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U.S.

A Sea of Charter Schools in Detroit Leaves Students Adrift

By KATE ZERNIKE JUNE 28, 2016

DETROIT — On the face of it, Ana Rivera could have had almost any choice when it came to educating her two sons. For all the abandoned buildings and burned-down houses in her neighborhood in the southwest part of this city, national charter school companies had seen a market and were setting up shop within blocks of each other, making it easier to find a charter school than to buy a carton of milk.

But hers became the story of public education in a city grasping for its comeback: lots of choice, with no good choice.

She enrolled her older son, Damian, at the charter school across from her house, where she could watch him walk into the building. He got all A's and said he wanted to be an engineer. But the summer before seventh grade, he found himself in the back of a classroom at a science program at the University of Michigan, struggling to keep up with students from Detroit Public Schools, known as the worst urban district in the nation. They knew the human body is made up of many cells; he had never learned that.

When his school stopped assigning homework, Ms. Rivera tried enrolling Damian at other charters, but the deadlines were past, the applications onerous. Finally, she found him a scholarship at a Catholic school, where he struggled to rise

above D's all year. "He doesn't want to hear the word engineering," she said.

Michigan leapt at the promise of charter schools 23 years ago, betting big that choice and competition would improve public schools. It got competition, and chaos.

Detroit schools have long been in decline academically and financially. But over the past five years, divisive politics and educational ideology and a scramble for money have combined to produced a public education fiasco that is perhaps unparalleled in the United States.

While the idea was to foster academic competition, the unchecked growth of charters has created a glut of schools competing for some of the nation's poorest students, enticing them to enroll with cash bonuses, laptops, raffle tickets for iPads and bicycles. Leaders of charter and traditional schools alike say they are being cannibalized, fighting so hard over students and the limited public dollars that follow them that no one thrives.

Detroit now has a bigger share of students in charters than any American city except New Orleans, which turned almost all its schools into charters after Hurricane Katrina. But half the charters perform only as well, or worse than, Detroit's traditional public schools.

"The point was to raise all schools," said Scott Romney, a lawyer and board member of New Detroit, a civic group formed after the 1967 race riots here. "Instead, we've had a total and complete collapse of education in this city."

The city has emerged almost miraculously fast from the largest municipal bankruptcy in American history. Downtown Detroit hums with development — a maze of detours around construction sites with luxury apartments, a new Nike store along a stretch of prime but empty storefronts. Even where blight resumes a few blocks out, farm-to-table restaurants and modern design stores sprout hopefully. Last year, the city had its smallest population decline since the 1950s.

But the city's residents — many of them stranded here after whites and middle-class blacks fled in waves — will not share in any renaissance as long as only 10 percent of rising high school seniors score "college ready" on reading tests.

“We’ll either invest in our own children and prepare them to fill these jobs, or I suppose maybe people will migrate from other places in the country to fill them,” said Thomas F. Stallworth III, a former state representative who steered the passage of the 2014 legislation that paved Detroit’s way out of bankruptcy. “If that’s the case, we are still left with this underbelly of generational poverty with no clear path out.”

Creating Competition, and ‘Replicating Failure’

The 1993 state law permitting charter schools was not brought on by academic or financial crisis in Detroit — those would come later — but by a free-market-inclined governor, John Engler. An early warrior against public employee unions, he embraced the idea of creating schools that were publicly financed but independently run to force public schools to innovate.

To throw the competition wide open, Michigan allowed an unusually large number of institutions, more than any other state, to create charters: public school districts, community colleges and universities. It gave those institutions a financial incentive: a 3 percent share of the dollars that go to the charter schools. And only they — not the governor, not the state commissioner or board of education — could shut down failing schools.

For-profit companies seized on the opportunity; they now operate about 80 percent of charters in Michigan, far more than in any other state. The companies and those who grant the charters became major lobbying forces for unfettered growth of the schools, as did some of the state’s biggest Republican donors.

Sometimes, they were one and the same, as with J. C. Huizenga, a Grand Rapids entrepreneur who founded Michigan’s largest charter school operator, the for-profit National Heritage Academies. Two of the biggest players in Michigan politics, Betsy and Dick DeVos — she the former head of the state Republican Party, he the heir to the Amway fortune and a 2006 candidate for governor — established the Great Lakes Education Project, which became the state’s most pugnacious protector of the charter school prerogative.

Even as Michigan and Detroit continued to hemorrhage residents, the number

of schools grew. The state has nearly 220,000 fewer students than it did in 2003, but more than 100 new charter schools.

As elsewhere across the country, charters concentrated in urban areas, particularly Detroit, where the public schools had been put under state control in 1999. In 2009, it was found to be the lowest-performing urban school district on national tests.

Operators were lining up to get into the city, and in 2011, after a conservative wave returned the governor's office and the Legislature to Republican control for the first time in eight years, the Legislature abolished a cap that had limited the number of charter schools that universities could create to 150.

