the needs of all of our students.”
- “So we’ve gotta come up with another curriculum that is more individualized for them and again, that’s part of our summer staff development.”
• “…so it’s very easy for our faculty members to modify and adjust to meet the needs of each individual student whether they be special ed or whether they be GT [gifted-talented] kids.”

• “We’re going to individualize to make this work for anybody who comes here, and we know that they’re all going to be at-risk so we’re going to have to shore all of them up.”

Administrators also discussed their views on meeting the educational needs of students with disabilities at their schools. Their comments ranged from high expectations for all students, to quality instruction, to finding ways to meet the needs of students who had “fallen through the cracks” at their previous school. One administrator talked about the increasing special education identification at his school.

• “We’ve established a kind of pre-referral committee to make sure that we’re not testing just to be testing and that has really helped us focus our efforts. The kids that come through that committee are testing out. Not all of them qualify, but a large majority of ’em qualify and based on that I think that our percentage is gonna hit twenty percent. While that’ll draw red flags I know in TEA [Texas Education Agency] or whatever, the reason is because basically what this open-enrollment school is, is we’re a one-A school. We’re a country school in the middle of the metroplex that parents with their children who have not been successful, over ninety percent of the kids that come to this campus have failed TAAS [Texas Assessment of Academic Skills] where they were. We get probably a ninety percent
failure rate and there’s not a campus you can compare us to in this area because they don’t have a ninety percent failure rate on TAAS coming all together at once. What that says is we have a lot of kids that have fallen through the cracks. They haven’t been tested, they haven’t been identified and so their parents know that they’re having a problem. They’re not being successful so they bring ‘em here and it’s amazing really, that you know we identify kids in seventh and eighth grade that have had severe learning disabilities really that no one has ever checked them for, and our diagnosticians run day and night just about, testing children.”

Related to providing quality special education instruction and high expectations, one administrator said, “We have teachers that are in special ed now that are…outstanding. They’re not here for the paycheck in other words. They’re really doing some fantastic things with those kids and the accelerated math program that they’re running for ‘em…the kids have just caught onto it and are just really going with it.” Another said, “The kids who are in resource appear to me to be typical IQ wise, family wise, social economic wise kiddos that I’ve had in a lot of districts I’ve taught in. But there’s just something different about them here. Just verbally, their responses, they do the science and social studies projects that the other kids do. It’s not necessarily at the same level, but they do it. They are able to talk to me about it and I’m real impressed and I think that’s because the expectation here is higher…They just fit in more with their regular ed peers here I think because the bar [of high expectations] is there.”
Careful, individualized monitoring of movement between special education and regular education was evident in this comment about the special education director at a third school: “If she sees a kid in special ed she’s gonna say, okay we’re doing that in the regular program or Miss XXX you need to bump this up because the kid’s gonna transition back in, and this is where they are in the regular program so that the child doesn’t have any anxiety when they move over to the regular program.” All of the administrators reported that special education students at their schools were performing well in the state’s assessment program – either the Texas Assessment of Knowledge and Skills (TAKS) or the State Developed Alternative Assessment (SDAA). One administrator said, “The instruction that they’re receiving is pulling them out of being in the failing category. It’s giving them what they need so that they’re learning to read, learning to do math, and performing well either on TAKS or SDAA.”

In the area of social adjustment, the administrators generally reported that students with disabilities fit in well at the school and in the life of the school. This comment was representative of comments from all of the interviews: “They are integrated so much in with the main population that they do all things together till there’s really just no separatism…The kids, they don’t even know who’s in special ed…Our students here participate and they’re just as popular as all the other students. But if they were in maybe a larger district or another school, they may shy back and not be willing to participate in things like cheerleading and the track team and the pageants. The students here feel very comfortable with the program and of what their accomplishments are. I think we have a really good
program.” Two of the themes that emerged from the data were a commitment to the special purpose of the school and an individualized approach to educating all students in the school. These themes were intertwined. The schools included in this study reported success in providing individualized education for students with disabilities. At the same time, the administrators also communicated the belief that as a school of choice, they were not obligated to be a school for all students. Commitment to the special purpose of the school and meeting individual needs of students were both related to finding a good match between what the school provides and what the students need. Only students with mild disabilities received special education services at the four open-enrollment charter schools in this study. Information about serving students with moderate to severe disabilities with more intensive and costly educational needs was not available. Comments made by the administrators reflected a realistic view of the services that could and could not be provided at their schools. This realistic outlook represented a third emergent theme from the data.

- “There’s one waiting to come and they’re gonna be very upset if they need a whole lot of specialized services that I don’t have access to. It’s like a lawsuit waiting to happen but I don’t see how you can hold me accountable for that when I am trying to get those services and they’re just not available. And we try to let the parents know that the best place for the child to get the most appropriate education is to stay in an area where they can receive those services…so what we do is try to let the parents know if they have a child that does have a disability like that, that
sometimes for them to bring ‘em out of the situation where they were actually given the services and try to bring them here or to a charter school that does not actually have that person on staff would not be a good idea. It’s just open and honest communication and it’s not that we don’t want your child here, it’s that you have to also look at the fact that you have to have that child in the most appropriate environment.”

• “That’s the main thing. We try to, from the very start in the parent interview, we try to let them know that we’re partners with them and we want the same thing that they want. We want their child to be successful. We say, here’s our procedure, here’s the way we work, and we list out how we work with the child. If a child is not functioning like the rest of the school…it’s usually the parent that says ‘hey look, you know this isn’t working for us.’ That’s the point that we try to make with them at the very start. This school is not for everyone and it’s a choice school. I hope it can work out for you, but if it don’t, it doesn’t mean that your child’s not gonna be successful somewhere else. It just simply means that we’re not the best match for ‘em. You know that happens at both ends of the spectrum. We have kids that come here that have been in AP [advanced placement] courses and I have to tell the parent right out front, ‘hey look we don’t offer AP yet.’”

• “You know charter schools are facing a dilemma here where you’ve been perceived and promoted as a school of choice and as more and more regulations are coming down on charter schools, we’ve got to be very
careful on how we handle enrollment procedures. We’ve been told now that if you’ve got ten people lined up at that door and you’ve got ten spots that they have a right to get in that door. Well, that’s a mixed message to me so we gotta be very careful, but back to your question, we sit down with each student whether it be special ed or regular ed and assess their needs. We then tell them what we have in place to meet those needs.”

- “I visited with his mother several times and talked about our campus and what we have available. You know, he’s been used to a full time aide….at this point in time at our school we feel like you could be better served somewhere else and it’s not that we’re denying access to what we have, it’s just because of funding constraints right now I don’t think I can serve your child as good as he could be somewhere else. It has really nothing to do with I don’t want a blind person on my campus. It’s, ‘you’re welcome to come, but you’re gonna get more somewhere else. It’s your choice. And if you make that choice you need to understand that these are some of the hardships that we’re gonna have in servicing your child.’ And they understand that. They appreciate that honesty. It’s just child by child by child. It’s not like automatically you click into this zone of counseling students more if they happen to have a disability. It’s like by ability and disability, are we the right match for you.”

Summary of Findings: Administrators from the four open-enrollment charter schools in this study reported an emphasis on providing an individualized education for all students at their schools. They also reported success in meeting
the needs of students with disabilities enrolled at their schools because of factors such as high expectations for all students, quality instruction, small classes and finding a way to meet the needs of students who have “fallen through the cracks” at their previous school. All of the administrators reported that special education students at their schools were performing well in the state’s assessment program. In the area of social adjustment, the administrators reported that students with disabilities fit in well at the school and in the life of the school. Commitment to the special purpose of the school, an emphasis on individualized instruction for all students, and a realistic approach to working on finding a match between what the charter school offers and what the students need were the themes that emerged in the data.

The findings were triangulated by the documents reviewed. The Self-Evaluation for Initial Onsite Review and the Final Report from Initial Onsite Review were especially informative in the area of individualized education. For example, the Final Report for one school in the study included the statement: “Every student at [the school] receives an individualized education program (IEP) developed from formative and summative evaluation. For this reason, students receiving special education are not stigmatized in the general curriculum.”

