

July 4, 2001

An open letter to the California State Board of Education
From: Caroline Grannan, San Francisco public-school parent

As a San Francisco taxpayer and public-school parent, I urge the state Board of Education to reject the proposed state charter for Edison Charter Academy in San Francisco.

Edison Schools inflicts problems not just on San Francisco but also on school districts nationwide. District after district has clashed with the company over Edison schools' high additional costs, which far exceed those of other schools without producing higher student performance; over Edison's rampant management problems; and over Edison's inadequate disclosure of financial and other required information to school districts.

Edison Schools blindsided the San Francisco Unified School District (SFUSD) with these problems: Edison Charter Academy (ECA) has pressured families of children with behavioral and academic difficulties to leave the school, almost all of them African-American boys. In ECA's first year of privatized operation, 14 out of 15 students who were moved from ECA to other SFUSD schools were African-American boys, though the school's African-American population was less than 40 percent at the time. (It has since dropped to 30 percent.)

Edison Charter Academy vigorously discourages children with special needs from applying, as I learned firsthand when I visited the school. Most parents who enroll their children tour the school first, in response to Edison's marketing and outreach. When I visited ECA, the Edison Schools administrator leading the tour repeatedly emphasized that the school can't handle children with severe problems. She knew that I was an interested community member and not a prospective parent; the point would undoubtedly have been made even more forcefully to the parent of a special-needs child.

Edison Charter Academy costs SFUSD far more than other district schools. With Edison's business plan calling for capturing the "whole dollar," Edison receives the entire amount of per-pupil funding, while the district provides the full range of administrative services for free - at the expense of my children and all children in other SFUSD schools. This amounts to an estimated \$1,000 more per child than other district schools, subsidized by SFUSD's other 59,500 schoolchildren.

Many districts nationwide have similarly found that Edison schools cost far more than projected and far more than other schools, with little or no payoff in improved achievement. In the face of such evidence, Edison itself has dropped its longtime sales pitch claiming that it runs schools at no extra cost. In recent negotiations for new contracts - notably in Las Vegas, Nev., and Perry Township, Ind. - the company now admits that its schools will cost considerably more than other district schools.

Edison Schools intimidates and bullies school districts that attempt to sever ties with the company.

With Edison Schools, as with more shadowy organizations, once you join up it's almost impossible to quit. Edison creates divisiveness, hostility and controversy, tearing school communities apart.

In San Francisco, Edison mounted a costly, bloody, all-out legal battle - as well as a high-stakes public-relations and political lobbying war in which our district was wildly outmatched.

Edison successfully fed misinformation, including false test scores, to local and international press. Such powerhouse media as the London-based Economist and the Wall Street Journal quoted inaccurate test scores provided by Edison and attacked San Francisco school board members, by name, as ideologically motivated. A Wall Street Journal column branded the school board "Soviet-inspired." Editorials and news coverage in USA Today, the New York Times and local media joined in the attacks. Commentaries in the National Review, the New York Post and the San Jose Mercury News inaccurately indicated that Edison Charter Academy achievement exceeded districtwide achievement.

It's no wonder that officials in other districts have been afraid to speak up against Edison. Lives and careers were torn apart in one small district that declined to renew an Edison contract. One contact told me of a terrified administrator praying with his family before speaking at a public meeting about Edison's

problems.

The Board of Education should refuse to do business with a company that employs lies and bullying as routine business practices - and such a company should be allowed nowhere near children.

Edison Schools has failed to provide SFUSD with financial information required under the contract. It has also failed to comply with bilingual-education requirements and with a contractual agreement to create a Community Council to govern ECA. (The company set up a sham Community Council whose meeting minutes were clearly faked and whose members were unaware that they were supposed to be governing the school.)

In a for-profit school, children's needs are destined to collide with shareholders' interests. One current example is ECA's former library, which Edison Schools closed to cram in more revenue-generating students. (The school does not have a waiting list, so this is not in response to demand.) Meanwhile, ECA children peddle candy bars on the street to raise funds, which in a school whose primary mission is to make profits for shareholders amounts to shameless exploitation of children.

Edison makes distorted and unsupported claims of improved student achievement. Because the California Education Code prevents automatic assignments to charter schools, ECA's enrollment system was revamped when the school was privatized.

Before privatization, the student population included many of the district's most challenging students - including those whose parents hadn't troubled to fill out the required enrollment forms. (This situation was perpetuated and maintained under former Superintendent Bill Rojas, a fervent champion of Edison Schools.) After privatization, all enrollment was by parental request, enhanced by Edison's aggressive marketing and outreach.

Such a revamped enrollment system would transform the demographics at any school, though Edison has inaccurately disputed that the student population and the enrollment system have changed. The revamped enrollment renders moot any claims of test score "gains."

