

Closed By Choice:
The Spatial Relationship between
Charter School Expansion, School Closures,
and Fiscal Stress in Chicago Public Schools

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EXECUTIVE SUMMARY

Over the past five years, Chicago Public Schools (CPS) has confronted annual budget crises prompting CPS to cut resources from classrooms, reduce the number of teaching professionals inside schools, and close public schools. Our research examines how the proliferation of charter schools in neighborhoods of declining population has contributed to CPS' fiscal stress resulting in the widespread denigration of public education in Chicago. Our research finds that:

- Of the 108 new charter schools opened between 2000 and 2015, 62% of new charter schools were opened in areas with high population loss of school aged children (25% or more).
- Between 2000-2009, 85% of new charter schools were located within 1.5 miles of schools that were closed.
- 71% of new charter schools opened between 2000 and 2012 were opened within 1.5 miles of the 49 schools that would be closed due to low enrollments in 2013.
- Since 2013, CPS has opened 20 new charter schools, nearly half of which were in a 1.5 mile walking radius from a school closed for low enrollment.
- In 2015, 27% of all CPS charter schools filed an audit with the Illinois State Board of Education. These schools had a combined outstanding debt of \$227 million that will be paid back almost fully with tax payer dollars. This debt is independent from CPS' overall \$6 billion debt.

We conclude by proposing three policy recommendations:

1. Impose a Moratorium on Charter School Expansion;
2. Create more charter school oversight and accountability mechanisms; and
3. Abolish the Illinois Charter School Commission.

INTRODUCTION

Over the past five years, Chicago Public Schools (CPS) has confronted perennial budget crises, the largest of which was a \$1 billion budget deficit in FY2015-2016. In order to cover these annual deficits, CPS officials have taken a number of measures that have severely impacted public education across the entire city. Between 2010 and 2015, CPS has cut over \$1 billion to front line education, resulting in million-dollar budget cuts to almost every school across Chicago. When school's budgets are cut, the administration is forced to reduce the number of arts, gym, honors/advanced placement, language, history and literature classes they offer. Many schools do not have the supplies they need, with teachers supplying their own classrooms out of pocket or parents donating basic supplies, like toilet paper, so their children can have the basic necessities in their schools. Schools have also had to reduce the number of teachers, support staff and wrap-around service professionals (like counselors, clinicians, paraprofessionals and nurses), so that there are 6,400 fewer professionals educating or attending to the well-being of children. CPS is also reducing support to special education by trimming tens of million dollars from those services. Under this resource strain, CPS has even resorted to closing dozens of schools. While the most vulnerable students are bearing the brunt of the cuts, all schools have been impacted by budget cuts and the lack of resources they need so that all Chicago children and schools can thrive.

The administration of Mayor Rahm Emanuel and CPS are quick to blame insufficient state funding (which is a valid factor) and "greedy" Chicago Teachers Union contracts and pension obligations for their fiscal woes. However, our research finds that decisions made by CPS to saturate dozens of charter schools in neighborhoods with declining school-age population is a major contributing factor explaining CPS budgetary strain. This report will explore how the proliferation of charter schools in

neighborhoods with declining population force CPS to stretch its limited financial resources across a surplus of schools in low demand markets. Since CPS tax revenues finance the cost of charter school facilities, these new charter schools enlarge CPS's debt burden. CPS' response to its fiscal stress and heavy debt load caused in part by charter school proliferation has been to cut frontline education and teaching professionals in all public schools, close public schools in distressed communities, and deprive schools of the resources they need to flourish, like relief from overcrowding. Together, closures, cuts and deprivation produce education insecurity experienced across all Chicago public schools.

BACKGROUND ON CHICAGO PUBLIC SCHOOLS

The Chicago Public Schools (CPS) oversees 660 schools, educating nearly 400,000 children. CPS mainly educates low-income and working class children of color. 85% of CPS students are Black and Latino children, and over half of students come from low-income families.¹

During the Mayor Richard M. Daley Administration of the 1990s, Chicago Public Schools was shaped by educational accountability practices. In a word, accountability practices assess the academic performance of a school using standardized tests, graduation rates and attendance level metrics, to determine if a school is a high performing school or an underperforming school. Once identified as "underperforming" a school would be subject to a litany of school actions including probation, reconstitution (also known as a turn-around where all administrators, staff and teaching faculty are dismissed and a new set of educators are brought in to operate the school), or closure. The accountability era and underperformance metrics marks the first wave of CPS school closings conducted for non-building related issues.

By 2001, Chicago augmented its accountability practices with a school choice philosophy. According to this perspective, parents should be empowered to choose the school that is the best fit for their child. In order to give parents school choice, the public schools system was directed to introduce a greater menu of school choices, including selective enrollment, magnet, and gifted public schools and expand the number of privatized charter schools. To advance their school choice goal, Chicago Public Schools drafted its Renaissance 2010 ("Ren10") school reform initiative in 2004, calling for the closure of 60 to 70 low-performing neighborhood schools and the opening of 100 new "choice" schools – about two-thirds of which would be charter schools.