Research Question 3: Have federal disability and education laws affected the open-enrollment charter schools’ a) admissions, b) operations, or c) student performance ratings?

Generalization 1: Federal disability and education laws (i.e. IDEA and No Child Left Behind) had no direct effect on admissions at open-enrollment charter
schools in Texas. Finding a match between students’ needs and what the school has to offer was a critical variable in admissions to open-enrollment charter schools.

Generalization 2: Federal disability and education laws affected operations in open-enrollment charter schools in the areas of personnel and budget management.

Generalization 3: Federal disability and education laws had no direct effect on student performance or campus accountability ratings in open-enrollment charter schools in Texas.

The interview question that elicited information about the effect of education laws on open-enrollment charter schools was: Have federal laws like IDEA and No Child Left Behind impacted this school’s admissions, operations, or student performance ratings? Please elaborate.

Admission to charter schools was an area of concern cited in the literature for students with disabilities. In Texas, all students residing in the geographic area specified in the charter are eligible to attend the open-enrollment charter school. No enrollment preferences are permitted and in the case of over-enrollment, available positions must be filled by a lottery drawing or in the order in which applications were received before the application deadline (TEC §12.117 (a)(2)). Texas state law regarding enrollment and the procedures specified in the case of over-enrollment mitigate the risk of refusing enrollment to students with disabilities.
During the interviews, all of the administrators indicated a keen understanding of state law related to admissions to open-enrollment charter schools. None thought that federal education and disability laws affected admissions at their school. When asked if federal laws, specifically IDEA and No Child Left Behind, impacted school admissions one administrator said, “No. And when I say no it’s just that we’re committed that if someone comes we’re an open-enrollment charter. If they come in and they meet the area requirement as far as geographically, and if they haven’t been in an alternative school, that’s the only two things that we can consider…Lottery. Yeah we have to lottery. It’s not a choice. State says we have to do the lottery system and that’s what we do.” In response to the same question another administrator said, “No, not our admissions because we still have the same admission policy we’ve always had.”

Three themes were noted in the responses when administrators were asked about whether students with disabilities were counseled out of application to, or enrollment at, the school: 1) commitment to the special purpose of the school, expressed as “we are not a school for all students” and “we want our school to be a good match for the students”, 2) individualized education and an effort to meet all students where they are, and 3) realistic and open communication, expressed as “we tell parents what we can and cannot do at our school”. Following are comments about counseling parents and students regarding admissions at the four schools in this study.

- “We do make them aware of the fact that the pace of this curriculum runs faster than public school…I think the statement should rightly be made to
a parent, we want you to be aware of this and you need to take into consideration, is this the right school for your child.”

• “I do say, ‘the majority of our students stay in the regular classroom for a large part of their day and it seems to be working. Of course, we’ll meet your child’s needs, but I just want you to be aware that this is the model that’s working at this time.’”

• “Once we’re at capacity we go to the lottery. Until that time, we have an application and an interview process that we go through with the parent or guardian and the student. At that time we go over their application, fill in any holes that are there, ask any questions that we need to do a transition ARD if we need to, or transfer ARD, and take care of all that business.”

• “And we do approach it that way. Just your average kid who clearly doesn’t want to be here, you know, it could be that we may not be right for you, and so the counseling out, if it at all happens, is just universal…we sit down with each student whether it be special ed or regular ed and assess their needs, then tell them what we have in place to address those needs…it’s like by ability and disability are we the right match for you.”

• “You know, when you talk about special needs children there’s some areas that obviously we can’t do the job that the districts that have, say, an ED [emotionally disturbed] classroom in place and have people trained in those areas, that are on staff that they know can handle these situations. Obviously, I can’t offer as good a service. Now, if that parent says, ‘no, my child comes here’, then by law I serve that child to the best that I can to
meet the federal guidelines. In all fairness to that parent, I’m not gonna say, ‘sure we can handle it, sure we can do it.’ I have to say, ‘here’s our strengths, here’s our weaknesses, here’s our limitations.’”

- “[we ask everyone the] same set of questions. We say, ‘here’s what we offer, here’s our educational philosophy, and our beliefs and our homework policy. It’s the same whether you’re special ed or regular ed. It makes no difference.’ Also, the level of parent commitment. ‘Can you come to the Tuesday night meetings once a month? Will you work on fund raisers, that kind of thing.’ So, those are the same questions we’ll ask anyone.”

- “Well, I don’t know if they’re being counseled out, but let’s face it. If they need occupational therapists or they need this or that, I can’t get an OT [occupational therapist]. I can’t. There’s no way.”

- “It’s just child by child by child. It’s not like automatically you click into this zone of counseling students more if they happen to have a disability.”

The data showed a dichotic perspective among the administrators on the issue of federal laws. Initially administrators indicated that federal disability and education laws had not affected admissions at their school, yet they all spoke of a routine practice of counseling students out of enrollment at their schools. The administrators did not perceive themselves as denying admission based on disability. All entering students were screened for the school-student match. Data from the interviews showed that counseling about this match occurred for all potential students and was not related to disability. That is, an average or a
gifted-talented student was just as likely to be counseled out of attending the school as a student with disabilities, if the school was not set up to meet that student’s needs. In contrast, when students with very special needs were making application to the schools, administrators expressed a strong commitment to counseling with parents and students about available services relative to those needs that stemmed from the child’s disability. The practice of counseling students out of enrollment in open-enrollment charter schools is inconsistent with state and federal laws. In Texas, any student residing in the geographical boundaries specified in the charter is eligible to attend the open-enrollment charter school. In the United States, IDEA precludes denial of access to public schools based on disability. Tension existed for these charter school administrators between state and federal laws, school choice, and “doing the right thing for kids”.

The second part of this question examined whether federal laws affected operations at the open-enrollment charter schools. Comments in the interviews centered on the tension between budget limitations and meeting requirements specified in IDEA, difficulty finding qualified personnel to provide related services such as speech-language therapy and occupational therapy for students with disabilities, and anticipated difficulty meeting the “highly qualified” staff requirements from No Child Left Behind. The themes that emerged in the interviews were a realistic view about charter schools and a practical, business-minded approach. Realistic views were expressed with the attitudes, “we’re in this for the long haul” and “the first two years are the hardest”. A practical,
business-minded approach was characterized by insistence on being aware of how funding and budgets operate and knowing special program requirements.

Special education instruction, diagnostic and related services were acquired on a contracted basis during the first year of operation in all four schools. Following are comments about the special education services during the schools’ first year.

- “That first year they depended on contract personnel.”
- “I believe for diagnostic services they depended on contract personnel.”
- “We contract for our speech services.”
- “[The services] were contracted and we did it as needed basis, and of course the trick there was trying to schedule ARDs that would be obviously within compliance of the timelines and that would be affordable. It was very difficult as you can imagine to have us pay or fund six or eight ARDs on different dates, so it was very important for us to cluster.”
- “So we began immediately trying to recruit a diagnostician, certified special ed people and we didn’t have a whole lot of luck right there at first. We didn’t have that many kids identified, by the way, I mean I think we had three kids that…had been served in a different district…so went and found a diagnostician and he agreed to come [on contract] and test our kids.”
- “We couldn’t afford…hiring certified personnel full time.”
As school enrollment and special education enrollment at the schools grew from year to year, special education teachers and/or diagnosticians were added and in some cases, relationships with contract service providers solidified.

- “We’re much better off now than we were then in that we were contracting services then, where we have full time people now.”
- “We found that as of this year in our third year we’ve been able to hire a full time diagnostician. We’ve got a full time special ed instructor and we’ve also hired an experienced aide that has worked with special ed students.”
- “The year before [2000-2001] they hired this position as a full time position and that individual functioned as the diagnostician and the teacher, you know, the provider of the special services.”
- “We contract for our speech services and have been real pleased this year…This is the first year we’ve had a pathologist that has been able to come and provide the therapy and do the testing and be in attendance at the ARDs. That has always been a scrambling game before now. Now we’ve been real pleased about that and that’s the model I’d like to continue.”
- “Our special ed department has expanded more than any department on the campus. We keep adding and looking and searching for certified teachers and we’ve been successful to some extent there. We have, on this campus, certified people in elementary as well as secondary…we have certified people in every classroom for special ed…We have our
diagnosticians working. We’re covered in speech. We actually brought a speech therapist on. She works part time for us now and she covers speech therapy on both campuses. We have two campuses and she covers on both campuses and that works out real well.”

