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Who Participates in Charter School Programs in Michigan?

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What kinds of students do charter schools attract? Compared with traditional public schools, are charter schools more or less likely to enroll minority students? Are charter students more or less likely to be poor? Do they perform better or worse than students in traditional public schools (TPS)?

The empirical evidence about whom charter schools serve is extensive but inconclusive. Some studies conclude that America's charter schools serve a larger percentage of minority and low-income students than do the nation's traditional public schools (U. S. Department of Education, 2004). Other studies find charter students are not more disadvantaged on average than students in regular public schools (Carnoy, Jacobsen, Mishel, & Rothstein, 2005; Lake & Hill, 2005).

The case in Michigan is clearer, though still mixed. The data analysis described in this brief finds that charter schools in Michigan enroll disproportionately more African American students than TPSs and that charter students score lower on statewide assessments of academic achievement. The data also reveal that charter schools attract more socially advantaged students in high-poverty areas, while serving more disadvantaged students from affluent areas.

Data and Methods

This analysis is based on student-level data for spring 2004 from Michigan's Single Record Student Database (SRSD) and 2003-2004 test scores from the Michigan Evaluation and Assessment Program (MEAP). The SRSD contains detailed individual information on each K-12 student in Michigan's public schools. Information used in this brief includes student race/ethnicity as well as eligibility for free or reduced priced lunch (FRL), which is a proxy for socio-economic status (SES). Academic achievement for this analysis is based on MEAP scores in mathematics and reading. During 2003-2004 reading was tested only in grades 4, 7 and 11, and math in grades 4, 8 and 11.

This brief compares the characteristics of students attending charter schools and TPSs by race, socioeconomic status and academic achievement, as well as by combinations of these characteristics. In addition, because charter schools tend to be located in certain

types of communities (Arsen, Plank, & Sykes, 1999), charter and traditional school student characteristics are also compared according to where students live: central cities, suburbs or rural areas. Comparing charter students to other students in the local area where they reside instead of where they attend school is important because students are free to attend a charter school anywhere in the state. In fact, many students in Michigan attend charter schools outside their resident districts.

Michigan developed very quickly during the past decade. As Table 1 shows, by 2003-2004, Michigan had 218 charter schools that enrolled roughly 73,000 students, or about 4.2 percent of the state's public school students.

The data in Table 2 show that Michigan's PSAs are indeed serving a disproportionate share of the state's African American students. African American students made up 54 percent of all PSA students in Michigan, a figure that is three

Table 1. Participation in Michigan's Charter Schools in Selected Years

School Year	96-97	98-99	00-01	02-03	03-04
Number of PSAs	79	138	184	206	218
Number of PSA Students	12,047	34,319	56,417	66,567	73,039
PSA Students as a Percentage of K-12 Students	0.8	2.2	3.5	3.8	4.2

The data presented in this brief focus on White and African American students because there are relatively few Hispanic and Asian students in Michigan schools—only six percent of all students. The percentage of Hispanic students is slightly higher in PSAs than in TPSs, while Asian students attend TPSs by a 2-1 margin. There are no significant differences between these two racial groups by community type.

Racial/ethnic Distribution of Charter and Traditional Public School Students

According to Michigan's charter school law, a charter school, officially named a Public School Academy (PSA), is a state-supported public school that operates independently under a charter granted by an authorizing body.[1] PSAs in

times the percentage of African American students in TPSs. By contrast, White students represented 37 percent of PSA students, only half the percentage of White students in the TPSs. The high percentage of African American in PSAs is primarily a function of charter school location. About half of Michigan's PSAs are located in Detroit and other central cities, attracting students from these cities and their surrounding low-income suburbs where African American students are concentrated.

Table 2 also compares the racial composition of PSA and TPS students by community type. With the exception of Detroit, the data demonstrate two opposing trends for White and African American students. For each community type,

[1] An authorizing body can be any public university, community college, K-12 local education agency or intermediate school district.

