

Texas Public Charter Schools 101

Char•ter Schools

[chahr-ter skools]

(noun) Charter schools are tuition-free public schools that are open to all students. They are held to strict financial and academic accountability standards in exchange for more autonomy and flexibility.

By the Numbers



296,213
charter school students¹



177
charters active¹



705
charter school campuses¹

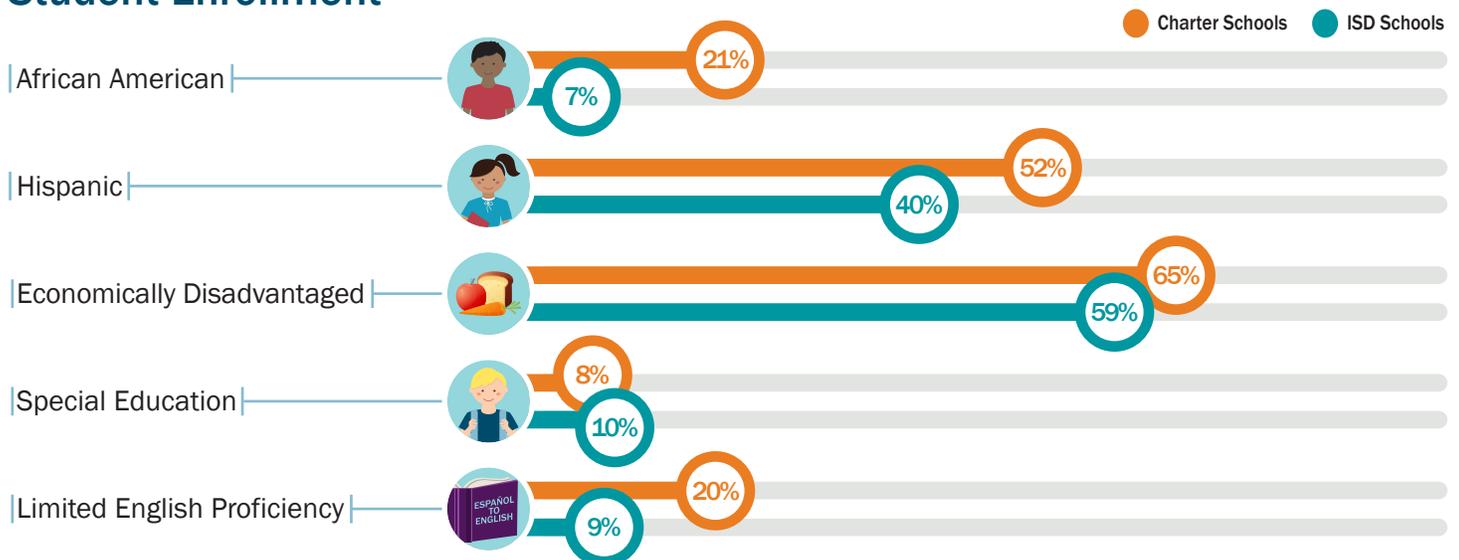


141,000
names on charter school waiting lists²

Academic Performance

- ★ Texas public charter schools educate **6%** of Texas' public school students, but make up more than **20% of A rated districts**.³
- ★ A recent Stanford study showed that students attending Texas public charter schools gained on average an **additional 17 days of learning** in reading annually, as compared to their traditional school district peers.⁴
- ★ Hispanic students attending Texas charter schools **outscored all statewide averages** for Hispanic students in all states across the country on the Nation's Report Card 8th grade math test.⁵
- ★ African American public charter students had **higher passage rates on STAAR reading and writing tests** and White public charter students passed at higher rates on reading.⁶