In one case, finding related services providers continued to be a challenge. The administrator said,

“And we try to let the parents know that the best place for the child to get the most appropriate education is to stay in an area where they receive those services. We’ve tried everything you know, it’s just very difficult to find people to do related services, the OT, and it’s even difficult to get speech therapy. You know we’ve gone through, well, several speech therapists, then we get one for awhile but then they have other commitments and other jobs and right now our speech therapist is coming all the way from Houston…it’s just really hard to get those types of related services to be consistent and so what we do is try to let the parents know if they have a child that does have a disability, that sometimes for them to bring ‘em out of the situation, the area where they were actually given the services, and try to bring here or to a charter school that does not actually have that person on staff would not be a good idea.”

In another case, funding constraints continued to affect the school’s ability to offer special education services into their third year of operation. A student with a visual impairment who was interested in attending the school was, in effect, counseled out of making application to the school. The administrator explained,
“For an example we have a student…who has a brother that is legally blind. I visited with his mother several times and talked about, you know, our campus, what we have available. You know, he’s been used to a full time aide. The family’s totally against any kind of Braille books or literature, anything. At this point in time at our school we feel like you could be better served somewhere else and it’s not that we’re denying access to what we have, it’s just because of funding constraints right now I don’t think I can serve your child as good as he could be somewhere else. [It] really has nothing to do with, ‘I don’t want a blind person on my campus.’ It’s, ‘you’re welcome to come but you’re gonna get more somewhere else. It’s your choice.’"

All of the administrators described non-traditional approaches to finding a way to provide special education services for their students. Completing special education testing on week-ends, using expert special education teachers working in a different school district as consultants to the charter school teachers, and assigning multiple roles or responsibilities to staff working with special education students are examples of innovative strategies described in the interviews.

- “We had three or four diagnosticians at one time basically testing every weekend…”
- “…we were able to hire and retain these faculty members in a dual role. Our diagnostician also teaches history. Our special ed instructor also teaches technology. Because we’ve been blessed with being able to get
dual role people in here that are willing to do that, then our services have gotten so much better.”

- “If charter schools are gonna survive they’ve got to be able to hire people that can wear many hats and people that are coming from the business world into charter schools, or those that have no experience in education, if they don’t understand that, it’s just a matter of time. I mean you’ve got to be diversified and you’ve gotta have quality.”

- “[The special education director] is part of a team and that’s probably another reason why special ed’s so integrated here, because she’s not only over special ed, but she works with the regular teachers on her team. She’s responsible for grade levels four through seven. They have to go through her with all issues and stuff and so, you know, she’s a viable part of the program and they don’t just see her [as] only in special ed.”

Finally, in the area of operations, two administrators expressed concern about the “highly qualified” requirements from No Child Left Behind. Three of the four schools in this study received federal Title I funds based on having at least half of their students coded as economically disadvantaged. With these federal funds come certain additional requirements, especially in the certification and qualification standards for teachers and paraprofessionals. State certification requirements are waived for charter school teachers in Texas. The federal requirements cannot be waived. One administrator said, “We can’t hire whoever we want to in this area, we gotta hire like the government says we gotta hire.”

When asked about the impact of No Child Left Behind on operations another
administrator said, “I think what it’ll do is to look at teachers more closely for us…that’s a big barrier that all of us are looking at. I think it sounds good on paper, but in reality, I don’t see how you’re gonna talk about all teachers certified by 2005-2006 school year. That’s not gonna happen. It’s just not.”

The third part of this question looked at whether federal laws had affected students’ performance or campus ratings in the state’s accountability system. When asked about student performance in the Texas Assessment Program, the administrators reported good performance by students with disabilities. The No Child Left Behind Act and the Texas accountability system both require and track special education student participation in the state’s assessment program. Students in special education participate in the assessment program at one of three levels as determined by the student’s IEP Team. They may take the Texas Assessment of Knowledge and Skills (TAKS) administered in grades three through eleven, the State Developed Alternative Assessment (SDAA) administered in grades three through eight for special education students, or a locally developed alternate assessment (LDAA) for high school special education students for whom the TAKS test is not appropriate or for students in grades three through eight for whom the SDAA is not appropriate. Administrators made the following comments about special education student performance on state assessments.

- “We got up to twenty eight special ed students this year and with that, the majority of those students come to us ARD-exempt [admission, review, dismissal committee]. Those students that we have that have not been
ARD-exempt have done well on the exit level test, which is what we predominantly work with, the tenth exit level test.”

- “We had a few LDAA students this year, but for the SDAA they all meet the expectations that we have set for them, and those that take the TAKS, they pass that also, so we have really great results on the testing.”

- “For reading, out of my nine I had one taking TAKS reading, and then the rest of the guys took SDAA…My observations with them taking it is, I’m wondering how challenging it really was…they finished fairly quickly, and so, maybe that just means that we’ve done a good job.”

- “…we’re a country school in the middle of the metroplex that parents with their children who have not been successful, over ninety percent of the kids that come to this campus have failed TAAS where they were, so we get probably a ninety percent failure rate and there’s not a campus you can compare us to in this area because they don’t have a ninety percent failure rate on TAAS coming all together at once.”

The Academic Excellence Indicator System (AEIS) reports of student performance in the state’s assessment program for 1999-2000, 2000-2001, and 2001-2002 were reviewed both to add a detailed examination of results for the four schools in the study, and to substantiate information from the interviews. Table 6 summarizes the campus state accountability ratings for the three years examined. Special education student data were not dis-aggregated in the AEIS reports.
Table 6

Campus Accountability Ratings

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Special education test results for TAAS or TAKS and for SDAA were analyzed for each campus. Special education student performance was consistent with other student performance at each campus; that is, special education students as a group did not prevent a campus from reaching the next level in the accountability rating system. These results indicated that the special education students enrolled in the open-enrollment charter schools in this study benefited from the charter school programs commensurate with other students in the schools.

The Special Education Data Analysis System (DAS) reports were analyzed for each school for 1999-2000, 2000-2001, and 2001-2002 in two areas: TAAS passing rates at the school compared to the state standard, and percentage of special education students exempted from TAAS and SDAA compared to the statutory standard. The DAS indicators were rated for risk levels from zero (no risk) to four (high risk). The four schools in this study showed no risk level for these two indicators. Information from the documents reviewed substantiated interview data, indicating that federal disability and education laws
had no direct effect on student performance or campus accountability ratings in the open-enrollment charter schools discussed in this study.

Summary of Findings: None of the administrators interviewed thought that federal education and disability laws affected admissions at their school. Three themes were noted in the responses when administrators were asked about whether students with disabilities were counseled out of application to, or enrollment at, the school: 1) commitment to the special purpose of the school, 2) individualized education and an effort to meet all students where they are, and 3) realistic and open communication. Data from the interviews showed that counseling about the school-student match occurred for all potential students and was not related to whether a student presented with a disability. That is, an average or a gifted-talented student was just as likely to be counseled out of attending the school as a student with disabilities, if the school was not set up to meet that student’s needs.

All four schools in this study provided special education instruction, diagnostic and related services on a contracted basis during the first year of operation. As school enrollment and special education enrollment at the schools grew from year to year, special education teachers and/or diagnosticians were added and in some cases, relationships with contract service providers solidified. All of the administrators described non-traditional approaches to providing special education services for their students. Completing special education testing on week-ends, using expert special education teachers working at a different school as consultants to the charter school teachers, and assigning
multiple roles or responsibilities to staff working with special education students were examples of innovative strategies described in the interviews.

All four administrators reported that students in special education perform well in the state’s assessment program. Special education student performance was consistent with other student performance at each school; that is, special education students as a group did not prevent a school from reaching the next level in the accountability rating system. These results seemed to indicate that the special education students with mild disabilities enrolled at these open-enrollment charter schools were benefiting from their educational programs at the same level or at least to the same extent as the other students in the schools.

