



THE DAWN OF EDUCATION FREEDOM IN MONTANA?

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In October, an unprecedented event took place. Twenty-six charter school applications were submitted to the Montana Board of Public Education (BPE) for consideration.

These 26 applications represent a remarkable statewide initiative to introduce charter schools to the Treasure State, something the education establishment has resisted for 31 years. During that time, 45 other states have passed charter laws and 7,800 charter schools have opened their doors to 3.7 million students across America. Earlier this year, an authoritative national study of charter schools found that they are outperforming traditional public schools in reading and mathematics.

While we applaud this seeming embrace of public charter schools, it raises 4 obvious questions: (1) what does it take to build a successful charter school? (2) who is applying for these 26 charters and why? (3) what does this development mean for Montana? and (4) what do Montanans want from charter schools?

As the 46th state to allow charter schools, Montanans are fortunate to be able to look across the country and learn about the conditions that support successful charter schools. For our third article in this twelve-part monthly series, we want to address these questions by drawing a stark contrast between what is happening in Montana right now and what we know – from national experience – it takes to establish a high-quality charter school sector.

In doing so, we hope to understand if Montana is on the right track. The Frontier Institute defines education freedom as “a system of permissionless innovation where both families and educators have the ultimate freedom to cooperate and create education models tailored to meet the unique needs of every child.” We want to explore whether or not Montana stands to advance this vision.

1. What does it take to establish a vibrant charter school sector?

Since the first charter law was passed in Minnesota in 1991, most charter schools have been started by groups of parents, entrepreneurial educators, and school organizers acting to address community needs of their own free will. This basic concept – to start new public schools independently of central government planning – might seem simple, but it is core to what makes a charter school.

Because of who they are and how they come together, the founding groups that start new charter schools have the opportunity to gain nine benefits that, taken together, set charter schools apart from traditional public schools.

- **Breakthrough Vision.** Frequently, charter schools are started to make good on a bold new vision for educating students apart from the *status quo*. The point is to develop innovative solutions for serving students and families more effectively than what has been tried before.
- **New Leadership.** Rather than being selected from within the district, the founding boards of charter schools typically conduct a rigorous search to attract a highly qualified leader. This person brings the expertise, practices, and energy required to achieve the breakthrough vision for the school.

- **Thriving Culture.** Great charter schools foster a thriving culture with distinct norms, behavioral expectations, and performance standards. This climate is built on choice – families seek out these qualities when they enroll because they align with their own values, ideals, and educational goals. Those families who stay become loyal patrons who enable the school to succeed through their engagement, support, and dedication.
- **Autonomy-Accountability Tradeoff.** Charter schools are built on a basic tradeoff. In return for operating independently from district schools, charters are held strictly accountable for performance in several important ways:
 - Parents enroll and unenroll by voluntary choice, taking their per pupil funding with them when they leave.
 - Charter schools provide regular performance reporting to their authorizers.
 - Charters operate under contract that can be revoked if they fail to perform.

In contrast, districts can leverage local taxing authority to generate funding even as enrollment shrinks and are not easily closed despite poor performance. In fact, it is not uncommon for chronically struggling district schools to remain open for decades even as they fail to educate thousands of students.

- **Resource Generation.** When charter schools get started, they must build or attract the essential resources to accomplish their vision and mission. These resources can take the form of philanthropy, access to facilities, academic partnerships, technology, equipment, volunteer involvement, and/or unique services. Charter schools frequently do “less with more” because of their entrepreneurial mindset and creativity in allocating their limited resources to accomplish their goals.
- **Community Ownership.** Typically, charter schools are not governed by district school boards. Instead, charter school boards are selected from among community leaders, who commit their time, talent, and treasure to support the school. The board dedicates itself to governing the school and is held accountable by the families they serve.
- **Best Practices & Innovative Approaches.** Charter schools are not usually subject to district policies or collective bargaining agreements. Instead, they are freed to implement best practices and innovative approaches to educating students and serving families. This autonomy enables them to focus on doing what is best versus conforming with one-size-fits-all regulations.
- **Specialized Teachers.** Charter schools typically have the freedom to attract, employ, and develop their own teachers. Quality charter schools invest heavily in selecting, training, and developing specialized teachers uniquely equipped to help them fulfill their mission and vision. In healthy charter schools, teachers have extraordinary buy-in, passion, and commitment to what they are teaching.
- **Change in Resource Allocation.** With less funding compared to districts, charter schools must allocate their resources differently and more prudently. Frequently, they save funds in some parts of their budgets, which allows them to invest more heavily in other parts of their budgets. This flexibility allows charter schools to be agile and more impactful in serving students and families.

This list does not cover all the benefits of charter schools but represents nine key benefits on which successful charter schools are started and run. Every benefit shares one thing in common – they create the conditions in which an independent public school that can be uniquely successful in serving its particular community – because that is the whole point.

2. Who is applying for these 26 charters and why?

In an unusual turn of events, 25 of the 26 charter school applications submitted to the Montana BPE are being put forward by public school districts.¹ If approved, these charter schools would operate under the supervision of the districts – presumably with the same leaders, managerial norms, district policies, state department rules, and legislative regulations that apply to traditional district schools. The one application submitted by a non-district entity was rejected by the BPE because it was incomplete.