Student Enrollment¹



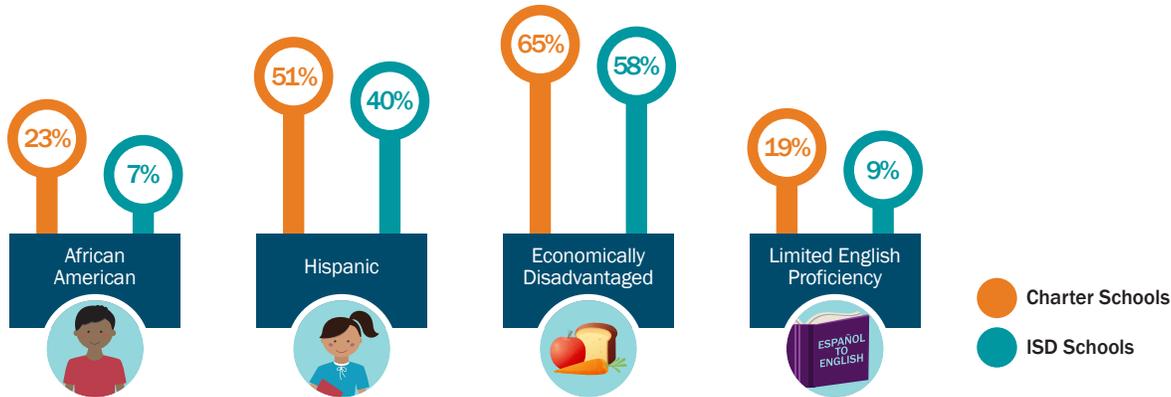
Sources: 1. 2018 Texas Academic Performance Report, Texas Education Agency
2. TCSA member data
3. 2018 State Academic Accountability Ratings, Texas Education Agency
4. 2017 CREDO Center for Research on Education Outcomes Stanford University
5. June 4th 2018 blog post (<https://jaygreene.com/?s=texas+charter>)
6. Standard Accountability schools, 2018 Texas Academic Performance Report, Texas Education Agency

Questions? Contact Christine Nishimura at cnishimura@txcharterschools.org or (512) 584-8272 x 306.



How do Texas charter schools help students succeed?

Charter schools serve more students from disadvantaged backgrounds.



And they do great things for students.



Charter school students in Texas scored 6th highest in the country on the Nation's Report Card 8th grade math test.

Texas public charter schools educate only 6% of public school students, but make up more than 20% of A rated districts.



Charter schools send a higher percentage of Texas students to college.



On average, Texas public charter school students gain an additional 17 days of learning in reading annually compared to their district school peers.

The results for students are good, no matter what background they come from.



African American students:

- Pass STAAR reading and writing tests at higher levels.
- More students enroll in college (68 vs. 54% in district schools).



Hispanic students:

- Outperforming all statewide averages for Hispanic students nationwide in 8th grade math on the Nation's Report Card.
- Taking more advanced and dual-credit courses (47% vs. 30% in district schools).



Economically disadvantaged students

- Enroll in college at higher rates (65% vs. 47% of district students).
- Gain 17 additional days of learning every year compared to their district school peers.



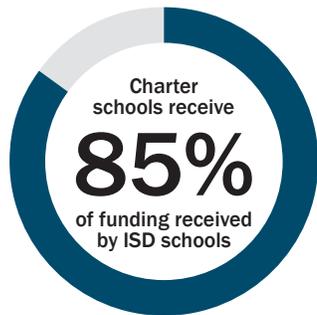
Limited English Proficiency students

- Taking advanced or dual-credit courses at twice the rate of their peers in district schools (36% vs. 18%).
- More likely to enroll in college after high school (45% vs. 33% of district schools).

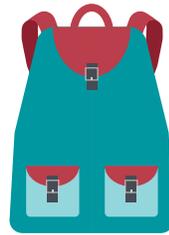
Do Texas charter schools get more money than ISD schools?

IT'S NOT COMPLICATED. HERE ARE THE FACTS.

Charter schools receive less money.