The documents reviewed served to triangulate the data. The following information from documents substantiated the information from the interviews.

1) Charter School Initial On-Site Review Reports described the instructional arrangements provided at the charter schools from the first year of operation through the time of the monitoring visit. Mainstreaming was the special education instructional arrangement provided for the first two years at all the schools in the study. In addition these reports describe the delivery of special education services with information about personnel providing special education services. The move from contracted services to the employment of full time staff was described in the reports.

2) The Academic Excellence Indicator System (AEIS) Reports for 2000, 2001, and 2002 provided information about increasing numbers of special education teachers and instructional aides at the schools from year to
year. This information substantiated the information from the interviews.

The AEIS Reports also provided information about student participation performance in the Texas Assessment Program that substantiated the data from the interviews.

Research Question 4: What was the level of compliance with federal and state requirements for educating students with disabilities at the open-enrollment charter school at the time of the Initial Onsite Review?

Generalization: Strong emphasis on meeting individual student needs resulted in good compliance for special education student specific items monitored during the Initial Onsite Review. School start-up issues affected the level of compliance for special education administrative items at the time of the Initial Onsite Review.

The interview questions that elicited information about the charter schools’ compliance with regulations were: 1) Discuss the most recent DEC or IOR visit relative to special education programs. That is, what type of preparation did you do prior to the visit; and have you taken any needed corrective action? 2) In your opinion, have special education services at this school changed or improved because of the monitoring visit? If so, in what way?

All of the administrators reported good results from the Initial Onsite Review in the area of special education. For Initial On-Site Reviews (IORs) nine administrative indicators and twelve student folder indicators are reviewed (Texas Education Agency, 2001c). Discrepancies are cited during the on-site review when it is determined that a violation occurs systematically throughout a
charter school. The administrative indicators track compliance in areas such as personnel credentials, funds tracking, PEIMS child count accuracy, and coordination of services in areas such as early childhood intervention, transition to post-high school experiences, and Child Find notification activities. During the data-collection interviews, the administrators reported that all special education student folders were reviewed for the twelve student folder indicators, probably because of low special education enrollment at the time of the Initial Onsite Review. All of the administrators reported good results for the special education component of the Initial Onsite Review. Two of the administrators described errors on the IEP forms and two described several errors in one student's folder. Following are representative comments about results of the special education monitoring during the Initial Onsite Review.

- “I feel very good about our onsite visit…XXX came with his crew and he was just floored at what we were doing with what we had, and again, we’re much better off now than we were then in that we were contracting services then, where we have full time people now. But we were cited [on] one folder. We had…a special education student transfer here as a senior with no modifications…without having a full blown ARD. We were cited on that. Out of the folders that they looked at, everything [else] we did was right by the book, right down the row.”

- “I think it went real well; everybody says it went real well…According to some of the people from Region X, we had one of the best special ed departments in the state in charter schools and I think that’s probably
true…If we’re doing something wrong it’s not because we’re trying to hide something. It’s because we don’t know, and that’s why I tell every teacher, every director, ‘hey put everything out. When these monitors come…put it out there on the table. That’s what they’re here for. Don’t try to cover up anything because if we’re doing something wrong let’s fix it and go on down the road.’"

- “They went through every folder. Our very first visit we had one kid, and of all the folders they picked the one folder that we couldn’t show completion on some things and that taught us a lesson, and it was a good lesson.”

- “We did fairly well. Ours were only program errors of the documents. We needed this document updated… We were using their [Texas Education Agency] forms and we got cited on their forms…We had no student issues. It was just all forms. And we had six or seven form areas that we had to do.”

- “In the narrative they wrote that if they had children they’d want ‘em at this school, if they had need of special education services.”

The administrators easily identified areas of improvement in their special education program as a result of the Initial Onsite Review. One administrator talked about an improved pre-referral process, another talked about sitting down with the entire staff to “go through the whole thing to tell ‘em, what they found good, what they found bad. It has to be a learning process.” A third administrator talked about improved paperwork, “the instructional part was already pretty much taken care of.” A fourth administrator said, “the monitoring visit just affirmed what
we were doing.” All of the administrators reported completion of corrective actions required from results of the monitoring visit.

None of the charter schools in this study was in full compliance with special education regulations at the time of the Initial Onsite Review. It is typical for non-charter public school districts to receive numerous citations during a DEC monitoring visit. So, on the surface, results of special education monitoring visits for the open-enrollment charter schools were consistent with the results of special education monitoring visits in non-charter public school districts.

All four schools were cited for discrepancies on student folder indicators. In each case, the student folder citations related to only one student folder. That is, errors were found in one student folder and all other folders reviewed were in full compliance. Three of the four schools were cited for discrepancies on administrative indicators. The following patterns were identified related to the administrative indicators.

- All three schools with administrative indicator discrepancies were cited in the area of special education teacher certification.
- All three schools with administrative indicator discrepancies were cited for failure to submit the federal special education child count report. This report is needed to calculate the amount of federal special education funds available to the school.
- Two of the three schools had four administrative indicator citations in common: federal child count, special education teacher certification, policies and procedures related to a system for providing assistive
technology equipment to students, and policies and procedures governing confidentiality and access to information in special education student folders. The administrators at these two schools reported that the schools were designed to provide accelerated or gifted-talented curriculum, and that there had been a reactive response to setting up the special education program after the school opened.

- For two of the three schools with administrative indicator discrepancies, more than half of the total discrepancies for each school were administrative/procedural errors rather than student folder errors. Again, these two schools were designed to provide accelerated or gifted-talented curriculum.

- Data from the Initial Onsite Review Reports pointed to start-up issues that affected compliance on administrative indicators. Rapid growth, lack of information about special education requirements, and administrative turnover are examples of start-up variables that affected special education compliance.

Summary of Findings: All of the administrators reported good results from the special education portion of the Initial On-Site Review visit. They all used the results of the monitoring visit for continuous improvement and identified specific areas they had corrected or were working to improve. None of the open-enrollment charter schools examined in this study was in full compliance with special education rules and regulations. The administrators reported errors on forms, documents, and student folders.
Analysis of the Self-Evaluations and Final Reports from the Initial Onsite Reviews substantiated and provided additional detail to the data from the interviews. All four schools were cited for discrepancies on student folder indicators. In each case, the student folder citations related to only one student folder. Three of the four schools were cited for discrepancies on administrative indicators including special education teacher certification; federal child find count; policies and procedures related to location and identification of children with disabilities, assistive technology, and confidentiality.

Research Question 5: Does the level of funding for special education match the level of funding needed to provide the required special education services?

Generalization: The level of funding for special education was less than the amount needed to provide required special education services to students with disabilities.

The questions that elicited responses about funding for special education services included: 1) How are special education services for students at this school funded? 2) Is it your experience that the special education funding received matches the level of funding needed to provide the required special education services? 3) Is there a funding advantage or disadvantage to enrolling too many special education students at this school?

At the time of the interviews, at least three years into charter school operations, all of the administrators seemed to have a good understanding of the funding mechanisms for special education. At the outset however, they reported
at least some difficulty with accurate data reporting to the PEIMS system used by the state education agency to calculate funding levels across programs. One of the schools did not receive federal or state special education funding for their first two years in operation, so in this case, special education funding issues were lessons “hard-learned”. There was a clear pattern in the responses during the interviews that special education funding was not adequate to match the cost of providing required services. Phrases such as “funding restraints”, “strangulation of funding”, and “lack of funding” were woven throughout the interviews. Representative comments about special education funding include the following.

- “We generate funds through our mainstream setting which are supplemented by state foundation funds.”
- “The level needed to run the special ed program spills over into the foundation program funds, and I think the smaller we are, the more it's gotta spill over. I think we’re generating this year about sixty five thousand dollars for special ed weighted ADA [average daily attendance]. That doesn’t even pay for personnel, much less the testing and additional costs that we come across many times. So, no, I don’t; even with the IDEA money. You know, we’re still in the hole and will be further in the hole simply because I’m taking those two teachers out of [regular] classrooms and having to replace them.”
- “That’s the hard part for charters. We don’t have any CDs or guaranteed school funds sitting over here in the bank. We operate day to day and that’s the stress on the charter, is to get it done now. Bite the bullet so that
you can know at some point in time you’re gonna start recovering that finance. But the most important thing is that you’re gonna be in specs with the feds and you’re actually gonna be serving that kid where he should be served.”