Some charter school backers pushed for a so-called smart cap that would allow only successful charters to expand. But they could not agree on what success should look like, and ultimately settled for assurances from lawmakers that they could add quality controls after the cap was lifted.

In fact, the law repealed a longstanding requirement that the State Department of Education issue yearly reports monitoring charter school performance.

At the same time, the law included a provision that seemed to benefit Mr. Huizenga, whose company profits from buying buildings and renting them back to the charters it operates. Earlier that year he had lost a tax appeal in which he argued that a for-profit company should not have to pay taxes on properties leased to schools. The new law granted for-profit charter companies the exemption he had sought.

Just as universities were allowed to charter more schools, Gov. Rick Snyder created a state-run district, with new charters, to try to turn around the city's worst schools. Detroit was soon awash in choice, but not quality.

Twenty-four charter schools have opened in the city since the cap was lifted in 2011. Eighteen charters whose existing schools were at or below the district's dismal performance expanded or opened new schools.

The charter school where Ana Rivera sent her two sons, Cesar Chavez Academy,

added a second elementary school, even though its existing one fell below 98 percent of schools on the most recent state rankings, in 2014. The Leona Group, the Arizona-based for-profit operator that runs it, also runs some of the worst-performing schools in Detroit. Stanford University's Center for Research on Education Outcomes, considered the gold standard of measurement by charter school supporters across the country, found that students in the company's schools grew less academically than students in the neighboring traditional public schools.

Ms. Rivera, herself the product of a failing Detroit public high school, knew none of that when she chose the school for her sons. "I had no idea of the education system," she said. She presumed it was better because it was a charter; it did not get the bad press the public schools do about gangs and violence.

Saginaw Valley State University, which chartered Cesar Chavez Academy, defended its decision to allow the school to expand, arguing that many of the students come in without English as a first language, and do better as they move into high school.

"They trend positively academically throughout that system," David Lewis, the director of the university's charter school office, said. The Stanford data is national and "is not reflective," he said, of Cesar Chavez.

With about \$1.1 billion in state tax dollars going to charter schools, those that grant the charters get about \$33 million. Those institutions are often far from the schools; one, Bay Mills Community College, is in Michigan's Upper Peninsula, nearly 350 miles away — as far from Detroit as Portland, Me., is from New York City.

Nationally, some charter school groups praise Michigan for allowing so many institutions to grant charters. But the practice has also allowed bad schools to languish: When universities have threatened to close them, other universities have granted another charter.

By 2015, a federal review of a grant application for Michigan charter schools found an "unreasonably high" number of charters among the worst-performing 5 percent of public schools statewide. The number of charters on the list had doubled from 2010 to 2014.

“People here had so much confidence in choice and choice alone to close the achievement gap,” said Amber Arellano, the executive director of the Education Trust Midwest, which advocates higher academic standards. “Instead, we’re replicating failure.”

A Daunting Landscape

Dawn Wilson’s four oldest children have attended between five and seven schools each — not uncommon in Detroit — moving among charter schools, traditional schools, private religious schools and suburban districts that take Detroit students, and the dollars that follow them.

She drives her children 130 miles a week to school — down from 200 last year, now that one daughter lives with another family in a suburb to attend private school. In between, she works as an entertainer for children’s parties. (“Kuddles the Clown,” she answers her cellphone.)

“Who else has time to take their kids to all these places to try to find quality education?” she asked.

Conflict with a teacher she found disrespectful prompted her to pull her children from one charter. One daughter spent six months at another, but returned to the Christian school she had attended earlier because there were so many fights.

Then, at a bus stop for the private school, her daughter was recruited for a charter that promised college seminars and dual enrollment at local colleges — and rewarded her for enrolling with a raffle ticket for a \$50 gift card.

With all the new schools, Detroit has roughly 30,000 more seats, charter and traditional public, than it needs. The competition to get students to school on count day — the days in October and February when the head count determines how much money the state sends each school — can resemble a political campaign. Schools buy radio ads and billboards, sponsor count day pizza parties and carnivals. They plant rows of lawn signs along city streets to recruit students, only to have other schools pull those up and stake their own.

A few weeks before the February count day two years ago, Detroit Public Schools sent a letter to families at a school in the state-run district, claiming, falsely, that their children had been reassigned to a public school. The state district cried foul — then copied the trick before the next count day.

It can be a forbidding landscape for families trying to enroll their children, particularly in a city where, historically, federal statistics show that nearly half the adults are not literate enough to function effectively in everyday life.

There are high-performing elite public schools that require entrance exams. A step below are some that require applications. Then come the neighborhood schools.

Then there are charter schools, which are supposed to accept students by lottery. But the most selective often have lengthy applications, requiring students to submit test results and official documents or give their history of disciplinary problems or special education.