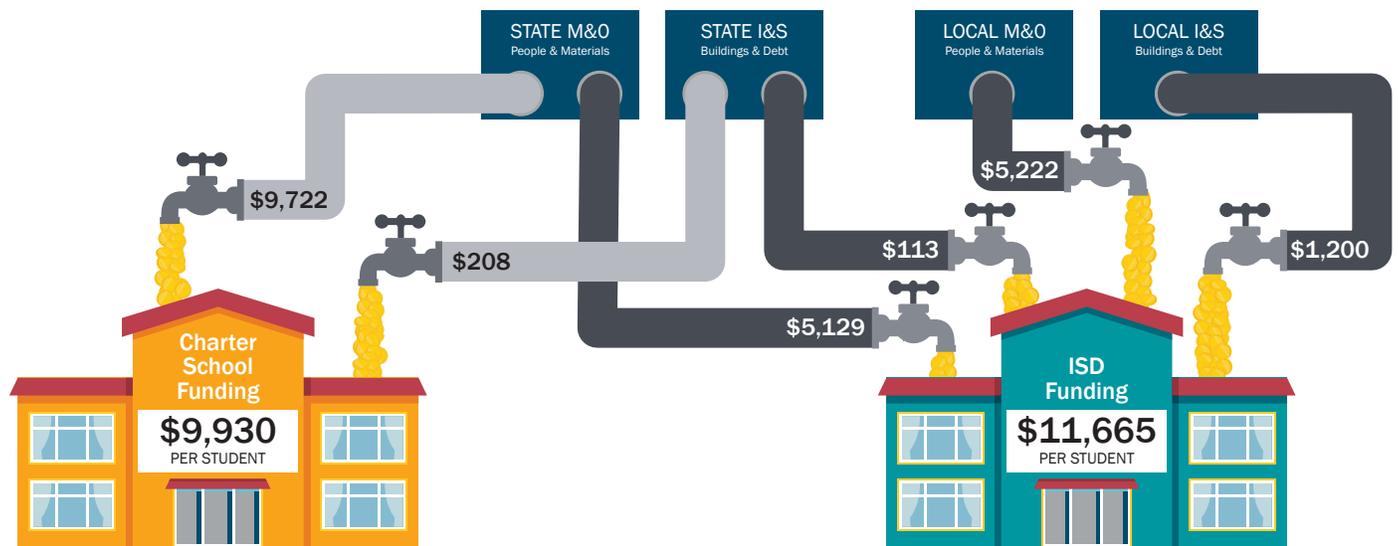


\$9,930
per charter school student

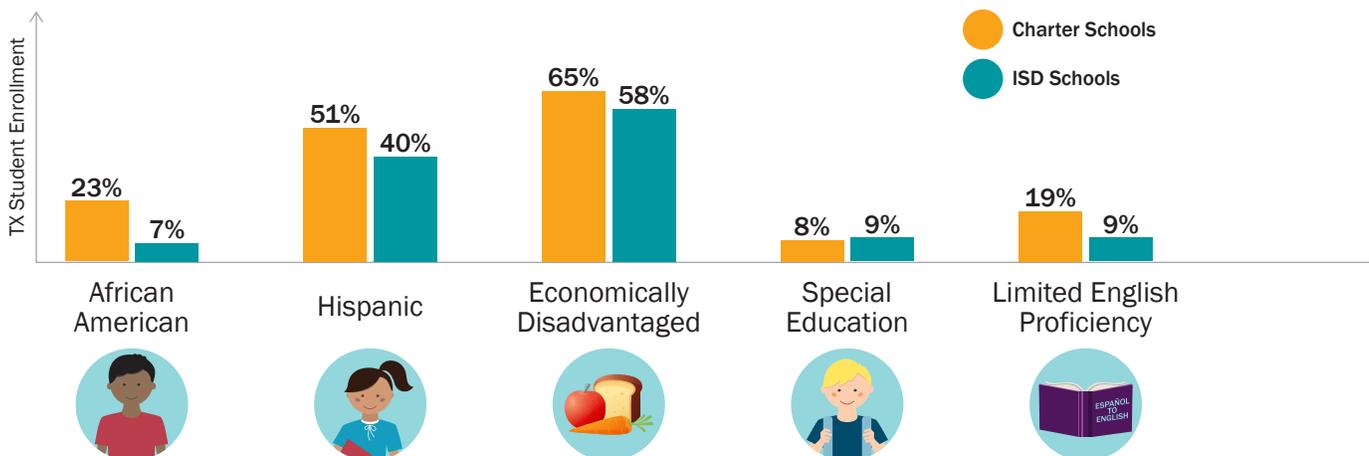


\$11,665
per ISD student

Charters have 2 funding sources. ISDs have 4.



But... Charter schools serve more disadvantaged student populations.



Sources: 2018 Near Final Summary of Finance, Texas Education Agency; 2017 Texas Academic Performance Reports, Texas Education Agency
M&O: Maintenance and Operations funding; I&S: Interest and Sinking funds
Does not reflect federal funding or philanthropy.

DON'T GET FOOLED:

Charter Schools *are* Public Schools

Opponents are working hard to pit district and charter schools against one another. Charter schools are proud to be part of the public school landscape. **Let's set the record straight.**

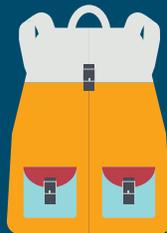
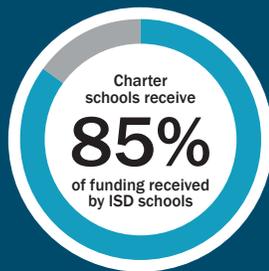
× CLAIM *"Charter schools hurt public schools."*

✓ REALITY **Charter schools ARE public schools.** They are simply another option for families within the public education system.