During Ren10, CPS stepped up its use of underperformance criteria to close public schools. Throughout the Ren10 period (2001-2009) CPS closed a combined total of 73 public schools, while opening 87 new schools, 62 of which were charter schools.² School closures created demand for new schools as students displaced by closures could either enroll in their assigned "receiving" public school (their new boundary area public school) or apply to new choice schools. Closed neighborhood school buildings also freed up facilities for new choice schools – 40% of the neighborhood school buildings closed during Ren10 now house privatized charter school operators.³

As became apparent, nearly 90% of the school closures for low academic performance impacted predominantly low-income and working class African-American communities on the city's South and West Side neighborhoods.⁴ These schools also predominantly served a vulnerable student population who "were more likely to receive a free or reduced price lunch, special education services, be too old for their grade, and families change residences in prior year."⁵ Furthermore, children from closed schools did not go on to attend higher-performing schools. The University of

Chicago's Consortium on Chicago School Research (CCSR) 2009 study of Ren10 schools found that 82% of students from 18 closed elementary schools in their study moved from one underperforming school to another under-performing school, including schools already on academic probation.⁶

By 2011, Chicago Public Schools, under the direction of the new Mayor Rahm Emanuel administration, took a different approach to school closures. In addition to poor academic performance, schools with low enrollment would also be closed in order to "right size" the district. The Emanuel Administration regarded "right sizing" as a more politically palatable strategy for school closures emphasizing that, in light of budget shortfalls, declining enrollment led to inefficient use (or underutilization) of costly school facilities. In order to more efficiently allocate resources across the public schools system, CPS needed to close its schools with low enrollments and shift those resources to other, more efficiently utilized schools.

The Chicago Board of Education (CBOE) determined that 30 students was the ideal number, or ideal utilization, of students for a fourth grade classroom. Using the 30 student-per-classroom standard, the Board determined that school buildings were "efficient" if their enrollments were in the range between 20% below or 20% above the ideal utilization standard. Schools categorized as "underutilized" had enrollments below the efficient range (i.e., less than 24 students per classroom). The 30 student per classroom ideal utilization metric was widely criticized as determined from the point of view of made fiscal sense, not based on conditions conducive for education.⁷

Using the CBOE "under-utilization" metric, Mayor Emanuel shuttered 49 so-called underutilized schools, almost 10% of CPS' entire school stock. Mayor Emanuel justified the massive closures as a strategy to contend with CPS' billion-dollar deficit because, as the *Chicago Tribune* reported, "they could not afford to keep operating

deteriorating schools with dwindling student populations in the face of a billion-dollar budget deficit.”⁸ Like previous waves of closures, 90% of impacted students were African-American.⁹

The large number of school closures generated significant parent, school, and community protests. In response to the political fallout, CPS committed to a five-year moratorium on district-operated school closures. Soon after the 2013 school closures, it became apparent that CPS had no real commitment to “right sizing” the school system. At the same time it was mulling over which of its 129 “underutilized” schools to close in 2012, CBOE entered into the District-Charter Collaboration Compact with the Bill and Melinda Gates Foundation. Through this relationship, CPS agreed to open another 60 charter schools in the next five years, even as CPS enrollments were shrinking and existing charter schools could not fill 11,000 vacant seats in their schools.¹⁰ Many of the 40 new charter schools opened since the Gates Compact agreement have been located within 1.5 miles of the 49 public schools closed due to low enrollments.

BACKGROUND ON CHICAGO CHARTER SCHOOLS

Currently, Chicago Public Schools has 131 charter schools with a combined enrollment of over 58,000 CPS students (approximately 15% of all CPS students). Charter schools were first introduced to the city in the mid-1990s. Charter schools are not fully public or private schools, but are better conceptualized as privatized schools. Charter schools receive public tax dollars to finance their costs. Charters receive the same per pupil allocation from Chicago Public Schools as neighborhood public schools for each student attending the charter to cover a wide range of expenditures including school operation costs, administrative expenses, facilities (to pay bonds, leases or rent), in-kind services (for counselors, nurses, and social workers),

and teacher pensions. In addition to taxpayer dollars, charters also receive funds from federal, state and local grants, private foundation grants, and private fundraising.

Charter school per pupil allocations for operations expenses comes from the same General Revenue budget that CPS uses to finance neighborhood public schools. Basically, CPS has a single pot of money to fund both neighborhood public and charter schools. As charter schools expand their presence in Chicago, CPS is not given more revenues to fund these schools. Rather, charter schools consume a greater share of the fixed revenues that CPS receives to fund all its schools. Charter expansion means that CPS’ meager resources are stretched thinner across all schools.

Altogether, CPS charter schools received over \$700 million in tax dollars to support their operations for the 2015-2016 school year.¹¹ In exchange for these tax dollars, a charter operator enters into a three to five year contract with CPS to operate a school. Charter schools are not operated by the Chicago Public Schools central office but rather are privately operated and controlled. They have their own board of directors. Charters do not have to abide to the same accountability and transparency standards that public schools are expected to follow. Charters are largely autonomous from the Chicago Board of Education, CPS central office mandates, elected Local School Councils, and public accountability standards regulating traditional public schools.

Charter schools are open to all students across the city without entrance exams or tuition. Students must apply to enroll in the school. If there are more applicants than available seats in a charter school, the school must hold a citywide lottery to pick its student body. As such, charter schools do not have to admit local neighborhood children. As a result of this self-selecting application process, charters are more segregated by race and class compared to neighborhood public schools.¹² Charter

schools also have a history of excluding student English language learners and students with special needs; expelling students for discipline policy violations at 10 times the rate of CPS expulsions; and “counseling-out” poor test takers by nudging these students to drop out and enroll in another school.¹³

Charter schools have not proven to be the panacea for closing achievement gaps or categorically improving the quality of K-12 education across the board. Research conducted by the two most reliable sources assessing charter and public school performance data: the RAND Corporation (a public interest research non-profit) and the Center for Research on Education Outcomes (CREDO) at Stanford University, found small variations when comparing student academic performance in charter and neighborhood public schools (with comparable student and neighborhood demographic compositions).¹⁴ A 2013 CREDO study summarily determined that 31% of charter schools performed below neighborhood public schools, 40% scored about the same, and 29% of charters outscored neighborhood schools.¹⁵