• “You get a start up grant that’s just an x number of dollars from the state when you start up, and you get that for the first couple of years. We don’t get it anymore because once you get like your third year of operation, they don’t give it to you anymore. You’re just kinda running on the PEIMS data.”

• “We’re always gonna be living on the curve.”

Two themes that emerged during discussion of special education funding were realistic and business-minded attitudes toward charter school operations. The realistic attitude was expressed with “we’re in it for the long haul” and “the first two years are the hardest”. A business-minded attitude was expressed with expectations like: “you need to know budgets” and “you need to know how to run a school – including personnel, operations, and facilities”. There were several common experiences related to special education funding among the four administrators. During the first year of operation, very few students with IEPs for special education were enrolled. Since state funding for special education is based on average daily attendance and a weighted funding formula, data entry of student information into the PEIMS system is essential to generate correct funding. As mentioned, in one case the charter school did not receive state funds for special education for its first two years in operation, probably due to
difficulty with accurate reporting to PEIMS. The administrator said, "When we first started we had sixty [students enrolled] and the problem was that we thought we were getting paid for special ed but in point of fact we were not, so the first two years of operations we ran a special education program with zero dollars from the state in the area of special education." When talking about the school's first two years another administrator described the constraints from "a lack of funding due to a very small budget the first year and even the second year."

Federal start-up funds are available for the first two years the open-enrollment charter school is in operation. Federal special education funds from IDEA are available through a non-competitive grant application to the state. The funding level is was based on the number of special education students enrolled in the school on December 1 of the preceding school year, with the per pupil amount for special education funds set at approximately $550 (Texas Education Agency, 2000). This procedure makes federal special education funds available to open-enrollment charter schools that submit the application, for the first time during the second year of operation. At least two of the four schools in this study did not complete the application and receive federal special education funds until at least the third year of operation.

The administrators described the challenges of small special education funding amounts especially during the first two years, a commitment to meeting student needs, and the pressures that arise from the lag in funding. One administrator said, "You know, the bottom line is they're not gonna give you any money to test kids. That has to be done out of your own budget. You gotta pay
that diagnostician that day or whatever. You’re not gonna get the return on that kid [until] the kid qualifies, until next year.” The longer the open-enrollment charter schools were in operation, the more stability was reported in the special education budget. One administrator explained,

“We have dumped a lot of money in this thing getting these kids tested but knowing that is coming back when they’re identified and placed and the multiple factor put in [the funding formula]…We have invested in this thing for the last two or three years and test, test, test, test, test until now my finance guy calls me and goes, ‘where is all this money coming from?’ Well, it’s coming back into the special ed program.” Another administrator reflected, “When you reach a certain density or mass of special ed students and you’re generating the dollars, and you’ve been in operation for four or five years, then things level out so you can draw enough state and federal dollars to plan a reasonable budget.”

Continued concern was expressed about special education funding as well as funding in general. One administrator said, “You’re not getting reimbursed at the same level that you have to expend at because the state doesn’t match you dollar for dollar for what you spend.” Another said,

“That’s where charters are always gonna be in trouble, because if you do things of quality it’s gonna cost more money than the state’s giving you. That goes not only towards special education issues, but toward the general education as well. That’s gonna be the real challenge for charters to remain open in this financial climate that you find yourselves in because you know
the large districts are suffering too…Everyone feels the crunch, but probably
more so with us because we only have one major source of revenue and that
is from TEA [Texas Education Agency]…Charter schools are going out not
because they’re not good and don’t educate kids well. They’re going out
[because] they don’t have the dollars to continue to support it. And it’s not just
from one program like special ed. It’s from all of the program sources whether
it’s general ed or special ed. None of them are funded to the degree that they
should be funded in order for it to actually work.”

All of the administrators also expressed concerns about staffing at the
appropriate levels from year to year, and the cost of paying high quality teachers.

• “We’re gonna be so tight because, you know, we can sit here and I can tell
  you we can get by with much less quality. We can get by, but I’m not in
  business to get by. These kids have just gotten by up to this point. We’re
gonna stick our neck out a little bit and I’m gonna hire some additional
personnel not knowing what’s coming down next year, and just pray.”

• “Kids move from one charter to another, one public school back. They go
  back and forth, but I have to staff like I know. Well, if I under-staff I’ve got
problems. If I over-staff and I say, ‘well, let’s let them stick around and
maybe by December we’ll have the numbers’, then we’re not drawing the
ADA [average daily attendance] and the whole thing’s fixing’ to go down
the tubes. So, you have to make some real tough decisions in a real
narrow window of opportunity.”
• “It’s hard to get certified special ed people especially when they can go to the district and make forty five thousand and possibly you can only afford to pay them thirty eight and so that’s a no-brainer. That’s what you’re up against, and your larger school districts pay a stipend or bonus for signing, so I mean there’s competition for special ed people.”

• “I don’t know what I see when I look into the future. We’re just now able to do some things financially, or we’re able to do some things that we’ve wanted to do because of finance. I just hope we don’t go backwards as far as finance, backwards because of funding. As tight as we have to budget, then something’s gonna suffer. You know, obviously our major overhead is personnel and salary. We have very little facility maintenance. When you get a group of people that are committed to doing something, have bought into it, have ownership in it, you don’t want to be in a situation where you have to let somebody go. That’s my biggest fear, is the state and the budget crunch.”

When asked if there were advantages or disadvantages to enrolling a high number of students with disabilities in the school, the general consensus among all the administrators was that it was most likely a disadvantage because of the expense and challenge of finding certified special education teachers to meet the needs of the students.

Summary of Findings: At the time of the interviews, at least three years into charter school operation, all of the administrators demonstrated an in depth understanding of the funding mechanisms for special education. Often, during
the first two years, problems with accurate reporting of student data to PEIMS, needed for calculation of state funding levels across programs, reduced available funds. In addition, the federal special education per pupil amount was not available until the second year of an open-enrollment charter school. Federal special education funds were not requested by at least two of the schools in this study until the third year the schools were open. There was a clear pattern in the responses during the interviews that special education funding was not adequate to match the cost of providing required special education services. The administrators described the challenges of small special education funding amounts, especially during the first two years, a commitment to meeting student needs, and the pressures that arise from the lag in funding. The longer the schools were open, the more stability was reported in the special education budget. Concerns were expressed about the cost of paying high quality, highly qualified special education teachers.

Information from the documents reviewed was used to triangulate the evidence from the data in the interviews in the following ways.

- In the Self-Evaluation and Report from the Initial On-Site Review for one school in the study, state and federal funds in the 1999-2000 school year totaled approximately $20,000 and reported special education expenditures totaled approximately $35,000. This report is an example of the pattern of funding and spending reported by all the administrators.
- The Summary of Finances for 2000, 2001 and 2002 showed year to year increases in the total state special education funding for each of the
schools in the study. Two funding patterns were noted. Very little state special education funding for the first year of operation and a relatively large increase in state special education funding between the second and third years of operation due to an increase in the number of student served. This information substantiates the view that “the first two years are the hardest”. Although not as extreme, challenges continued into the third year of operation. Greater stability for reasonable budget planning estimates was described by the administrators during the fourth year of operation and beyond.

- The Academic Excellence Indicator System Reports for 1999, 2000, 2001 and 2002 substantiated reports from the administrators that the cost of providing special education services is higher than the level of special education funding.

Research Question 6: What are the opinions of the open-enrollment charter school administrator regarding the relationship between funding for special education and the level of compliance with federal and state requirements for educating students with disabilities?

Generalization: Although difficult during the first two years, it was possible for open-enrollment charter schools to meet special education compliance requirements regardless of the level of special education funding.