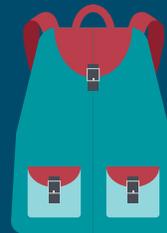


× CLAIM *"Charter schools get more money than ISDs."*

✓ REALITY **Charter schools receive less money than ISDs.**



\$9,930
per charter school student



\$11,665
per ISD student

× CLAIM *"Charter school financial dealings are not disclosed to the public and are not available for public review."*

✓ REALITY **Texas law requires charter schools to make their budgeting and financial statements available for public review on their websites.**



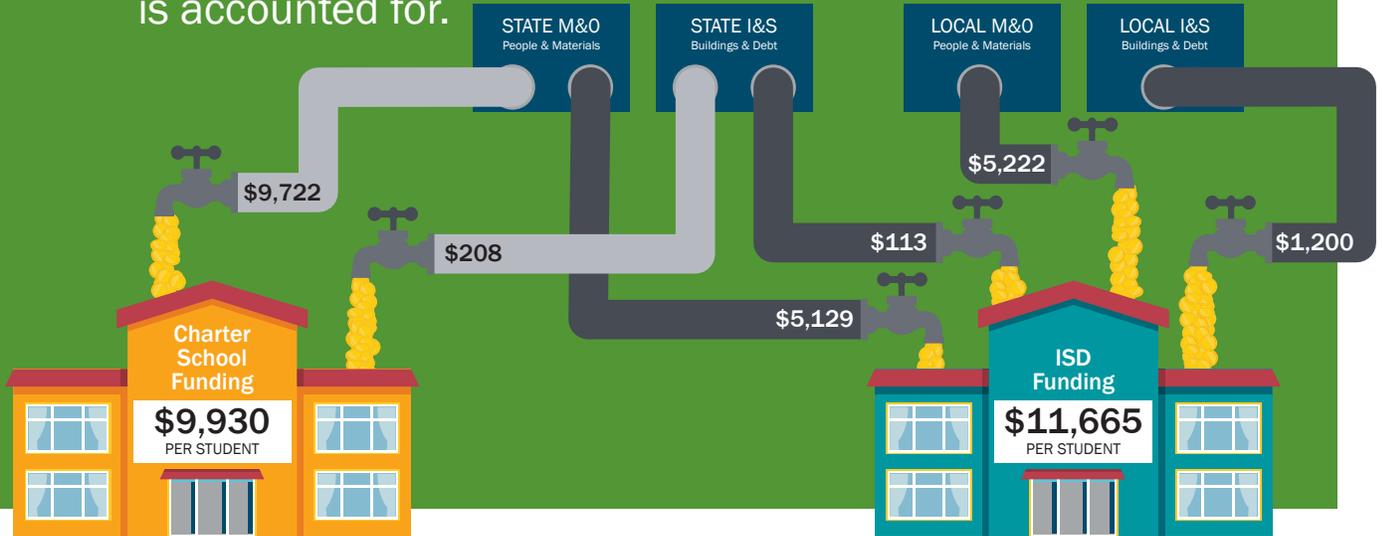
× CLAIM *"1882 partnerships are the same thing as a charter school takeover."*

✓ REALITY **ISD and charter partnerships are rooted in collaboration.** The elected boards of ISDs keep control of the campus and set the performance standards. If expectations are not met, the ISD board can vote to end the partnership.



× CLAIM *“If charters were funded in the same manner as public schools, the state of Texas would save taxpayer dollars.”*

✓ REALITY **Charter schools ARE public schools and funded the same way—with public dollars based on the number of students they serve. However, public charters receive, on average, \$1,700 less per student than ISDs when their local funding is accounted for.**



× CLAIM *“Charter schools create an inefficient system that is unaccountable.”*

✓ REALITY



Public charter schools are part of a single public education system and are chosen by parents who want a different public education option for their students. **Texas charter schools have the strictest accountability in the country and are shut down if they don't perform.** Charter schools are also subject to the same open record, conflict of interest, and accounting regulations as district schools.