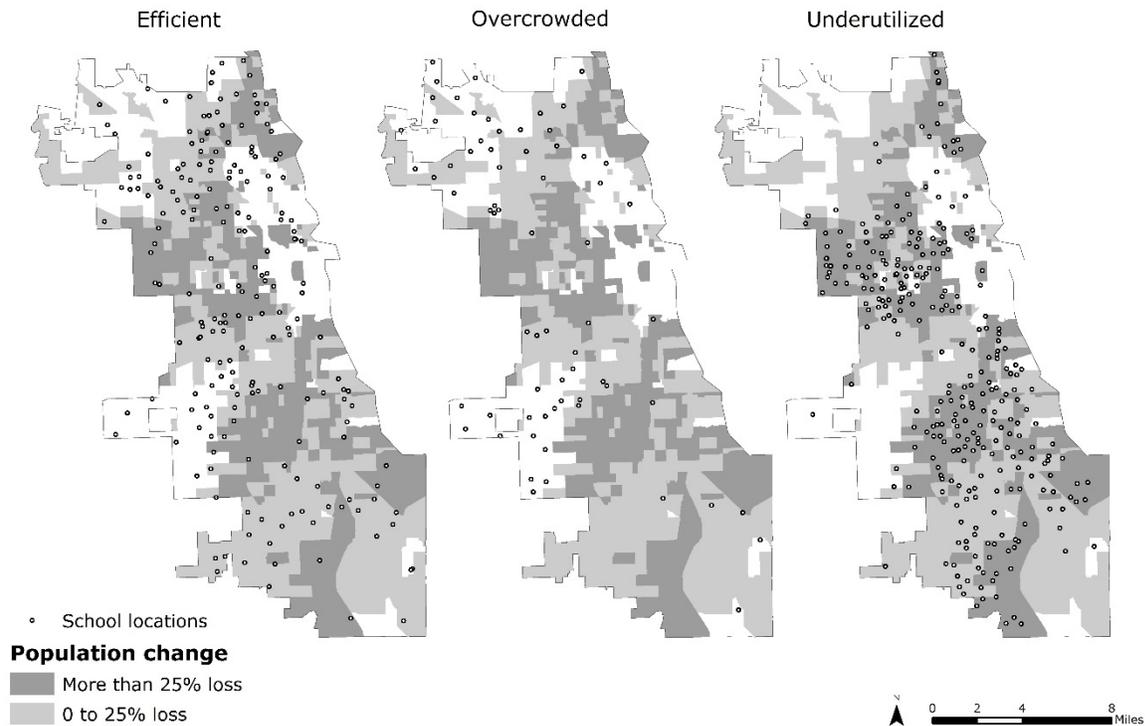
This variation can be found in Chicago’s charter school system. Northwestern University’s Medill School of Journalism and the *Chicago Sun-Times* determined that the average Illinois Standards Achievement Test scores by elementary students at charter schools and neighborhood schools in Chicago “were in a virtual tie on the reading and math exams.”¹⁶ Neighborhood schools made stronger gains in reading growth and just slightly higher gains in math growth, relative to charter school growth.¹⁷ In the aggregate, Chicago’s charter and neighborhood public schools have similar levels of student test performance. Any differences in either direction tend to be slight.

RESEARCH METHOD

In order to understand the impact of charter school proliferation on CPS budget stress and public school closures, we conducted a spatial analysis of charter school expansion in the city of Chicago from the years 2000 to 2015. Utilizing Chicago Public Schools, Illinois State Board of Education, and U.S. Census data, we mapped out the location of charter schools in relation to utilization rates, changes in the school age population between 1990-2010, and the location of closed and overcrowded schools. While we mapped all charter schools that were opened in these years, we excluded the alternative charter and contract schools from the spatial analysis. Alternative charter schools are established for returning students who left school for whatever reason, and therefore are not open to all students. Using our dataset and ArcGIS (geographic information systems mapping software), we mapped the locations of all CPS schools opened between 2000 and 2015 (N=662), charter schools only minus the alternative charter schools (N=121), and CPS public schools minus charter schools (N=541). When examining the spatial relationship of charter school in relation to closed or overcrowded schools, we used a radial buffer zone of 1.5 miles to determine what counts as a nearby or redundant school. This 1.5 mile radius reflects the distance that Chicago Public Schools determines as acceptable walking distance to school for children.

KEY FINDINGS

Our data shows that between 2000 and 2015, CPS closed 167 neighborhood public schools. Since 42 of the 167 closed schools were “turn-around” schools and were reopened as neighborhood public schools, we excluded those from the total number of neighborhood public schools that stayed closed to the neighborhood’s children. We count the 15 neighborhood public schools that were closed and reopened as new public schools with some kind of exclusive



Map 1 School-age population loss between 2000 to 2009 and CPS School Utilization Classification in 2012-2013 School Year

enrollment criteria as closed neighborhood public schools. We also count the 31 closed neighborhood public school buildings that were reopened as new charter schools as closed neighborhood public schools. Therefore a total of 125 neighborhood public schools were closed to the neighborhood's children between 2000 and 2015. During this time, CPS opened 108 new charter schools and 41 new public schools, totaling 149 new schools altogether. In total, CPS opened 16% more schools than it closed in the 2000 and 2015 period.