Some schedule enrollment periods in January, even though most parents do not think about where to send their children until May. In a report commissioned by Excellent Schools Detroit, a nonprofit that has pushed for all schools to join a universal enrollment system, the director of one charter management company explained that his school published the required advertisement for its enrollment period in newspapers it knew would not be read by most Detroit families.

The more successful schools are those — charter or public — that are more selective. Detroit Public Schools, meanwhile, educates most of the city's special education students, including Ms. Wilson's youngest son, the only one of her children who has not changed schools several times.

Charter schools are concentrated downtown, with its boom in renovation and wealthier residents. With only 1,894 high school age students, there are 11 high schools. Meanwhile, northwest Detroit — where it seems every other house is boarded up, burned or abandoned — has nearly twice the number of high school age students, 3,742, and just three high schools. The northeastern part of the city is even more of an education desert: 6,018 high school age students and two high schools.

In a city of 140 square miles, transportation adds another layer to school selection. Few schools offer busing. And Detroit, long defined by the auto industry, never invested much in public transportation.

A mile and a half to school can become an hour-and-a-half journey, as it is for Deniqua Robinson and her three youngest children.

Morning is often still dark when they catch a 6:10 a.m. bus around the corner from their housing project near the MotorCity Casino Hotel. They wake by 5:30 a.m., because if they miss the 6:10, the next bus will not come for an hour, and the Catholic school her son attends fines him for being late. Some days her youngest daughter is lugging her cello. (“It’s like another person,” Ms. Robinson said.)

They change buses once, waiting at a weedy lot across the street from the old Kronk Gym, once a training ground for boxers like Thomas Hearns — a Hall of Famer known as “the Hitman” — and now a concrete shell covered in graffiti. In a safer neighborhood, they could walk the last distance. But two years ago, Ms. Robinson’s two middle children watched a dog maul a teacher after it ran out of an abandoned house across from the charter they attended nearby.

“I can identify the engines of what’s behind me, because I’m so on guard,” Ms. Robinson said. “I have to know what’s going on around me so nobody’s behind me trying to hit me upside the head and rob us.”

Two Mondays a month, her son’s school requires him to participate in a work-study program after school — or pay \$100 for every session he misses. He has been working at the city’s tourism bureau and loves the experience, but getting him there has disrupted the family’s bus routine. So Ms. Robinson has him on a waiting list for a charter school downtown that would not require him to work.

She estimates that her children miss 10 to 15 days a year because the buses do not come on time or it is too cold to wait. Some days she cannot afford the fare; a single mother, she supplements her child support payments by redeeming bottles for 10 cents each.

“I often describe this whole environment as ‘The Hunger Games’ for schools,”

said Tonya Allen, president of the Skillman Foundation, which invests \$17 million a year to try to improve the lives of Detroit's poorest children. "You get these kids who are moving three or four times in the elementary school years. I did that, but it was because my mother couldn't keep her rent together. Here, it's being incentivized."

'A Caste System' of Schools

That transience can prevent schools that want to be good from getting there. When there is always another option, families are inclined to take it.

Many left a state-run school after New Paradigm for Education, one of the city's most successful charter school companies, took it over and raised academic demands, imposing requirements that are standard in suburban districts, like a parent's signature on a nightly reading log.

"Parents have been victims for generations of failing schools," said Machion Jackson, the company's president and chief executive. "If you don't know what high expectations look like, you become frustrated."

After about 150 students left one of the charter schools that Dawn Wilson's children attended, angry that the management company had changed, the school cut teacher salaries by 20 percent and combined grades in classrooms. Even then it did not meet its budget.

Renee Burgess, the president of the new management company, Equity Education, said that every year about 35 percent of students in the company's three schools do not come back.

"Imagine if G.M. had to hire 35 percent of its work force again every year," she said.

She employs a full-time recruiter and expects principals to spend most of their time from April to October raising enrollment. Every staff member must make at least one personal contact a week with students over the summer to encourage them to return.

"In a system that is more stable, you wouldn't need to invest in that," Ms.

Burgess said. “You could invest those resources in another instructional coach, in more development and training for first-year teachers.”

Like others elsewhere, charter schools receive roughly the same per-pupil state dollars as public schools. But in Detroit, it is about \$7,300 a year — roughly half what New York or Boston schools get, and about \$3,500 less than charters in Denver or Milwaukee.

“We’re spreading the money across more and more schools; it’s no wonder that every school struggles,” said Dan Varner, the chief executive of Excellent Schools Detroit. “They’re all under-resourced.”

The hardest places to improve are the large urban public high schools like Frank Cody High School.

Just off the retail-starved stretch of Joy Road that gangs call the “Skudd Zone,” where the McDonald’s is known as the Murder Mac, Cody defines big city high schools in the worst way. Its concrete fortress occupies four square blocks, with metal detectors and security guards at the entrance and, inside, employees wearing boots in hot weather to keep mice from their ankles.