The interview question that elicited information about the relationship between funding and compliance was: Does the level of funding for special
education have anything to do with the school’s ability to remain in compliance with federal and state special education requirements? Please elaborate.

Administrators responded with a qualified “no” to this question. That is, their first reaction was that the level of special education funding did not have a bearing on compliance with special education regulations. However, they then went on to speculate about situations when it was conceivable that funding could affect compliance. First level responses that, although challenging at times, funding had not affected compliance are as follows.

- “I think it’s separate from funding. I think you ought to be able to be in compliance, you better be in compliance no matter what the funding is. If you’ve got people in place to service the kids then they need to do their job.”
- “I don’t think so. I don’t see it. I don’t. We’re responsible for the compliance effort and the quality and meeting the individual needs of the students, and that is all separate from how much money they [the state] get to the school in funding."
- “Obviously not for us because we were in compliance two years when we didn’t get a dime from them [the state]. We have just tried to focus on what’s best for kids and then just do that, and you just have to pray a lot that somebody up there will take care…so we were in compliance when we didn’t get paid.”
- “We know the law and we follow it.”
• “You have to frontload it [compliance], but if you don’t have the experience or the understanding of the requirements you could be in a world of hurt.”

• “If we talk about a major compliance issue and they come to me and say, ‘all right, we found this, this, this, and this. You’re out of compliance. You need to write us a check for eighty thousand dollars.’ It’s over. So when we start talking about compliance versus funding, you need to take care of your business.”

Additional dialogue and probes during the interviews elicited a second level of response where the administrators shared their opinions and reflections about situations when funding could influence compliance. The examples mentioned were in the areas of hiring certified special education teachers and contracting diagnostic services in a timely, but affordable manner.

• “I think it comes into place more when there are lots of referrals because you don’t have the money to buy the diagnostician time to get the kids referred to get the weighted ADA [average daily attendance]. So that you can’t be in the timeline compliance if you can’t get the people to do the testing. At elementary there’s probably more of an intertwined effect between compliance and funding.”

• “I could understand if there was a charter school or a new school that just felt like, ‘I can’t afford to pay a diagnostician two hundred dollars or a hundred and fifty dollars to test or whatever they get. I don’t have that money,’ and I know there are charters that probably don’t have that money. They just really don’t have the money and so they’re kind of in a
catch twenty-two...especially during the first two or three years, the level of funding can impact compliance."

• “It’s not just a matter of staying in compliance; it’s a matter of, you have to improve. I look at it this way, my faculty [is] improving, or I’m going down, and you cannot afford to ever go down because you’re talking about equality of employees and certifications and those type things. I have to be competitive. I have to go out into the market place and I have to find people that can work…anywhere in America. How am I going to get that person to come to my school? I have to have the funding there to work with them on that. If I’m limited on what I can offer on trying to recruit that person, then I’m gonna be stuck; our program’s gonna suffer. Recruitment has to become one of the big deals with us at this school. How do we get that key person into that position? How do we get ahold of them and make them come here and stay?”

• “That’s why a lot of the charter schools feel that it’s unfair that they’re held to the same standard as public schools in identifying and serving special ed kids unless that was the focus and the emphasis of their charter...these are federal laws, and so you always should have been in compliance, which is what we already knew, which is why we tried to be from the very beginning. But again, it is very difficult. You do what you have to do because you do it for the kids, and like I said, that’s where a lot of charters run into financial difficulty because you do have to do all these things you’re not getting reimbursed at the same level that you have to
expend…because the state doesn’t match you dollar for dollar for what you spend."

- “The trick there was trying to schedule ARDs that would be within compliance of the timelines and that would be affordable…it was very important for us to cluster ARD meetings when we were contracting these services.”

- “It’s hard to get certified special ed people especially when they can go to the district and make forty five thousand, and possibly you can only afford to pay them thirty eight and so that’s a no-brainer. That’s what you’re up against, and your larger school districts pay a stipend or a bonus for signing on. So, I mean [there is] competition for special ed people.”

- “The real challenge with charters that deals with funding, but yet doesn’t, is credibility. It’s easier now for me to go hire someone because I’ve been here five years, than if I started out brand new…Let’s just say that you’re a special ed teacher at a standard ISD [independent school district] and you’ve got ten years with …that district. You’ve got position there and you’ve got friends there…you’re comfortable there. What’s gonna cause you to move over here? They could be offering you more money…I find that to be the biggest challenge: trying to convince people that we’re gonna be here…quality people are worried about not today or tomorrow, but ten years. They’re wanting to know, ‘where are you gonna be in five years. Is there room for me to grow here?’”

- “It’s tough is what it is.”
All the administrators described very positive results of the special education portion of the initial onsite review, indicating good compliance status. As mentioned, most of the administrators reported errors in only one student folder at their school. The procedural or administrative errors from the initial onsite reviews described during the interviews related to errors with special education forms or procedures that were to be included in procedural or operating manuals and handbooks. Representative comments include the following.

- “The compliance issue was looked at with an initial onsite visit from TEA and we did very well as far as being in compliance. There were some small things that we were cited on, mostly forms.”
- “Our visits have been very positive. We haven’t had that many write-ups.”
- “We did fairly well. Ours were only program errors of documents…we did make the corrections and we mailed that back and we got a clean bill of health after that…We had no student issues. It was just all forms.”

Summary of Findings: At a surface level, administrators did not think that special education funding had a bearing on, or relationship to compliance with special education regulations. At a deeper level, they opined that especially in the areas of personnel and contracted services, funding limitations could make it very difficult to reach a level of full compliance with federal requirements, especially during the first two or three years of operation. In their opinion, the areas most affected were likely to be the evaluation and placement activities completed within specified timelines, and employment of teachers with special
education certification. The administrators demonstrated a business-minded approach to funding and compliance, expressed with the expectations that “charter school administrators should know how to run a school – especially in the areas of personnel, budget and operations”, “you have to know special program requirements” and “there are no excuses, with no room for mismanagement – people have a job to do, and they should do it”. This business-minded approach was one of the themes that emerged from the data. The other three themes identified in the data also converged during reflections on the relationship between funding and compliance. Commitment to the special purpose of the school is a theme expressed by one administrator when discussing the heavy weight of compliance requirements. “That’s why a lot of the charter schools feel that it’s unfair that they’re held to the same standard as public schools in identifying and serving special ed kids unless that was the focus and the emphasis of their charter.” The theme of individualized education for all students was expressed by one administrator who said, “We have just tried to focus on what’s best for kids and then just do that, and you just have to pray a lot.” The theme of a realistic attitude was expressed with “we are in this for the long haul, and the longer we are here, the more credibility we will have.”

Information from the documents reviewed triangulated evidence from the data in the interviews. The Self-Evaluations and Reports from the Initial Onsite Review were used to substantiate the data from the interviews. All special education student folders were reviewed during the monitoring visits. Each school had only one student folder with errors, indicating relatively high
compliance with special education requirements for student services. Of the nine special education administrative indicators reviewed during monitoring visits, two had implications for funding: 1) the December 1 child count of students in special education used to calculate the level of federal IDEA funding the school is eligible to receive, and 2) special education teacher certification. One of the four schools in this study showed no discrepancies or errors cited for administrative indicators. The other three schools were cited for both of the indicators mentioned above: child count and teacher certification. The school not cited for the administrative indicator on teacher certification had contracted for assistance from certified special education teachers in a neighboring school district. It should be noted that at the time this study was conducted, all discrepancies had been corrected. That is, accounting and PEIMS reporting mechanisms had been implemented to correctly report the child count information and all schools reported that by their third year in operation, there was a fully certified special education teacher employed.

Major Findings

The purpose of this study was to describe special education services at four open-enrollment charter schools in north Texas and to examine relationships between compliance with special education regulations and funding for special education. This was accomplished through a triangulation of interviews with charter school administrators and documents relevant to the schools’ state accountability. The findings had implications for open-enrollment charter school administrators, state education agency staff, and policy makers by providing a
deeper, more complete understanding of issues related to special education at open-enrollment charter schools. The multi-case study approach to this investigation was unique and particularly useful for gaining insight into open-enrollment charter school administrators’ experiences and opinions about special education. In particular, they told their stories about meeting the educational needs of students with disabilities, and in so doing, finding a way to manage the budgetary and regulatory challenges that have become a part of special education in public schools in the United States.