As CPS expanded the number of choice schools, its population was in decline. In 2000, Chicago Public Schools commissioned a demographic study, projecting estimates of its school-age population in the coming decade. Demographers forecasted significant population declines, especially in African-American neighborhoods that were experiencing declining birth rates and the demolition of public housing scattering former residents across the city or outside

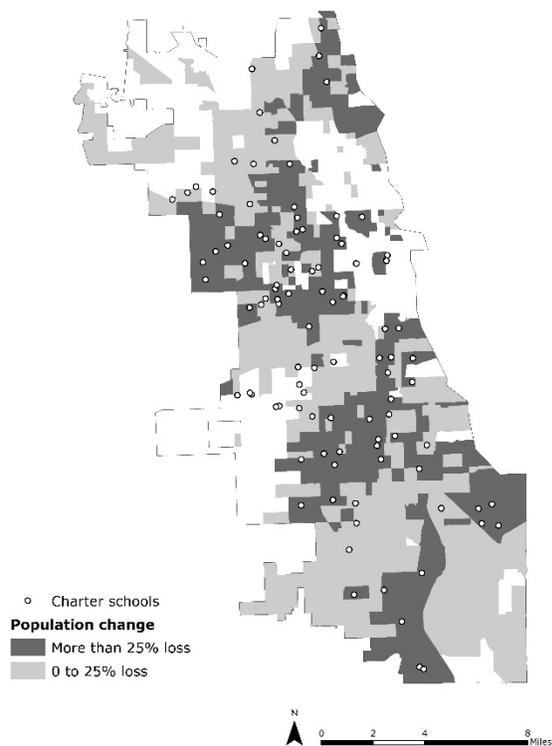
the city altogether. CPS's demographic predictions proved accurate. CPS lost 6.5% of its student population, or nearly 30,000 students, between 2000 and 2013.¹⁸

Map 1 displays the change in Chicago's school age population from 2000-2010, with the light grey section reflecting a population loss of up to 25% and the dark grey reflecting areas that lost over 25% of their school-age population (what we call high population loss areas). We then mapped out all CPS schools that CPS classified as efficient utilization, overcrowded and underutilized in the 2012-2013 school year (when CPS closed 49 schools). As to be expected, the areas with the highest population loss also experienced the largest number of schools categorized as underutilized (281 schools).

In Map 2, we mapped out the location of new charter schools opened between 2000 and 2015 in relation to the areas that experienced a loss of school age

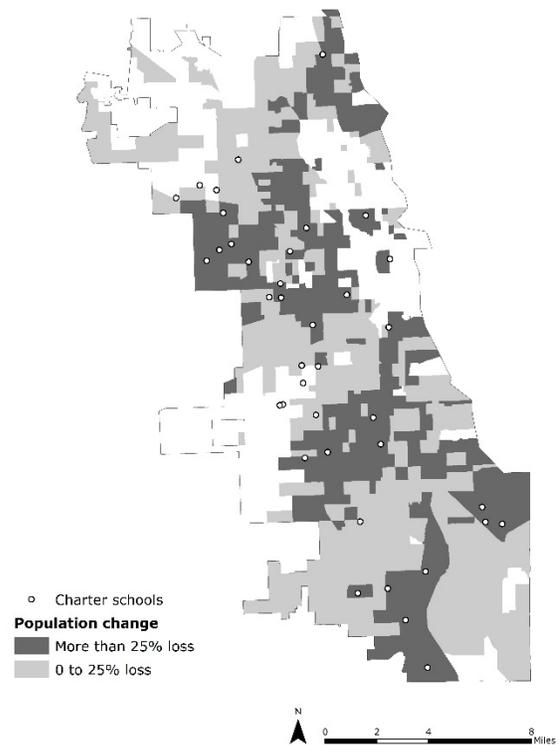
population in the 2000s. Of the 108 new charter schools, 85% were opened in areas that were experiencing some form of school age population loss and, more significantly, 62% of those new charter schools were opened in areas with high population loss. This evidence indicates that CPS saturated charter schools in neighborhoods with declining school-age population.

Even after the 2010 U.S. Census confirmed the decline in school-age population, CPS continued to open new charter schools in neighborhoods with declining school-age population. Map 3 displays the 41 charter schools that were opened between 2010 and 2015. It should be emphasized that many of these schools were opened after the school closures of 2013. Like earlier patterns, 75% of the new charter schools opened between 2010 and 2015 were located in areas of school age population decline, with 68% of all new charters opened in areas of high population loss.



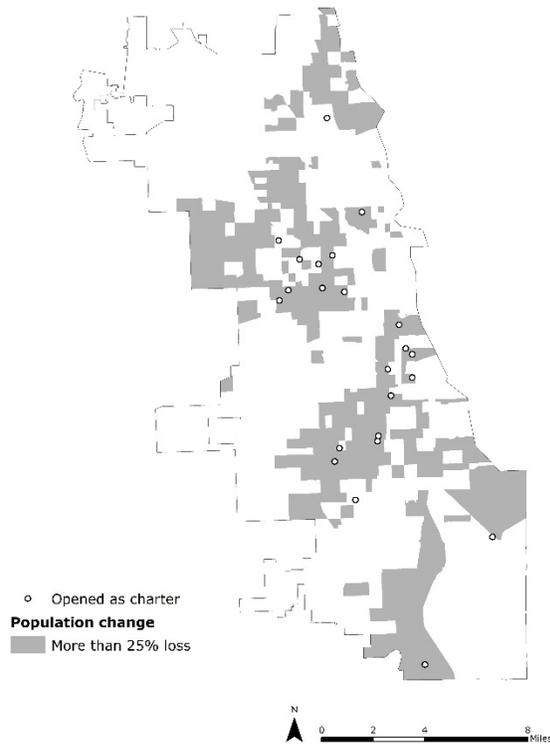
Map 2 Charter Schools Opened 2000-2015 and Change in School Age Population 2000-2015

As it was closing 10% of its neighborhood public schools due to low enrollments, CPS was opening new charter schools at a faster pace between 2010-2015 than the early 2000s. Whereas CPS opened 67 charter schools between 2000 and 2010, it had opened 41 new charter schools in the five-year period between 2010 and 2015. At this pace, CPS is on course to open 20% more charter schools than the previous decade.