Table 2. Percentages of Students in PSAs and TPSs by Race/Ethnicity, 2003-2004						
Community Type	**Total Enrollment**		**PSA**		**TPS**	
	PSA	TPS	% White	% African American	% White	% African American
Detroit	29,882	153,706	6	89	4	90
Other Central Cities	17,371	168,532	41	47	44	41
Low-income Suburb	3,105	43,641	22	71	51	39
Middle-income Suburb	15,090	680,110	74	17	85	9
High-income Suburb	2,492	269,068	81	7	88	4
Rural	5,099	356,639	84	2	93	1
TOTAL	73,039	1,671,696	37	54	75	18

Notes: Students are organized by districts of residence. In 2003-2004, 399 out of 555 school districts had students attending PSAs. Excluding the districts with no PSA, students did not change the data in the table substantially. American Indians are not shown due to the small number of students.

the percentage of African American students in PSAs is higher than the percentage in TPSs, while the share of White students is consistently lower in PSAs than in TPSs. The most dramatic difference in the racial composition occurs in the low-income suburbs, where the share of African American students enrolled in PSAs is more than doubled the share in TPSs, and the share of White students attending PSAs is almost 50 percent lower than in TPSs. By contrast, the racial composition of students in Detroit's charter and TPS is very similar, because students throughout Detroit are predominantly African American.

Comparison of PSA and TPS Students by SES

Table 3 shows that 42.6 percent of PSA students statewide were eligible for the free and reduced price lunch program in 2003-2004, almost 10 percentage points higher than TPS students. This is consistent with the conventional argument that PSAs serve more disadvantaged students than TPSs. However, when this indicator of family poverty is disaggregated by community type and racial group, PSA students within each racial group are less likely to be poor than TPS students in most parts of Michigan.

Of course, the percentages of FRL students vary by community type. Disaggregating the statewide data yields surprising results: In school districts where poor families are concentrated, including Detroit, other central cities, and low-income suburbs, charter school students are actually less likely to come from low-income families than are TPS students. By contrast, in relatively affluent middle- and high-income suburbs, PSA students are generally more likely than TPS students to be eligible for the FRL program.

These patterns hold for both White and African American students, but to a greater extent for African American students. In particular, the difference in poverty status is very big for African American students from Detroit, indicating that African American PSA students from Detroit are much less likely than their counterparts attending TPSs to come from low-income families.

In relatively affluent suburban areas, however, charter school students are slightly more likely to come from poor families than traditional public

Table 3. Percentages of Students Elibigle for Free/Reduced-Priced Lunch by Race/Ethnicity and Community Type, 2003-2004

	% of FRL		
	PSA	**TPS**	**Difference**
Total - Statewide	42.6	32.9	9.7
Detroit	53.8	71.8	-18.0
Central City	50.9	55.4	-4.5
Low-income Suburb	52.1	54.3	-2.1
Middle-income Suburb	24.7	23.3	1.4
High-income Suburb	13.5	8.5	5.0
Rural	30.6	35.0	-4.4
White - Statewide	28.6	23.2	5.4
Detroit	62.1	65.9	-3.8
Central City	35.3	36.8	-1.5
Low-income Suburb	42.7	44.9	-2.2
Middle-income Suburb	22.3	19.9	2.4
High-income Suburb	12.7	7.3	5.3
Rural	25.9	33.6	-7.6
African-American - Statewide	53.7	63.7	-10.0
Detroit	51.6	71.2	-19.6
Central City	63.7	70.2	-6.5
Low-income Suburb	55.5	63.2	-7.7
Middle-income Suburb	34.3	43.7	-9.4
High-income Suburb	35.0	28.2	6.8
Rural	54.8	61.8	-7.0

school students. Since White students are more likely to reside in these suburban areas in Michigan, White PSA students statewide are more likely to be eligible for FRL than White students in TPSs.

Difference between PSA and TPS students
Our data show that the characteristics of students attending PSAs differ systematically by race, SES and achievement levels from students attending TPSs.

Table 4. Average MEAP Scores of TPSs and PSAs at Certain Grades, 2003-2004

	PSA	TPS	Difference
Grade 4 Math	537	550	-13
Grade 8 Math	529	547	-18
Grade 11 Math	495	537	-42
Grade 4 Reading	541	554	-13
Grade 7 Reading	527	543	-16
Grade 11 Reading	535	548	-13

Comparing PSA and TPS Student MEAP Scores
While only students in certain grades took the MEAP tests in Michigan during 2003-2004, Table 4 shows that TPS students in those grades score higher on average than PSA students in both mathematics and reading. The differences are fairly big and all are statistically significant. This is not necessarily evidence, however, that TPSs are more effective than PSAs. Such a comparison at one point in time does not account for the possibility that charter schools attract lower-performing students on average, nor does it capture gains in achievement over time.