This study was significant because the findings added to the growing body of shared knowledge about provision of special education services in open-enrollment charter schools. It also clarified the relationship between special education compliance and funding. Specific findings supported the four themes and major findings, and answered the research questions: How have the charter schools designed special education services, and do these services meet individual needs of students with disabilities? Have federal education and disability laws affected charter schools’ admissions, operations, or student performance ratings? What were the levels of special education funding and compliance with federal and state regulations? Is there a relationship between special education funding and special education compliance with rules and regulations?

Four overarching themes emerged from the data and provided a framework for understanding the specific findings. These themes were: 1) commitment to the special purpose of the charter school and the specialized
curriculum, 2) a realistic approach to managing the school in all areas including admissions, 3) individualized instruction for all students at the school, and 4) a business-minded and responsible use of available resources. The themes were consistent within each case and across all cases for the questions posed in the interviews, and provided important information about the lens through which the charter school administrators in this study viewed special education.

In addition to the themes, four major findings emerged from the data: 1) Special education services were provided at open-enrollment charter schools in a manner that allowed both for remaining consistent with the special purpose of the school and for meeting the individual needs of students with disabilities at the school. 2) In their first years of operation, charter schools faced challenges of small budgets, few if any special education students, and difficulty finding special education teachers and other staff. 3) In the third year and beyond, the schools were able to add special education services and staff and were more stable in terms of budget and operations. 4) There was a strong commitment to continuous improvement of the special education program from year to year.
CHAPTER 5
CONCLUSIONS AND RECOMMENDATIONS
Discussion of the Findings

Charter schools have been lauded as models of educational excellence and innovation, yet they are placed in the same federal “regulatory straitjackets [used] for conventional schools” (Manno, Finn & Vanourek, 2000, p. 739). In Texas, open-enrollment charter schools are considered local education agencies by the state and are required to implement the IDEA to the same extent as conventional public school districts. Meeting this standard has been problematic for the four open-enrollment charter schools in this study, primarily because of the effects of limited special education funding.

The administrators’ comments during the interviews were reflective of the tension that exists for them between operating a school of choice, the heavy weight of compliance with federal regulations, and limited funding available to provide a comprehensive array of special education services. There is a mixed message of being promoted as a school of choice while being constrained by the requirements of increasing regulations. The underlying problem of applying the rigid special education process mandated by federal disability law, on under-funded schools of choice manifested itself in the following.

- counseling students with significant needs out of application to the schools,

- limiting special education services at open-enrollment charter schools to only those that were affordable,
• responding to the challenge of finding and hiring high-cost certified special education teachers and other providers with non-traditional approaches,
• providing most special education services and support in the regular classroom, and
• enrolling only students whose needs could be met with services already available at the school.

One of the key unanswered questions at the outset of this study was whether open-enrollment charter schools were providing students with disabilities the required free appropriate public education in the least restrictive environment. Evidence from the data demonstrated that, especially in the third year of operation and beyond, these schools provided the needed special education services, with a variety of service delivery options made available to the students with mild disabilities that chose to attend the school. The data from this study are consistent with other research findings that most charter schools serve students with disabilities using a mainstreaming or “inclusion” model (Fiore, et al., 2000; Taebel & Daniel, 2002). Mainstreaming and inclusion are special education services that are provided in the regular classroom and clearly meet the standard set in IDEA for services to be provided in the least restrictive environment. They are also services typically provided for students with mild rather than severe disabilities. Questions about serving students with moderate to severe disabilities who have more intensive and costly educational needs remain unanswered.

The administrators interviewed for this study expressed strong commitment to the special purposes of their schools and to meeting the needs of
all students at their schools with an individualized approach. Success with
students with disabilities was attributed to high expectations, quality curriculum,
effective instruction, small class size, and finding a way to meet the needs of
students who have “fallen through the cracks” at their previous school. These
findings were consistent with other research findings that the individualized
instruction and small class size frequently found at charter schools served as
attractions for students with disabilities whose parents are unhappy with
traditional public schools (McLaughlin, Henderson & Ullah, 1996).

Students with disabilities at the schools in this study performed well in the
state’s assessment program, either on the TAKS or the SDAA. However, only
students with mild disabilities were enrolled at these schools. Why is this? The
explanation points to the constraints imposed by limited funding. For example, at
one school that was proactive in designing special education services,
mainstreaming or inclusion was the only special education option available
during the first two years because of “very limited funding”. Mainstreaming is a
cost effective measure. The regular classroom teacher provides special
education services so that a certified special education teacher is not required.
During this school’s third year, mainstreaming continued to be the only special
education option available because of pedagogical preference as well as limited
funding. Another typical strategy, given limited special education funds, was to
assign the special education teacher multiple roles and responsibilities. Special
education funding limited the scope of services available at all the charter
schools in this study.
In summary, low funding levels resulted in teaching assignments that included multiple classes or courses for special education teachers; which perpetuated limited special education program options and in turn perpetuated a cycle of providing services for students whose special education needs can be met through mainstreaming, content mastery, or resource support; which led finally to counseling out students with more severe and costly disabilities because their needs could not be met at the school. It is possible that the charter school administrators in this study were doing just what they set out to do with the special purpose of their school, and that there was little interest in breaking the self-perpetuating cycle of limited special education service options which led to counseling out students whose needs could not be met with the current structure.

All of the administrators communicated a high sense of commitment and integrity toward running their charter schools. They were aware of the tension between finding the right school-student match for all students attending their school and the requirement to follow special education law. When given a choice between helping a parent find the school where their child with disabilities would be best educated and appearing to deny admission in violation of federal law, the administrators in this study opted for finding the school that could meet the student’s needs. All of the administrators indicated that after the counseling process, if a parent continued to press for admission to the open-enrollment charter school that in no case would admission be denied.
A significant factor in this study has been the nature of the open-enrollment schools and the school administrators that elected to participate. As mentioned, ten schools were contacted and four participated. The participating administrators exhibited integrity, commitment, professionalism, and savvy about the intricacies of operating open-enrollment charter schools in Texas. They also communicated an interest in continuous improvement of special education services. The selection process for the study may have yielded four open-enrollment schools that are atypical in the way they manage special education services, compliance and funding simply by virtue of their willingness to open their schools to scrutiny. In contrast, the schools that were unwilling to participate may have been aware of either lack of attention to special education issues, or overt non-compliance with special education regulations.

Conclusions

The results of this case study were consistent with existing research findings in certain areas. In other areas, the results provided information where no information was available or served to minimize concerns that had been expressed in the literature about special education in charter schools. The study concluded the following:

1) Open-enrollment charter schools in Texas are viable school choice options for parents of children with mild disabilities. Largely based on financial constraints and other school start-up issues, the only special education service offered during the first two years was inclusion or mainstreaming in the regular classroom. As increased needs were identified and as capacity to meet those
needs increased, additional services such as resource room instruction and content mastery support were added in the third year of operation and beyond. Special education services seemed to stabilize in the third year the schools were open, and a range of special education services were available to meet students’ needs. The special education services developed at the open-enrollment charter schools were those that best meet the needs of students with mild disabilities.

2) Open-enrollment charter schools in this study were successful in providing an individualized educational program for students with mild disabilities that chose to enroll. Students in special education at the open-enrollment charter schools in this study performed well in the state’s assessment program and fit in well at the school and in the life of the school. This is important information because most charter schools have little data to document the impact of their program on students with disabilities. Special education student performance data also provides confirmation that a free appropriate public education for students with mild disabilities was provided in the least restrictive environment at the four open-enrollment schools included in this study. The data from this study were inconclusive regarding provision of free appropriate public education for students with severe disabilities at open-enrollment charter schools.

