

FEATURED EDITORIAL

Charter accounting

To provide true choice in Ohio, charter and traditional public schools must be held to the same standards

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Charter schools that work especially well, such as the Toledo School for the Arts, are among the finest public schools in Ohio. Charter schools that don't work — and there are too many of them — waste taxpayer dollars and condemn their students to a lousy education. It's past time for elected officials in Columbus to evaluate charter schools by a more-durable criterion than the size of their operators' campaign contributions.

Charter schools are exempt from many of the state regulations that apply to traditional schools. Gov. John Kasich asserted in his recent State of the State message that his administration is “cracking down on charter school sponsors who turn a blind eye to their failing schools ... if you're not loving kids, if that's not what you're doing with the charter, we don't want you.”

Sponsors of a bill before the state House say their legislation would reform charter schools by requiring greater accountability and transparency among the schools' proprietors and sponsors, and preventing conflicts of interest. Such claims invite skepticism, given the usual chumminess between lawmakers and charter operators, but the supporters deserve an opportunity to make their case.

The need for reform remains urgent: Ohio Attorney General Mike DeWine recently sued the founders of a closed charter school in Cleveland who pleaded guilty last year to misuse of public money; Mr. DeWine seeks to recover those funds.

The operators got nearly \$8.2 million in tax money for the school between 2007 and 2013. Mr. DeWine asserts they illegally diverted almost one-third of that amount to other businesses and a

church they ran. The school repeatedly received failing grades on its state report card, yet was allowed to remain open for years.

The House bill would prohibit sponsors of charter schools from acting as vendors to their schools — a seemingly obvious safeguard. It would require operators, sponsors, and boards of charter schools to make more information public about themselves and their employees, how they spend public money, and how their students are doing.

The measure purports to elevate performance standards for charter schools, and to prevent operators from cashing in when a school closes by keeping tax-subsidized equipment and lease payments. These changes all would prove useful.

Yet whether or not such reforms become law, Mr. Kasich's proposed budget would spend nearly \$1 billion in each of the next two years on state aid to charter schools. That money would largely be diverted from traditional schools that continue to educate about 90 percent of Ohio students, and often perform better than the charter schools in their area.

The Ohio Charter School Accountability project — an initiative of the liberal think tank Innovation Ohio and the Ohio Education Association — estimates that Toledo Public Schools lost \$73.5 million to charter schools in the last school year, in state aid and local taxpayer subsidies. If Governor Kasich's budget becomes law, the project says, TPS would lose an additional \$13.2 million next year to the shift.

It's not surprising that the state's largest teachers union wants the schools where its members work to hold onto their revenue. But it is reasonable to make increased state aid to charter schools contingent on genuine reform, including greater openness and oversight.

The good-government group In the Public Interest notes that when taxpayers and parents demanded to know how White Hat Management, one of Ohio's largest and most politically connected charter school operators, was spending public money, the company called such information proprietary and private.

"If I'm Coca-Cola, and you're a Coca-Cola distributor or a Coca-Cola purchaser," a lawyer for the company said, "that doesn't entitle you to know the Coke formula or find any information you'd be interested in learning from the Coca-Cola Company." That is, the company equates public education with a soft drink. The Ohio Supreme Court is considering White Hat's appeal of a lower-court order that it release financial records of 10 schools it operates in the state.

A new report by Innovation Ohio concludes that state tax reductions and increased aid to charter schools could force two-thirds of the state's school districts to cut their budgets because of lost aid. It also notes that charter schools get more F grades on their state report cards than they get A, B, and C grades combined.

Governor Kasich conceded that the state "hasn't provided enough guidance and oversight for charters." But he asserted that "just because a charter school is not producing great results in grades, it doesn't mean they're failing. Some of these charter schools have kids that, if they weren't in that charter school, they'd be out on the streets. ... Let's not judge somebody who's not doing their job because they've inherited a group of students who are just struggling."

Maybe, but charter school advocates reject such "we're doing the best we can" excuses from leaders of traditional districts. Why the double standard?

At the least, state government should not force struggling districts such as TPS — and local taxpayers — to subsidize charter schools. The state should provide all funding for such schools directly.

More broadly, charter schools must be held to all of the same performance standards and disclosure rules as traditional schools. Charters that educate their students well should not fear such scrutiny.

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