Map 3 Charter Schools Opened 2010-2015 and Change in School Age Population 2000-2015

Some of the new charter schools that opened in the period of "right sizing" based on population demographics were actually located in closed public school facilities. Map 4 reveals that between 2010 and 2015, CPS leased 24 of its closed neighborhood school facilities to privatized charter schools. Of those leased school buildings, 96% were in areas with some school-age population loss and 63% were in areas with high loss of school age population.



Map 4 Closed Schools Reopened as Charter Schools and Areas with More Than 25% Loss in School Age Population, 2000 to 2010

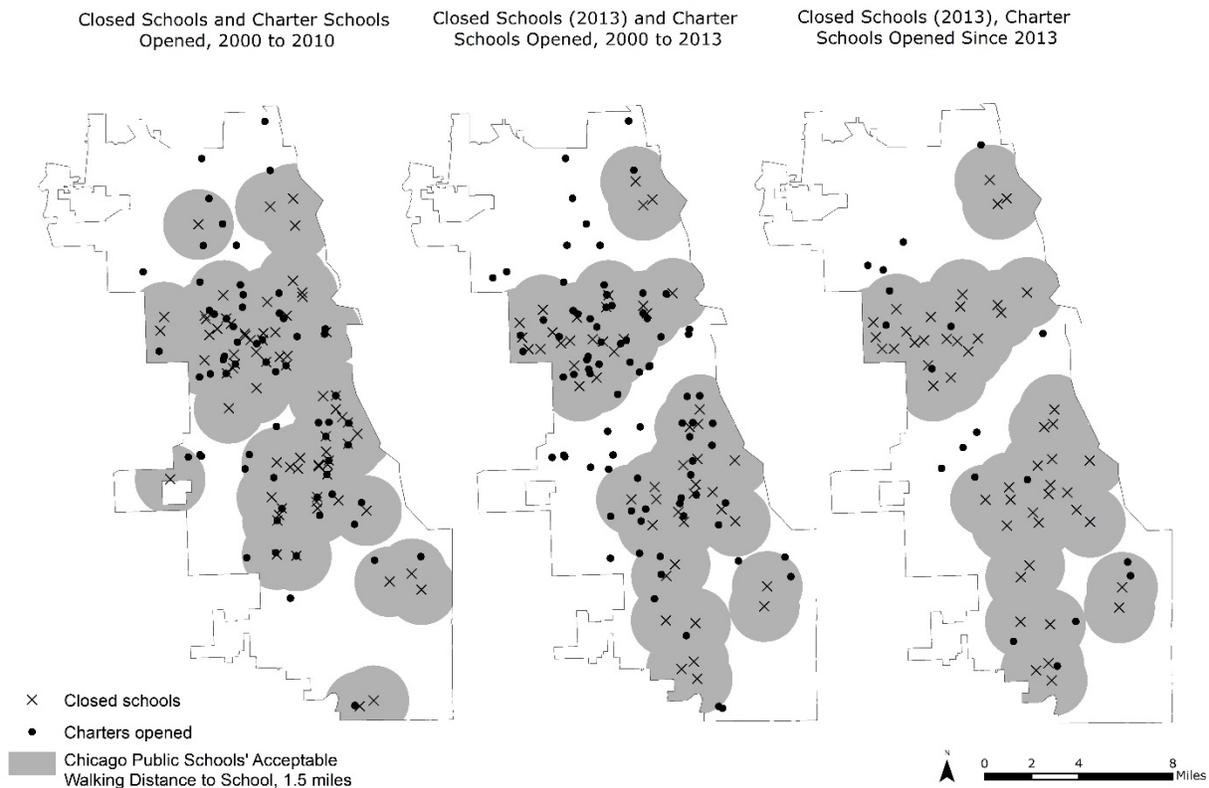
Map 5 displays the expansion of charter schools in areas that experienced school closures in the 2000's. The maps chart the location of closed schools and the location of new charter schools. The grey zone radiating around closed schools reflects the 1.5 mile walking distance that CPS deems appropriate for school age children. The grey zone reflects the proximity of charter schools to closed schools within this acceptable walking distance. As the grey zones on Map 5 indicate, the spatial alignment of closed schools and charter schools significantly overlaps, covering the predominantly African-American neighborhoods on the South and West sides.

The left hand map depicts the Renaissance 2010 (Ren10) school reform period (2000-2009), when 74 neighborhood public schools were closed while 67 charter schools were opened; 85% of the Ren10 charter schools were located within 1.5 miles of schools that were closed. While the majority of school closures were justified for

underperformance during the Ren10 era, the proximity to charter schools is important in setting the stage for the school closed for low enrollments in the post-Ren10 period. The middle map reflects the period after Ren10, from 2010 to 2012, when 21 new charter schools opened their doors for business. In all, 71% of the new charter schools opened between 2000 and 2012 were opened within 1.5 miles of the 49 schools that would be closed due to low enrollments in 2013.

