

President of Public Education Partners (PEP) Jeanne Melvin: State budget focus on charter schools hurts public schools.

The attached article by Jeanne Melvin was published in a major newspaper; however, she sent her article to us with permission to publish. Her exposure of the fraudulent, for-profit charter school industry is quite appalling. However, fraud and corruption in the charter school business is as old as the first few charters issued. Billions of tax dollars have been wasted on charters, but politicians embrace them anyway. The Governor's state budget recommendations show he seems to favor charters over the public common school system.

Gov. Mike DeWine laid out [the first budget of his second term in office](#) and centered much of his agenda around education.

Gov. DeWine wants to expand private school choice in the Buckeye State, which includes more public funding for private and religious schools and for publicly-funded but privately-operated charter schools.

The governor proposes to increase the income eligibility for EdChoice school vouchers up to 400% of the federal poverty level, which is \$111,000 per year for a family of four. This expansion of school vouchers would cost about \$178 million per year, according to an analysis from the Legislative Services Commission.

Some revealing articles have been published in the Dayton Daily News about EdChoice school vouchers, but since the demise of ECOT, the scandalous online charter school, not much is written about charter schools these days.

In addition to more money for vouchers, Gov. DeWine's budget has some bonuses for charter schools, such as providing an extra \$3,000 for each economically disadvantaged student and doubling per-student building funding to \$1,000 per student for *all* charter schools. Why would online charter schools need increased per-student funding for their non-existent school buildings?

Charter schools by Ohio law are referred to as "public schools," but they are *publicly-funded*, tuition free schools, which are *privately-operated*. Charter schools were originally conceived in 1997 as "laboratories for innovation," but when Ohioans think of innovation, they probably do not have profiteering in mind.

However, that is what most of Ohio's charter schools, known as community schools in Ohio Revised Code, have become: non-profits in name only run by those who cash in on educating kids.

Since the pandemic, more than half of all Ohio charter schools are run by for-profit corporations, enrolling 60% of all of our state's charter school students. Many of these corporate operators are located out-of-state, ignoring both federal regulations and Ohio laws that say funding should go to *public* schools that are non-profit organizations operated for children, not for personal enrichment.

Accel, the fourth largest for-profit chain in the nation, is rapidly expanding [by buying up failing Ohio charter schools](#) owned by other for-profits. While Accel may have offices in Ohio, it is a subsidiary of Virginia-based [Pansophic Learning](#), which is partially owned by an [investment company in Dubai](#).

Like many of Ohio's for-profit run schools, Accel runs its 55 Ohio charter schools with [sweeps contracts](#), meaning that nearly every public dollar coming into the charter school is "swept" into the for-profit controlled bank accounts. The for-profit does everything from hiring employees to managing the bank accounts to leasing the building, often from the for-profit's related corporation.

Accel is hardly alone. For-profit Oakmont Education took over several of the for-profit Cambridge-run schools, whose founder and owner, Marcus May, [was convicted of fraud and racketeering](#). Oakmont takes 18% off the top to run its schools with the power to hire the teachers and principal and to direct the educational program.

The Ohio Department of Education included 47 different for-profit operators running charter schools in its [2021-2022 operator report](#).

As the recently released report, [Chartered for Profit II: Pandemic Profiteering](#), published by the Network for Public Education (NPE) explains how related corporations and real estate companies create webs designed to maximize profitability in Ohio and beyond.

According to [a report](#) published by Ohio's pro-charter Thomas B. Fordham Institute, which itself sponsors charter schools, for-profit charter schools graduate students at lower rates and with more adverse academic outcomes as the number of charter services managed by for-profit operators increases.

The NPE report outlines six simple policy changes that could be made to close many of these legal loopholes and ensure public funds end up serving students, not profiteers. These are recommendations that Ohio should adopt, because playing the system to profit off kids is not the "charter school innovation" taxpayers deserve.

It is encouraging that Gov. DeWine says he wants to continue implementing the Fair School Funding Plan, [which was passed in his last budget but not fully funded](#), because if we are not fully funding public schools, why are we talking about funding private schools?

Once again, it appears that private school choice will be the focus of Mike DeWine's education budget proposal.

Will there be any funds left for the 615 constitutionally-required public school districts that serve over 1.5 million Ohio students and their families?

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