As the chart indicates, 8 of the 25 charter applications are to continue programs already offered by the school districts with the other 17 representing what could be considered a concept to start new district-run schools.

Current Charter Applications	
District Applications	25
Applications to Continue Existing District Programs	8
Applications for New District Programs	17
Incomplete Application (Rejected)	1

By submitting applications to redefine existing programs as charter schools, the districts stand to gain access to new funding not previously available. Five districts are proposing to start new schools for populations that they are struggling to serve, including refugees, students at-risk of dropping out, and students with disabilities. Of course, the obvious question is whether starting new schools would bring new solutions to the table or simply segregate such underserved populations in 'separate but unequal' settings.

One big takeaway from the submission of these 26 charter applications is that the state of Montana has a major problem. Many students, families, and communities throughout the state are not being well educated...or perhaps educated at all. Each of the 26 applications identifies a need – where a particular population of students deserves access to a quality education. These student populations – refugees, dropouts, the chronically absent, those who live in remote geographic locations, gifted and talented students, families who want a different type of school model than what regular public schools offer – deserve a quality education. So why haven't they been receiving it?

It is no secret why the 26 charter school applications are being filed now. If the districts seeking to get approved can demonstrate that the demand is there for charter schools that operate with all the same regulatory requirements as district schools, then perhaps they can demonstrate that Montana does not need independently run charter schools at all. Therefore, the taxpayer funding under the control of districts can remain under the control of districts.

The underlying fear is that, if Montanans get a taste of what true community choice schools are like, they may become increasingly dissatisfied with what their school districts provide to them. Competition and innovation will spread, raising the standards for all schools in the state and ensuring that all families have access to quality options.

¹ [State receives more than two dozen charter applications](#)

3. What does this development mean for Montana?

With these 26 charter applications, the state of Montana has reached a crossroads where it is being presented with two scenarios:

- **Scenario #1. Regulatory Conformity.** Under the current scenario, all Montana public schools are subject to onerous district and state regulations with little opportunity for innovation and choice. If Montana remains on its current path, the only families who can access schools of choice are the ones with the financial means to: (a) relocate their families to affluent communities with the schools they want; or (b) pay tuition and fees for private schools.
- **Scenario #2 Entrepreneurial Innovation.** Elementary and secondary education in Montana can expand so that (a) districts continue to run most schools while (b) independent groups of parents, entrepreneurial educators, and independent organizers can start open-enrollment public charter schools. Under this scenario, independent charter schools can be opened for those students, families, and communities that desire them.

If Montana opts for scenario one, all public schools will continue to be authorized, funded, and operated in a heavily regulated, prescriptive manner that does not support innovation and entrepreneurship.

Consider the following, in 2021 alone, the Montana legislature debated 148 bills on K-12 education. These bills regulate everything from how education is funded and how district school boards are elected to how benefits are paid to teachers, even how school facilities are financed and operated. After the legislative session ended, the Superintendent of Public Instruction produced a “compilation, School Laws of Montana 2021” as required by state law. This compilation is 1,374 pages long. Not only are districts required to comply with 32 chapters of education statutes, but as government agencies, they must also comply with 126 chapters of state laws that regulate employment, elections, taxation, finance, contracting, food service, insurance, transportation, even pest control.

This is the way that traditional public education currently gets done in Montana – through the passage and enforcement of laws that regulate every aspect of what occurs in district public schools. After these laws are passed, the Montana Board of Public Education and the Office of Public Instruction are entrusted with ‘making it so.’ These state bodies make rules and pass them down to school districts to comply, then monitor and enforce requirements to ensure proper implementation.

Within this regulatory system, locally elected school district boards also set and enforce policies that determine how the public schools operate under their supervision. Those policies must be followed by school administrators and all other staff. To illustrate, the Missoula County School District has posted a listing of all district policies and procedures on its website ([source](#)). These policies, which are grouped into 8 major categories, require that traditional public schools comply with standardized requirements and procedures in over 270 distinct aspects of how they operate.

4. What do Montanans want from charter schools?

Traditional Montana public schools are forced to comply with literally thousands of federal, state and district regulations that govern every aspect of what they do. The administrators, teachers, and staff that work in them are incentivized to conform, to demonstrate compliance with all these regulations. There is no room to take

entrepreneurial approaches, to innovate, or even to deviate from the regulatory compliance load to which they are subjected. Indeed, when regular public schools attempt to do something unique, there are grievance, complaint and dispute resolution procedures that protect against acting out of compliance with all regulations.

By contrast, the great promise of charter schools is that they can operate autonomously, freed from the regulatory load imposed on traditional public schools. But if Montana districts start and operate charter schools – as is currently proposed in 25 of the 26 charter applications – charter schools will not be freed at all. Instead, they will operate with all the same regulatory requirements as traditional public schools.

Should charter schools be part of the one size fits all education establishment or should they be able to serve families and educate students outside the box of district and state regulations? Through its actions, the State Board of Public Education will determine the answer to this question in the next 60 days.

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