

May 20, 2002 San Francisco  
Parents Advocating School Accountability  
www.pasasf.org

## **Omissions, Misstatements Discredit Edison Achievement Claims**

Edison Schools executive Benno Schmidt touted achievement at an Edison-run Texas school in a May 14 conference call with the embattled company's investors. But Schmidt failed to mention that Edison will no longer manage the San Antonio school, Kriewald Road Elementary, after the current school year ends. Schmidt is chairman of Edison Schools' Board of Directors.

New York-based Edison will exit Kriewald Road Elementary and Elm Creek Elementary, its two remaining schools in the Southwest Independent School District (SISD), San Antonio and Atascosa, Texas. The controversial, for-profit company previously left other SISD schools at the end of the 2000-2001 school year. The school district cited high costs and other problems in ending its contract with the controversial, New York-based company.

Edison officials also overstated their schools' nationwide academic achievement at other points in the conference call. Edison Chief Operating Officer Chris Cerf declared that for 2002 scores in Edison schools, "early returns have consistently exceeded our historic rates of gain," which Edison officials put at 5 to 7 percentage points per year.

Though few school districts have posted 2002 scores yet, available information disputes Cerf's claim. At Edison's Henry E.S. Reeves school in Miami, the average test score dropped 20 percentage points from 2001 to 2002, averaging all scores for all grades together in accordance with Edison's standard methodology. And in Dallas, the number of Edison schools rated "low-performing" by the Texas Education Agency increased in 2002, according to the May 20 Dallas Morning News.

"Those [Edison] students are getting longer days and longer school years, and they're still not as good as our regular schools," school board member Hollis Brashear told the Morning News.

Meanwhile, Edison made news last week over its removal from Boston Renaissance school in Boston. While Edison disputed accounts that it was being banished from the school because of low achievement, Edison Chief Education Officer John Chubb attributed the school's problems to its inability to implement the "Edison design" fully.

But low funding in Philadelphia, where Edison plans to take over 20 schools, is also likely to prevent it from implementing the "Edison design," which includes a longer school day and year, take-home computers and foreign language. Some observers wondered if Chubb's implication that Edison can't succeed without those amenities hinted at low expectations for the company's future Philadelphia students.

Edison's record has been mixed and controversial even in schools that do boast the "Edison design." Test scores for Edison Charter Academy in San Francisco school, for example, rank dead last among the district's 75 elementary schools – yet Edison cites the school as a success in its publicity.

"Unfortunately for its students, Edison apparently sets very low standards for claiming success," remarked Margaret Brodtkin, executive director of San Francisco's Coleman Advocates for Children and Youth.

Edison Schools' stock has plummeted in the past few weeks, closing May 20 at an all-time low of \$1.31, down almost 90 percent from its 52-week high of \$28 last June. Many Philadelphians are wondering if the company will be in a financial position to take over the planned 20 schools. The Philadelphia Daily News has editorialized in favor of scrapping plans to give Edison a role in the district.

Edison last week also settled charges with the Securities and Exchange Commission for filing "inaccuracies" and "poor internal controls." The SEC complained that as much as 41 percent of Edison's reported revenue was never collected.

Los Angeles Times business columnist Tom Petruno cited Edison's problems in a May 19 column addressing the "cockroach" theory of assessing investments: "If you see one ugly problem at a company, it's a good bet that there are many others behind the walls, waiting to emerge," he wrote.

Edison Schools, which runs more than 100 schools nationwide, is a nationwide school management firm with stock publicly traded on the NASDAQ, though the 10-year-old company has never made a profit. Edison has attracted ideological support from backers of privatization and school vouchers, and from such powerful conservative bastions as the Wall Street Journal editorial board and the Hoover Institution.

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Dallas Morning News

May 20, 2002

**DISD to assess Edison contract 2 years later, company's list of 'low-performing' campuses back at three**

by Tawnell D. Hobbs

<http://www.dallasnews.com/localnews/stories/052002dnmetedison.1a724.html>

Henry E.S. Reeves School

Miami, Fla.

Test score information

## HENRY E.S. REEVES

| Grade | Year | Reading | Math | Writing |
|-------|------|---------|------|---------|
| 3     | 2002 | 240     | 232  |         |
|       | 2001 | 252     | 235  |         |
| 4     | 2002 | 268     | 249  | 3.3     |
|       | 2001 | 260     | 236  | 3.3     |
| 5     | 2002 | 242     | 270  |         |
|       | 2001 | 254     | 284  |         |

<http://www.miami.com/mld/miamiherald/3270548.htm>

### Clarification on Edison school's test score figures

PASA's information on test scores at Henry E.S. Reeves school in Miami should have read as follows: Test scores showed a cumulative drop of 20 percentage points from 2001 to 2002, combining all scores for all grades together in accordance with Edison's standard methodology.

Third grade reading scores dropped 12 points, and math dropped 3 points.

Fourth grade reading scores increased 8 points and math scores increased 13 points; writing scores were unchanged.

Fifth grade reading scores dropped 12 points and math scores dropped 14 points.

Across all tested grade levels and all subject areas, there was a cumulative drop of 41 points, offset by a cumulative gain of 21 points, for a net cumulative drop of 20 points.

Edison Schools Inc. uses this methodology in its Annual Report on Student Achievement; in that report, each school's scores are compared to a prior year's scores to establish the "gain." In some cases the gain is actually a negative number, meaning it is a loss, or a drop in the score. Then all of the gains and losses are added together to produce a total. If the total is a positive number, then the school is rated "positive"; if it is a negative number (more losses than gains) the school is rated "negative".

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For more information on Edison Schools, go to [www.pasasf.org](http://www.pasasf.org). PASA is an advocacy organization and our press releases reflect our point of view. Our material is reported and written in accordance with professional standards for accuracy. Any problems called to our attention will be corrected or responded to publicly as appropriate.