Table 5 presents more detailed information on 4th grade math MEAP score comparisons. It shows that TPS students consistently have higher test scores than PSA students for each community type, race and SES subcategory[2].

Finding 1 PSAs serve disproportionately more African American students than TPSs. Charter school students from central cities, suburban and rural areas are more likely to be African American than traditional public school students from the same areas. The high percentage of African Americans in PSAs is also due to the location of PSAs, because charter schools are more likely to be located in central cities and attract students from central cities and surrounding low-income suburbs, where African American students are more concentrated.

[2] Results are similar for other grades and subject areas

Table 5. Grade 4 Math MEAP Scale Scores by Race/Ethnicity and Community Type, 2003-2004			
	PSA	**TPS**	**Difference**
Community Type			
Detroit	532	536	-4
Central City	535	542	-7
Low-income Suburb	526	538	-12
Middle-income Suburb	544	552	-8
High-income Suburb	554	562	-8
Rural	543	549	-6
Race/Ethnicity			
White	541	549	-8
African American	518	527	-9
Hispanic	522	532	-10
Asian	547	560	-13
SES			
Free/Reduced Lunch	529	540	-11
Non-Free/Reduced Lunch	543	555	-12

Finding 2 Contrary to the conventional argument that charter schools serve more socially disadvantaged students, this research shows that, although charter school students are more likely to be socially disadvantaged than traditional public school students at the state level, PSA students from relatively poor communities are more advantaged than TPS students from their own racial groups.

Further analysis of the data by community type suggests that charter schools "cream" the more socially advantaged students in high-poverty areas, while serving more disadvantaged students from affluent areas. This is true for both White and African American students. Since White students are much less likely be from low-income areas than African American students, on average White students attending charter schools are more socioeconomically disadvantaged than White students in traditional public school, while African American charter school students tend to be much less disadvantaged than African American students in traditional public schools.

Finding 3 Charter school students have significantly lower MEAP scores on average than TPS students. The cross-sectional comparisons presented in this brief do not permit us to determine whether the low test scores of PSA students are because charter schools disproportionately attracting students with lower academic achievement or because charter schools are less effective in raising student performance.

However, the claim that charter schools students earn lower test scores than traditional public school students because they serve a socioeconomically disadvantaged student population is not valid for two reasons. First, our analysis shows that low-income PSA students have significantly lower scores than low-income TPS students. In addition, in relatively less-affluent communities, PSAs actually serve a more socially advantaged student population than TPSs. This pattern is especially evident for African American students. Except for the affluent suburban areas, African American charter school students are much less likely to be from low-income families than African American students in traditional public schools.

Discussion:

One central debate about charter school policy revolves around what kinds of students charter schools serve—whether they serve the most disadvantaged or instead "cream" the best students who are easier to educate. Charter advocates claim that the PSAs are reaching poor and academically challenged students from low-income and minority families who are not well served by traditional public schools, families who cannot afford to switch to better public schools by changing their residential districts or afford private schools (Finn, Manno, & Vanourek, 2000). Opponents of charter schools, however, worry that charter schools disproportionately attract academically stronger students and students from higher socioeconomic status families, leaving behind disadvantaged students whose parents tend to have greater difficulty in obtaining information about charter programs or school quality and in arranging transportation to charter schools (Levin, 1998).

Our findings suggest a more complicated picture. On the one hand, charter schools in Michigan do provide more opportunities for minority students, and there is no indication of them "creaming" high performing students from TPSs. On the other hand, the students charter schools attract from high-poverty communities are less likely to be from low-income families than the students left behind, essentially lowering the SES level of the TPSs.

Depending on whom they enroll, charter schools have the potential to either decrease or increase educational equity. They can enhance equity by providing more schooling options to disadvantaged students who are in racially segregated, poverty concentrated, low-performing public schools. They can also exacerbate inequity, however, if more advantaged students choose to attend charter schools and disadvantaged students are left behind in "failing" TPSs that lose both students and the resources that follow them to charter schools.

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