× CLAIM *“Students are leaving district schools for charter schools.”*

✓ REALITY **Some students are leaving their assigned schools. But charter schools still only educate 6% of Texas students.**



● Texas students who attend ISDs.
● Texas students who attend charter schools

Get more facts at txcharterschools.org



TCSA Charter School Lobbying- FAQ

The growth and success of charter schools in Texas is due in large part to the hard work of the teachers, administration, volunteers, and parents at each school. However, each year charter schools face new challenges that call for involvement in the policy making process. In order to help charter schools to continue to thrive, parents, teachers, and operators may be invited or wish to participate in the legislative process.

To help charter schools navigate their involvement during a legislative session TCSA Legal provides the following guidance:

LOBBYING

Q: What is considered lobbying under state law?

A: For state law purposes, a direct communication or preparation for direct communication with a state office to influence legislation or administrative action, or a subject of legislation, including contact by mail or email.¹ Texas law does not include grassroots or call-to-action campaigns in the definition of lobbying.

Q: What does the federal law say about lobbying?

A. Direct lobbying refers to attempts to influence a legislative body through communication with a member or employee of a legislative body, or with a government official who participates in formulating legislation. Grassroots lobbying refers to attempts to influence legislation by attempting to affect the opinion of the public with respect to the legislation and encouraging the audience to take action with respect to the legislation. In either case, the communications must refer to and reflect a view on the legislation.²

A call-to-action will be considered grassroots lobbying under IRS regulations if it urges parents, employees, or community members to contact their legislators, provides contact information, shares a petition or postcard, or identifies legislators who are on the committee of specific legislation, undecided, or opposed to specific legislation.

Q: What is the difference between lobbying and advocacy?

A: Lobbying is a form of advocacy that involves action intended to influence legislation.

Lobbying is specifically defined by Texas code³ and Federal statute⁴ but advocacy is not. Basic forms of advocacy include activities such as, education about issues relevant to charter schools, encouraging voter registration, and informational communications between schools

¹ 1 Tex. Admin. Code §34.1(3); *See also* Ethics Advisory Opinion Nos. 517, 94, 90, 89, 34, 4.

² Internal Revenue Service definitions, <https://www.irs.gov/charities-non-profits/direct-and-grass-roots-lobbying-defined>

³ 1 Tex. Admin. Code §34.1(3)

⁴ 26 U.S.C. §4911

and parents.⁵ Advocacy also includes sharing general information about your organization to legislators.

Q: What if a legislator requests information from a charter school directly?

A: Responses to a legislator's request for information does not count as lobbying, so long as you are not attempting to influence legislation.

Additionally, when providing written or oral testimony at a public hearing, such communication with legislators is not considered legislative lobbying.⁶

Q: May a charter school employee participate in legislative lobbying?

A: Yes, provided they follow certain rules.

A charter school employee participating in legislative lobbying must monitor their expenses or compensation spent on lobbying activities to ensure those that receive more than \$1000 in compensation⁷ for lobbying or spend more than \$500 of non-state funds a quarter⁸ towards lobbying register as a lobbyist with the Texas Ethics Commission.

Q: May a charter school spend public funds to engage in lobbying?

A: No, but charters can use local funds on direct lobbying efforts.

Under the Texas Government Code, public funds cannot be used for purposes of lobbying or legislative advertising.⁹ Public funds include the use of school employees' work time if compensated with state funds. The use of facilities, unless it is a public forum, as well as the use of existing school equipment such as computers, printers, or copiers would also count as public funds if purchased with state funds. Internal mailing systems, including e-mail services, are included in public funds, if purchased with state funds.¹⁰

However, charter schools may use local or other nonpublic funds to pay for any resources used to communicate with employees and families about lobbying or legislative advertising.¹¹ This may include donations, or other non-state funds.

Employees of the charter holder that will be participating in state lobbying efforts must be compensated out of local funds, not public funds, for time spent lobbying.¹²

⁵ 26 U.S.C. §4911(d)(2); *See also* Nayantrara Mehta, *Nonprofits and Lobbying: Yes, They Can!*, ABA Business Law Today (March/April 2009), <https://apps.americanbar.org/buslaw/blt/2009-03-04/mehta.shtml>

⁶ Tex. Gov't Code § 305.004 and 1 Tex. Admin. Code 34.5

⁷ Tex. Gov't Code §305.003 and 1 Tex. Admin. Code 34.43

⁸ Tex. Gov't Code §305.003 and 1 Tex. Admin Code 34.41

⁹ Tex. Gov't Code §556.0055(a); Tex. Gov't Code §305.026

¹⁰ ETHICS ADVISORY OPINION NO. 443

¹¹ Tex. Gov't Code §556.0055(a); Tex. Gov't Code §305.026

¹² Tex. Gov't Code §305.026

For grassroots and call-to-action campaigns, a charter holder is not limited in what funds can be used to share those campaigns since grassroots campaigns are not considered lobbying under state law. However, it is always best to use local funds instead of state funds if possible.