3) Federal education and disability laws affected admissions and operations in Texas open-enrollment charter schools in the areas of personnel and budget management but had no direct effect on student performance or campus accountability ratings. The effect of these laws on the schools’ operations was the use of innovative, non-traditional approaches for meeting the needs of
students with disabilities. Use of contracted services rather than full time staff, completing special education testing on week-ends, using experts from other school districts as consultants to charter school teachers, and assigning multiple roles and responsibilities to staff were examples of innovative strategies described in the interviews.

4) The cost of special education services in open-enrollment charter schools exceeded the level of state and federal special education funding, especially during the first two years the schools are open. State and federal funding for special education seldom covers all special education costs for school districts, resulting in the need to pay for a significant share of special education costs from general operating funds. Evidence from the data in this study showed that this was the case for these open-enrollment charter schools, and that they had very limited general operating budgets from which to absorb the unfunded cost of special education, especially during the first two years the schools were open. This is important, new information for charter school operators.

5) Results of special education monitoring visits in the open-enrollment charter schools in this study were similar to the results of special education monitoring visits in near-by school districts. None of the charter schools in this study was in full compliance with special education regulations at the time of the Initial Onsite Review. All of the charter schools in this study used the results of the monitoring visit to improve the quality of their services to students and to move in the direction of full procedural compliance with special education regulations.
There was a relationship between special education funding and compliance with special education regulations in open-enrollment charter schools, especially during the first two years the school is open. According to the administrators of the schools in this study, funding limitations made it very difficult to reach a level of full compliance with federal requirements especially in the areas of employment of teachers with special education certification, and contracting for special education testing.

Implications of the Study

The findings of this study have implications for open-enrollment school administrators, state education agency staff, and policy makers related to the place that special education can have in the charter school movement.

1) Charter school operators have little guidance at national and state levels regarding how charter school state statutes and federal disability laws fit together. Implications of this are noted with concerns about violations of IDEA, Section 504 and Title II of the ADA. This study identified relatively good compliance with special education regulations for students with mild disabilities. Better compliance and more comprehensive service options may be possible with additional guidance. Practical guides to assist charter school administrators with special education program development especially during the first two years of operation, may alleviate concerns about denial of access based on a disability.

2) Open-enrollment charter school administrators in this study had varying levels of knowledge and experience with special education and school funding in general. This led to inconsistency in special education services from school to
school. Open-enrollment charter school administrators need more technical assistance from staff at the state education agency about designing, providing, and funding special education services.

3) There is a lag in special education funding resulting in an inability to provide a comprehensive array of special education services. The implication of this is that funding inadequacy forces noncompliance. The first time federal special education funds can be accessed in Texas open-enrollment charter schools is the second year the school is in operation. The amount of funding is based on the prior year’s child count for students with disabilities. Similar to the federal start-up funds made available through No Child Left Behind, policy makers should consider providing federal funds through IDEA for start-up activities related to special education.

4) Accountability for the performance of students with disabilities in charter schools appears to be largely undeveloped. Very few charter schools provide outcome data for students with disabilities or have data to document the impact of their program on students with disabilities. Accountability requirements from No Child Left Behind should assist with data collection in this very important area and facilitate data analysis regarding charter schools’ effectiveness in educating students with disabilities.

Recommendations for Further Study

1) A follow-up study of the six open-enrollment charter schools that chose not to participate in this study is recommended to determine if there is disparity
between these schools and the schools that did participate in terms of special education services, compliance, and funding.

2) A follow-up study is recommended with two groups of parents and students associated with the schools in this study: those who were turned away or counseled out of making application, and those who enrolled and attended the open-enrollment charter schools. A study of this type might yield important information about denial of access based on a disability to choice schools.

3) A study on the effects of the “highly qualified” teacher requirements effective in 2005-2006 from No Child Left Behind on open-enrollment charter schools is recommended to examine loss of flexibility for choice schools in the area of teacher certification.

4) A multi-year comparison study of the cost of special education and the level of funding for special education in open-enrollment charter schools, starting with the third year of the schools’ operation, is recommended to gain longitudinal insight into funding adequacy following the difficult start-up years.

5) A study could be replicated with open-enrollment schools in other parts of the state to determine whether the results of this study are limited to north Texas.

6) A study could be replicated in open-enrollment charter schools that are designed primarily for students with disabilities or that serve students with severe disabilities to determine whether the interplay between funding and compliance are significantly different for these schools than for schools that serve only students with mild disabilities through their special education programs.
7) A follow-up study of special education compliance in open-enrollment charter schools in years following the Initial Onsite Review is recommended to track these schools’ capacity for maintaining and improving special education services to their students.

Analysis of the Project

Conducting this research project has given me a deep appreciation and respect for the educators involved with open-enrollment charter schools in Texas. As a public school educator, I have followed the charter school movement in Texas with interest, and have wondered about the effect of this school-choice option, especially on students with disabilities and other struggling learners. Speaking at length with the administrators in my study enabled me to understand more fully the passion they give to their work.

The open-enrollment school administrators I interviewed were open and forthright in telling their stories about the challenges and rewards of designing and providing special education services at their schools. I learned that the first two years of operation are the hardest. I learned that there are not many road maps available for open-enrollment charter schools to find their way, as special education in charter schools is largely uncharted territory. The work at these four schools can serve as a model for others to follow.

As I analyzed the data, four themes emerged: commitment to the special purpose of the school, a realistic attitude about telling parents what could, and could not be accomplished for their child at the school, individualized education for all students, and a business-minded approach to managing budget,
personnel, operations and facilities. At first it seemed that these four themes had nothing to do with the specific findings in the study. With more reflection, I realized that these themes have everything to do with the findings. The attitudes, beliefs, and passion for making a difference in public education, were pervasive throughout each of the interviews. My study allowed me to hear directly from the open-enrollment charter school administrators in a way that has not been captured in surveys, or other types of research.

This study allowed me an opportunity to listen carefully to five open-enrollment charter school administrators as they reflected on two areas that are traditionally very sensitive: special education and school funding. Many charter schools that close have had financial irregularities or difficulty, so it is noteworthy that these administrators agreed to participate in this study and in so doing, opened their schools to scrutiny. Their candor was helpful and added integrity to my study.

I found that the qualitative approach used in this study was essential to thorough investigation of this subject and I enjoyed the thinking processes and progression in data analysis that are integral to qualitative inquiry. My thinking and learning styles lend themselves well to analysis of issues and problems that involve people within organizations or systems. Reading at length about qualitative research methodology and then applying that methodology in this project have been invaluable, and will certainly affect the manner in which I approach problem solving and program evaluation in public education from this point forward.
APPENDIX A

SCHOOL OBSERVATION SUMMARY FORM
School Observation Summary Form

School (Code): Date: Time:

Tour Provided By:

Office/School Entrance: (look for Vision/Mission statements; Child Find information; tone/climate; traffic; appearance, etc.)

Classrooms:

Special Education Classrooms/Space:

Curriculum/Instruction:

Facilities:
INTERVIEW QUESTIONS

1. Describe special education services provided for students with disabilities at your school.
   
   Probe for: how the school has elected to design special education services (proactive – before students with disabilities enroll; or reactive – after students with disabilities who have an IEP enroll)

2. Describe any significant rewards or challenges to providing special education services relative to the special focus or intent of this charter school.
   
   Probe for: barriers to easily providing a full range of special education services

3. Discuss your views on the effectiveness of the instructional programs and approaches at this charter school in meeting the needs of students with disabilities.
   
   Probe for: quality of education; are services to students with disabilities largely the same or noticeably different from other services; student performance/achievement levels

4. Have disability laws impacted this school’s admissions, operations, or student performance ratings? Please elaborate.

5. Discuss the most recent IOR visit relative to special education programs. That is, what type of preparation did you do prior to the visit? What was the visit like? What were the findings? Have you taken any needed corrective action?

6. In your opinion, have special education services at this school changed or improved because of the monitoring visit? If so, in what way/s?

7. How are special education services for students at this school funded? Is it your experience that the special education funding received matches the level of funding needed to provide the required special education services? Is there a funding advantage or disadvantage to enrolling too many special education students at this school?

8. Does the level of funding for special education have anything to do with the school’s ability to remain in compliance with federal and state special education requirements? Please elaborate.
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