The largely unplanned saturation of charters in neighborhoods experiencing distress from declining population during the Ren10 years contributed to low enrollments in nearby CPS school that were later used to justify closing neighborhood public schools. Spatial proximity of new charter schools to closed schools matters. Since charter schools draw their student populations from the surrounding neighborhoods, public schools were forced to compete for students in neighborhoods with declining population. Even if there is not a direct one-on-one, or unilineal, relationship between a new charter and declining enrollments at the most proximate neighborhood school, these charter schools will nonetheless capture some share of children from the surrounding neighborhoods. Research shows that parents prefer to send their kids to schools that are relatively closer to home. Proximity to school matters for working families balancing work schedules, transportation issues and childcare options.¹⁹

Even after charter saturation and subsequent school closures introduced one more force of instability into already distressed neighborhoods, CPS continued to expand charter schools in neighborhoods with population decline. As the right hand of Map 5 depicts, since 2013, CPS has opened 20 new charter schools, 55% were located in areas with school age population loss and nearly half of those 20 schools were within a 1.5 mile walking radius from a school closed in 2013 due to low enrollments.



Map 5 Spatial Relationship Between Closed Schools and New Charter Schools, 2000-2015

CPS appears to have operated with a double standard by determining whether a neighborhood public school should remain open based on utilization factors while CPS did not adhere to this standard when rolling out new charter schools. Instead, CPS opened new charter schools in areas that were experiencing distress from declining population and school closures. In other words, CPS was not concerned about “right-sizing” the system when it came to opening new charter schools in neighborhoods already under distress.

Furthermore, it is questionable whether there was a need for the new charter schools opened in the 2010s. During the 2010 and 2015 period, existing charters were not filling their seats. While it is the case that *some* charters have more applicants than available seats, other charters have an abundance of empty seats. Illinois Raise Your Hand (RYH), in conjunction with Apples

to Apples, conducted their own independent investigation of CPS data, looking at student enrollment in charter schools. Using CPS’ underutilization standard, Apples to Apples determined that in the 2012-2013 school year “47 percent of CPS charter and contract schools had student populations below the CPS threshold for ideal enrollment.”²⁰ This meant that nearly 11,000 seats in charter schools remained empty as the city was closing 10% of public schools while opening another 40 new charter schools.

HOW TAX DOLLARS ARE DIVERTED FROM PUBLIC SCHOOLS TO CHARTER SCHOOLS

The lack of rational planning and the haphazard manner in which charter school saturation in depopulating neighborhoods took place in Chicago from 2000 to 2015 impacts the fiscal fate of the public

education system. In 2012, Chicago Public Schools implemented a 5% increase in per pupil allocation for charter operation expenses and a large increase in the per pupil stipend to cover charter facility expenses. The increase to charters' per pupil allocation occurred at the same time CPS cut \$100 million from neighborhood public schools. While neighborhood public high schools experienced a 14% decline in their budgets (even though student enrollments only declined by 2%), charter schools enjoyed a 12% budget increase (even though they were enrolling 10% more students).²¹ Charter schools also got a boost from the transformation of the neighborhood public school budgeting process to a per-pupil funding system, locally referred to as Student Based Budgeting (SBB). Public schools were previously funded with a stipend based on the number of teachers working in the school. Student based budgeting changed the formula so that neighborhood public schools would get a per pupil stipend, similar to how charter schools are funded. The new per pupil allocation for neighborhood schools enabled student based funds to travel with the child to whichever school she or he selected. Traveling per pupil allocations can deplete neighborhood school budgets, putting neighborhood public schools in a downward spiral of budget cuts and population loss.

Charters tend to engage in aggressive recruiting campaigns. While a boundary area does not limit charters, neighborhood public schools are primarily reliant on a boundary area to draw their student population. As parents move their kids out of the neighborhood public schools and into charters, per pupil dollars follow. The neighborhood school budget is depleted because its overhead does not decrease – it still has to heat the facility, and pay salaries for teachers, janitors and counselors. Neighborhood schools now have fewer funds to pay those costs and may have to cut their programs, classes, teachers and support staff to compensate. The diminished learning environment pushes

even more parents to seek out other school options, even if they would prefer a quality neighborhood public school. Thus the next recursive cycle of student enrollment decline and budget cuts is set in motion. To survive, neighborhood schools need to devote increasingly scarce resources to recruit students outside their boundary area, pitting neighborhood schools in a competitive student poaching war that inhibits cooperation between schools and has little to do with frontline education. But for many, the cycle of cuts and declining enrollments reached a point at which the school was considered underutilized and targeted for closure altogether.

The public not only finances charter school operations but it is also on the hook for paying for charter school facilities. Charter schools acquire their school buildings through a variety of mechanisms: some rent their building from a non-CPS source, some lease from CPS, and others pay for new construction. Charters that rent from a non-CPS source receive a per pupil allocation from CPS to cover the rent. When charter networks opt to construct a new building, they too get a per pupil allocation to cover the cost of the facility. Since taxpayer dollars are the primary revenue source used to pay back charter bonds, charter school debt is effectively off-the-books public debt. However, the public does not have ownership rights of charter school buildings. Rather, charter operators retain ownership. Since charters contribute to the conditions where public schools are closed, the public is effectively paying for new and to some degree redundant privately-owned schools while their existing public buildings are being shuttered.

While charter school debt is public debt, the lack of accountability and oversight mechanisms regulating charter schools entails no publically available document that details the total amount of outstanding charter debt. One approach we took to get a snapshot of charter school debt was to look at audits charter schools file with the Illinois State Board of Education (ISBE). Since

charter schools are not required to file an annual audit, each fiscal year represents a certain portion of charter schools. In 2015, 35 Chicago area charter schools filed an audit with ISBE – roughly 27% of all CPS charter schools.