Q: How does a charter holder report lobbying expenditures for state and federal purposes?

A: The amount of lobbying a charter holder may do is limited by their 501(c)(3) status, and attempts to influence legislation cannot be a substantial part of its activities.¹³ As such, charter holders will need to follow IRS guidelines on lobbying expenses to ensure they maintain a tax-exempt status¹⁴ and must file a 501(h) Election.¹⁵ In filing a 501(h) Election, charter holders must choose whether to utilize the Substantial Part Test¹⁶ or the Expenditure Test¹⁷ to determine exact levels of acceptable lobbying. Each 501(c)(3) that makes a 501(h) election in order to participate in legislative lobbying must file its lobbying expenditures on its 990 Form.¹⁸

Under Texas law, once a person is registered as a lobbyist, then the person must report lobbying expenditures on an annual basis if expenditures are less than \$1000 in a calendar year, or monthly if expenditures are over \$1000 in a calendar year.¹⁹

There are many ways to track lobbying expenditures and it is best to create a tracking plan with the advice the charter holder's attorney and finance officer, however, you can find a [general guide here](#).

GRASSROOTS

Q: May charter schools encourage their employees and families to communicate with their respective legislators on key issues that impact charter schools?

A: *Yes. A charter school may encourage their employees and families to communicate with their respective legislators on key issues that impact charter schools. However, if you are requesting employees and families discuss specific legislation with their respective legislators **on behalf** of the charter school, then any resources used for that request must come from local funds or other non-public funds.*

¹³ Internal Review Service

¹⁴ 26 U.S.C. §501(c)(3); 26 U.S.C. §501(h)

¹⁵ [Form 5768](#)

¹⁶ 26 U.S.C. §501(c)(3)

¹⁷ 26 U.S.C. §501(h)

¹⁸ [Form 990](#)

¹⁹ Tex. Gov't Code §305.006 and 1 Tex. Admin. Code §34.81

A letter sent by a parent or employee at the request or direction of a charter school may be considered lobbying on behalf of the school. To avoid the parent or employee action being considered grassroots or direct lobbying on behalf of the school, the charter school should leave the decision to create and send a letter up to each individual employee or parent. These types of grassroots campaigns are not considered lobbying under state law if the employee or parent sends their letter voluntarily, and does not use public funds.

Q: May charter schools send, post, or share legislative advertisements through their website or social media accounts?

A: Yes, as long as it includes an advertising disclosure and the legislative advertising was created through nonpublic funds.

Legislative advertising includes a communication that supports, opposes, or proposes legislation and that in return for consideration, is published in a newspaper, magazine, or other periodical or is broadcast by radio or television; or appears in a pamphlet, circular, flier, billboard or other sign, bumper sticker, button, or similar form of communication.²⁰

However, legislative advertisement does not include emails. If the email were to be printed and distributed, it then may be considered legislative advertisement.²¹ Any legislative advertisement distributed by the charter school would require a disclosure that the item is legislative advertisement, the name and address of the person who entered in to the contract to publish the advertisement.²²

Q: What about re-sharing information posted by TCSA?

A: It is unlikely that the information shared by TCSA, which is then re-shared by a charter school would be considered legislative advertisement since neither party received any consideration for publishing the petition, letter, or other communication.²³

Charter schools can send information to parents and employees encouraging them to reach out to their legislators, as long as the employee and parent are not required to participate. Re-sharing or creating your own a call-to-action through social media is considered lobbying for federal purposes, and a charter school must track all expenses towards their expenditure limits for IRS purposes.

****TCSA periodically will provide general guidance. TCSA guidance documents provide only general legal information. For specific legal counsel concerning the impact of any court decision, law or regulation on a particular school, TCSA members are encouraged to contact a school attorney. Questions can be directed to TCSA Legal at (512)584-8272.

²⁰ Tex. Gov't Code §305.027(e)

²¹ Ethics Commission Opinion 464 (<https://www.ethics.state.tx.us/opinions/464.html>)

²² Tex. Gov't Code §305.027

²³ Ethics Commission Opinion 464 (<https://www.ethics.state.tx.us/opinions/464.html>)