## EDUCATION WEEK

## Watchdog Report Highlights Charter School Self-Dealing, Political Ties in Florida

## By Denise Amos, The Florida Times-Union, Jacksonville (Fla.)

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A government watchdog group called Florida's growing system **Back to Story** of privately-run public charter schools wasteful and said it sometimes gives rise to self-dealing and profiteering.

Integrity Florida, a group which seeks to uncover public corruption, recommended more widespread disclosure of charter school finances, especially greater oversight of ways tax dollars end up in private companies profits.

The study also showed how some of Florida's elected officials are influenced by the money in charter school development and operation.

"Some public officials who decide education policy and their families are profiting personally from ownership and employment with the charter school industry, creating the appearance of a conflict of interest," the study says. "Lax regulation of charter schools has created opportunities for financial mismanagement and criminal corruption. ... Inasmuch as charter schools can be an inefficient and wasteful option for 'school choice,' the legislature should evaluate the appropriate amount of funding the state can afford to offer in educational choices to parents and students."

**Charter schools are public schools.** But unlike traditional public schools they operate independently of publicly-elected school boards.

Although all charter schools are nonprofits controlled by their own privately selected boards, about half of Florida's charter schools are run by for-profit companies. In general all charter schools face fewer state restrictions and less oversight than regular public schools.

School districts are, on paper, authorizers of each charter school. However, over the years, state legislators have whittled down school district's oversight of charter schools.

Recently the Florida Supreme Court struck down a proposed state constitutional amendment which would have let the state or some other entity authorize charter schools without school districts' consent, using local, state, and federal tax dollars.

The court removed that amendment from the ballot, saying in a 4-3 ruling that the amendment's language and intent were unclear.

Meanwhile, large urban districts like Duval County Schools, continue to lose students and funding to charter schools, because in Florida most school funding follows the student.

In Duval County, 16,160 of the 131,397 public school students this year (or 12 percent) attend charter schools rather than district schools. Charter

schools in Duval County received \$106.2 million in total funding.

Statewide about 10 percent, or about 296,000 students of Florida's 2.8 million children, attend 650 charter schools.

Florida charter schools received \$346 million in capital outlay funds alone in 2016-17, surpassing what traditional schools received some years, the study said. That doesn't include the hundreds of millions more charter schools receive for operations and management.

Yet charter schools' success has been mixed, most studies agree. Although many charter schools do academically outperform their district counterparts, many others do not.

"Charter schools are more likely to receive an A than all schools and also more likely to receive an F grade," the study said. "Three percent of charter schools (16 schools) received an F grade, compared to one percent (43 schools) of all schools, in the 2016-17 school year."

Since 1998, at least 373 charter schools have closed in Florida. When forprofit charters close, the public money spent on lease payments and building improvements is lost, because the school district doesn't own their buildings, the study said.

Even so, charter schools' political influence is growing.

Since its start in 1998, the charter school industry has spent more than \$13 million to influence state education policy in Florida through contributions to political campaigns, the study said. Since 2007, the industry spent another \$8 million on legislative lobbying.

The result has been laws encouraging the spread of charter schools and relaxation of state rules for charter schools, the report said.

Integrity Florida made several recommendations designed to eliminate and improve charter schools:

• Require for-profit companies associated with charter schools to report their expenditures and profits for each school they operate. Companies managing charter schools in more than one school district should have annual audits ensuring local tax revenue is being spent locally.

• Require charter schools to post on their website their original application and charter contract along with their annual report, audit and school grade.

• Charter school websites should include lease agreements, including terms and conditions and who profits from the lease payments. Limit the amount of



public funds that can be used for charter school facility leases to a certain percentage of the school's operating budget.

• Prohibit charter schools from using public education funds for advertising to attract new students.

• Require charter schools to report annually the number of dropouts, the number of withdrawals and the number of expulsions.

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