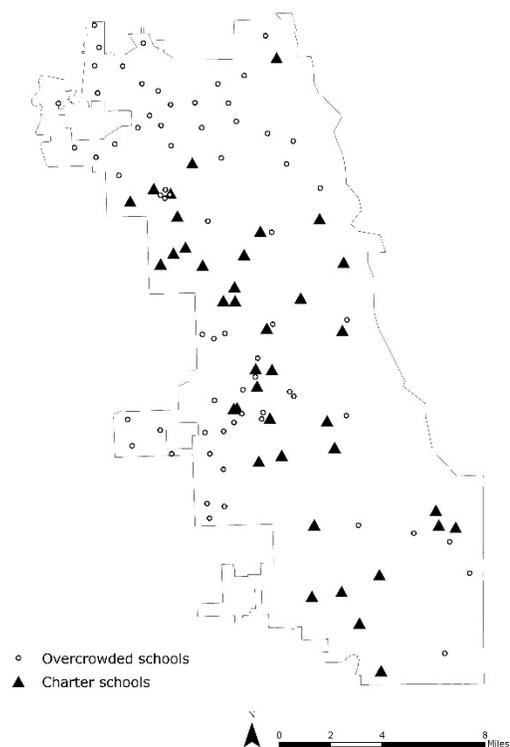
Another problem with the lack of transparency and minimal oversight of charters is that there is not a standard way in which they report data. The 35 charter schools that filed an audit in 2015 used 16 different auditors. Each auditor had their own reporting style. The 35 charter schools that filed an ISBE audit in 2015 reported a combined \$227 million in outstanding debt. If this is representative of the remaining 73% of charter schools that did not file an audit in 2015, then we can deduce that the combined charter school debt would be somewhere near \$1 billion. Since this debt is paid off with tax dollars in the form of a per pupil allocation to cover rent, lease, or debt for charter facilities, then charter bonds effectively add at least \$300 million and possibly up to \$1 billion to CPS' total \$6 billion outstanding debt in 2015.

OVERCROWDED SCHOOLS

The impact of stretching limited funds across multiple schools contributes to school closure and budget cuts but it also impacts overcrowded schools. CPS has 68 overcrowded schools that cannot get the resources they need to educate their children. Overcrowded classroom conditions can be claustrophobic, noisy and prevent the teacher from having sufficient one-on-one time with each student. For example, the Better Government Association identified Avalon Park Elementary School on the South Side as one of the most egregious examples of overcrowded classroom conditions, where in 2015, they had a kindergarten class with 51 children and a first-grade room with 48 kids.²² To relieve overcrowding in schools, schools often resort to drastic measures such as holding classes in hallways, closets and even staircases. Other students attending

overcrowded schools are sometimes put in mobile classrooms, or trailers, adjacent to the school to relieve overcrowding.

We mapped out the location of overcrowded schools in relation to the location of charter schools (Map 6). First, nearly half of the overcrowded schools are located on the North Side and nearly half are on the South Side. The majority of overcrowded schools tend to be located in Latino communities that have made greater population gains over the last two decades and therefore have a growing percentage of school age children. In this way, overcrowded conditions are shortchanging the educational opportunities in low-income and working class immigrant and Latino communities.



Map 6 Spatial Relationship Between Charter Schools Opened 2010-2015 and Overcrowded Schools

Another interesting trend is that many of the overcrowded schools on the North Side are clustered in the Far Northwest Side. Chicago's Far Northwest Side is home to the city's white middle-class residents, where many of the city's public sector workers

(police officers, firefighters, and teachers) who have city residency requirements live.

Overcrowded conditions in schools have been allowed to persist for years. Historically, when parents, teachers, and principals complained to CPS about the overcrowded conditions, they were often told that the district lacks the money to pay for new teachers to reduce the number of kids per classroom or to build new schools and/or annexes to create more space for everyone. As our research shows, CPS does not lack money so much as it does not prioritize supports for its neighborhood public schools. Instead CPS allocates its scarce revenues to expand the number of charter schools in neighborhoods with declining population.

CONCLUSION

CPS' approach to saturating neighborhoods with declining school-age population with new charter schools is stripping all middle-class, working-class and lower-income children, families, and communities of education security, where schools are rendered insecure by budgetary cuts, deprivation, or closure. Education insecurity is the product of the school reform agenda focused on cannibalizing the neighborhood public schools in order to convert CPS into a privatized "choice" school system. While new charter schools continue to proliferate in low demand neighborhoods, all CPS neighborhood public schools experience debilitating budget cuts that lead to the elimination of teaching professionals and enriching curriculum. The most vulnerable communities are stripped of their public school, or their remaining neighborhood public school is rendered unstable by the proximity of new charter schools. Working and middle class children are also not getting the resources they need, like relief from overcrowded conditions. The cuts and deprivation across CPS neighborhood public schools underscore the problem of opening too many new schools in a system caught in the vice grips of austerity – there

are not enough funds to provide all schools with the resources needed to succeed.