For a time, it seemed competition might work as it was intended at Cody.

Administrators visited charters in New York and Chicago to learn best practices and broke down the school into three smaller academies, each with about 100 students per grade.

The Academy of Public Leadership, on the second floor, copied practices many charters use to create what they call a “college-going culture.” College pennants line classroom walls; signs in hallways tally scholarship money students have won.

The academy’s principal, Johnathon Matthews, eliminated security guards in the hallways in favor of “cultural facilitators,” more like parents or older siblings. Every student, he pledged, would be able to identify three caring adults at the school and have a teacher’s cellphone number to call if the bus did not come or the electricity was turned off.

Graffiti stopped. Gang activity calmed down so much that the owner of the gas station next to the “Murder Mac” asked Mr. Matthews if the school had closed. ACT scores nudged up. And Mr. Matthews started thinking about adding counselors who would not just get students into college, but follow them through to completion.

Then came this year’s senior class.

Students needed 23 credits to graduate in June, but many had just 13 or 14 by January. One had just one and a half credits.

At age 19, they join the ranks of “overage, undercredited” students and have to transfer to alternative schools. The graduating class started in September with 87 students, but just 52 received diplomas.

Theirs was the class of students that started high school in the years of heavy churn — after the Legislature lifted the charter cap, the state created its new district and the city closed other public high schools as students fled to charters. By the time they arrived as sophomores or juniors, many students had three or four high schools on their transcripts and often gaps in their education: With no central record system, it takes time for schools or parents to track down the forms they need to re-enroll.

In the six weeks between February count day and the end of March this year, the school had 34 new students, some pushed from charter schools, some from suburban choice districts.

Teachers at the Academy of Public Leadership argue with Mr. Matthews about taking all comers, complaining that the school is judged for the performance of students who show up just weeks before state exams.

“We have the savior of Detroit here as our principal,” said Tracey Penick, the college counselor. “As admirable as it is, it’s very stressful. When you get a child at this stage in the game, it’s because they’re a problem.”

Lately, Mr. Matthews has been talking to a large bank about bringing a job training program to the school. The bank expressed concern about the low performance of students, and asked whether Cody might become an application

school. It is hard for him not to be tempted.

“The hidden ways to control who you get, that’s where I really frown upon competition,” he said. “It’s created a caste system, and Cody has the untouchables. It’s separate and unequal.”

A Bipartisan Solution

This winter, as Detroit Public Schools ran out of money, Mayor Mike Duggan, a pro-charter Democrat now in his third year, argued that the traditional schools needed a solution that would address the problems posed, and faced, by charter schools.

He proposed an appointed Detroit Education Commission to determine which neighborhoods most needed new schools and set standards to close failing schools and ensure that only high performing or promising ones could replicate.

Political conditions seemed promising.

Backed by a coalition of philanthropies and civic leaders, the teachers’ union and some charter school operators, the mayor got a Republican senator from western Michigan to sponsor legislation, including the commission. Governor Snyder, distracted and shamed by the scandal over the lead poisoning in the water supply of the mostly black and state-controlled city of Flint, was in no position to defend the state control of majority-black Detroit Public Schools, and supported the proposal.

In February, four prominent Detroit Republican business executives, including two sons of former governors, testified in support of the plan before the Legislature, arguing that 20 years had proved that the free market alone is not enough to improve schools. One of them, Mr. Romney, likened schools to a public utility.

“This is a public service, this isn’t just a business,” he said in a recent interview. “I don’t believe in the free market for police or fire.”

But the Great Lakes Education Project and other charter school lobbying groups warned that the commission would favor public schools over charters and argued

instead to kill off the Detroit Public Schools.

In the waning days of the legislative session, House Republicans offered a deal: \$617 million to pay off the debt of the Detroit Public Schools, but no commission. Lawmakers were forced to take it to prevent the city school system from going bankrupt.

For parents, the search remains for good schools — charter or public.

After her experience with the failing charter school in southwest Detroit, Ms. Rivera moved her younger son, Omar, to another charter nearby. It has had three principals in the three years since it opened. Nearly 20 teachers have left, and in January, the Wisconsin-based company that operates the school announced it was leaving.

So for fifth grade she has enrolled him in a Detroit Public School, where instruction will be split between Spanish and English. “I’m a little fed up with the charters,” she said.

If this doesn’t work, she said, she will send him to a school outside the city. Sometimes, she thinks of moving the whole family to the suburbs, following her husband’s landscaping business. But like many in this striving city, she is rooting for its comeback. “We can still be part of this new Detroit.”

And Omar, though he made honor roll this year, fears a move. “The teachers teach good there,” he said. “I’d be so far behind.”

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