By closing neighborhood public schools or degrading conditions inside existing ones, parents are cut off from their neighborhood public school option and are forced to seek out quality schools located at further distances from their home. As such, the burden of traveling further to get to a school is placed on the shoulders of lower-income and working parents, who have to travel further distances than higher-income families to get their kids to school.²³ Since women are more likely to drive or walk their children to school, even when they work full-time, the "choice" schools policy unintentionally depends upon increasing the unpaid domestic labor that women perform in the household and puts greater hardship on the work-life balance that parents must factor into their everyday life. As a result, some middle-class families are retreating to the suburbs to ensure that all their children, regardless of their ability to perform on a standardized test or win the gamble of a lottery draw will have access to a quality, stable education environment near their homes.²⁴ In this way, the choice school model contradicts the cash-strapped city's goal of anchoring a middle-class tax base to the city.

Understanding the roots of CPS' fiscal crisis is important for many reasons. As the city and state contends with their own fiscal crises, officials are scapegoating putatively "greedy" public workers' pensions as the source of their budget woes. However, the cost of pensions alone does not explain the school's fiscal crisis. The political choices made by school reformers to expand the number of privatized choice schools in a period of school age population decline is a key factor explaining CPS' fiscal strain. At the same time CPS seeks to cut teacher pensions and healthcare benefits, it continues along the same path of unplanned charter expansion. Furthermore, the pace of charter school proliferation is expected to hasten as the federal, state and local governments shaping Chicago

Public Schools are under the control of privatization advocates.

POLICY RECOMMENDATIONS

1. Impose a Moratorium on Charter School Expansion

In light of CPS' serious budget troubles, the uneven and underwhelming performance of charter schools, and the declining school-age population, parent advocacy groups like Raise Your Hand and Brighton Park Neighborhood Council, and the Chicago Teachers Union have requested that the City of Chicago and State of Illinois declare a moratorium on opening new charter schools or expanding the number of seats in existing charter school. Instead, these groups argue that CPS needs to invest and reinforce its existing schools rather than make deep cuts to fill in budget gaps. The call for a moratorium is in line with the National Association for the Advancement of Colored People (NAACP) call for a charter school moratorium supported by the Black Lives Matter movement. There have been local successes in these efforts. In the 2016 election cycle, Chicago's 25th Ward and 33rd Ward both passed non-binding resolutions to impose a moratorium on charter school expansion.

2. Create more charter school oversight and accountability mechanisms

Since charter schools receive substantial public funds, charter schools need to be transparent to the public about the way they are spending these dollars. CPS needs to establish more oversight and transparency mechanisms to ensure that charter schools are not wasting scarce taxpayer dollars, and to allow the public to understand the magnitude of debt the public is paying back through per pupil allocations.

First, charter schools should be required to publish their budgets and audits on the City of Chicago's website, where it releases the financial data of other government funded

projects. These documents should all be standardized so that they can be compared across schools and to CPS public schools.

CPS should also produce documentation of charter school debt that is being financed with tax dollars from the public school budget. This data could be included in the CPS Comprehensive Annual Financial Report.

Second, if CPS continues to license charter schools, the licensing process needs to be connected to a school facility planning process. There is no citywide school facilities plan that determines where the most need is for new charters. As the process works today in Chicago, when charter schools apply for a charter license, they do not have to include a specific address where they will locate the school. The Chicago Board of Education (CBOE) blindly approves new charters without determining if there is a need in that neighborhood or if it is best fit for the overall school system. The lack of planning is one of the reasons why redundant charter schools have saturated neighborhoods with declining school age populations.

3. Abolish the Illinois Charter School Commission

A moratorium on charter expansion in Chicago will not work at the local level alone. Critics of charter schools rightfully point out that charter school advocates have steered around public accountability and local democratic decision-making processes by creating multiple charter authorizers. Charter school authorizers are public bodies that enter into negotiations, contracts, and shape oversight and funding mechanisms for new charter schools. Chicago Public Schools has to abide by the decisions of two charter authorizers: the CBOE and the State's Illinois Charter School Commission (ICSC).

The reason why there are multiple charter authorities is simple – if the local authorizer

refuses a request by a charter operator to open a new school, the charter operator can file an appeal with the state authorizer. If the CBOE does not approve a new charter school license, that charter network can then file that same request for a license with the Illinois Charter School Commission. The ICSC has the power to overrule local decision-making processes determining what is best for the local school system. If the ICSC approves the request and authorizes the charter, the charter operator will get its new charter school, despite the wishes of the local school board. The ability to overrule local decision-making processes is exactly why state charter authorizers are created in the first place. Illinois' charter commission was based on model legislation drafted by the conservative and anti-public school American Legislative Exchange Council.

The ICSC has overruled local decision-making processes at least eight times since its formation in 2008 forcing local school boards to open and pay for new schools they do not want. For example, in 2013 the CBOE rejected the application for two new Concept charter school campuses in McKinley Park and Lincoln Square. The CBOE claimed the application was incomplete. Another factor influencing the decision was the poor performance of Concept's existing Chicago Math and Science Academy charter school in Rogers Park. Concept appealed to the ICSC to grant its charter license. The ICSC reversed the CBOE decision and forced Chicago to allow Concept to open its two new charter schools. At the same time the CBOE's decision was reversed, Concept was attracting the attention of federal law enforcement officials investigating Concept's no-bid contracts to its affiliates. After securing the no-bid contracts, Concept's affiliates charged school agencies exorbitant rates for computers and polo shirts with the school logo.²⁵

Local school boards need autonomy to plan and make decisions for the fiscal stability of the district. As such, residents of

Illinois need to support legislature that abolishes the Illinois Charter School Commission, and places charter authorization decisions in the hands of the local school boards. In 2014, the Illinois House Education Committee approved Representative Linda Chapa LaVia's (D-Aurora) proposal to dissolve the Illinois Charter School Commission, but the legislation stalled in the Senate.²⁶

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