The only impartial gauge of the school's achievement is against districtwide averages - any other standard would sink into what the Bush administration calls "the soft bigotry of low expectations." Against districtwide figures, ECA ranks below average in all areas; far below average in most. The most recent available scores are given at the end of this letter.

Edison Schools faces other problems and complaints around the country.

GOLDSBORO, N. C.: The school district this spring revoked a contract with Edison when the school was threatened with state takeover due to academic failure.

SHERMAN, TEXAS: Citing high costs and low performance, this small school district, site of Edison's first-ever privatized school, declined in 2000 to renew its contract with Edison.

SAN ANTONIO, TEXAS: The Southwest Independent School District also attempted to end an expiring contract with Edison, though company pressure resulted in renewal of part of the contract.

PONTIAC, MICH.: The school district is considering revoking a contract with Edison because of multiple management problems.

DALLAS, TEXAS: School officials discovered in March that Edison schools there will cost the district \$5 million to \$20 million more than projected over a five-year contract. The school board had expected higher costs than other schools but was stunned by the amount of the figure. Edison is now asking the troubled district for even more money for the 2001-2002 school year.

YORK, PA.: Edison is battling the school district in court over whether the company must pay rent for a school site. District officials cite other problems with Edison, including the fact that Edison receives full additional funding for special-education students but admits only special-education students with mild difficulties, dumping the most challenging children on other district schools.

INKSTER, MICH.: Edison took over the entire district last year, In February, the school board raised many complaints about Edison and passed a resolution demanding management changes and more information from the company.

MILWAUKEE, WIS.: school officials are anxiously hoping for improvement after a new Edison school stumbled badly last fall, with three different principals in the first semester, a shortage of basic supplies, and a rapid exodus of both teachers and students. About 20 percent of students left the school during its first semester, with enrollment falling from 900 to 712.

LAS VEGAS, NEV.: The school board voted in April to turn seven schools over to Edison despite acknowledging that the deal would cost the district \$8 million extra. But two employee associations and a Nevada state legislator have sued to block the contract.

NEW YORK, N.Y.: Parents at five schools resoundingly defeated a March proposal to turn the schools over to Edison Schools. Edison spent more than \$1 million on the campaign, but 80 percent of the parents who voted rejected the Edison takeover.

CHICAGO, ILL.: More than half the teachers and 25 percent of the students left Edison's one school there after its first year, and even a charter school advocacy newsletter describes the school's academic achievement as "less than glowing."

LANSING, MICH.: A little-publicized 2000 study commissioned by the state Department of Education found that Michigan charter schools achieved lower scores on standardized tests, that they served far fewer special-education students and that most Michigan charter schools were run by for-profit firms. The study cited Edison Schools among the three worst-performing school management companies.

As a recent Newsweek article reported, when dealing with Edison, "the ride can be awfully bumpy" for school districts and parents. It was a mistake for SFUSD to do business with this company and it would be a mistake for the state Board of Education to follow suit. Our schoolchildren pay the price for adults' misjudgments.

I urge the state Board of Education to consider all this information and reject the contract with Edison Schools.

Caroline Grannan

Supporting information:

Edison Charter Academy test scores compared with San Francisco Unified districtwide averages
Spring 2000
National percentile ranking for average student score

2nd-grade reading		
Districtwide	56	Edison 33

2nd-grade math		
Districtwide	65	Edison 57

3rd-grade reading		
Districtwide	46	Edison 28

3rd-grade math		
Districtwide	62	Edison 41

4th-grade reading
Districtwide 51 Edison 30

4th-grade math
Districtwide 57 Edison 32

5th-grade reading
Districtwide 47 Edison 35

5th-grade math
Districtwide 59 Edison 49

SFUSD test score data: <http://orb.sfusd.k12.ca.us/schdata/schdata.htm>

Background articles available free online:

Detroit Free Press 4/20/01
Pontiac School Officials Grading Edison Poorly
Contract may end; practices questioned
http://www.freepress.com/news/education/zedison20_20010420.htm

Detroit Free Press 10/24/00
Report Criticizes Charter Schools
But state officials say they're unlikely to act on findings
http://www.freep.com/news/education/chart24_20001024.htm

Dallas Observer 1/00
No Class (on Edison's record in Sherman, Texas)
http://www.dallasobserver.com/issues/2000-01-27/feature.html/index_html?qs=1

Detroit Free Press 2/16/01
Inkster School Board Finds Edison Partnership Rocky
http://www.freepress.com/news/locway/nink16_20010216.htm

Milwaukee Journal-Sentinel 1/22/01
School Recovering from Bumpy Start, Official Says
Milwaukee Academy suffered enrollment drop
<http://www.jsonline.com/news/metro/jan01/acad23012201a.asp>

Las Vegas Review-Journal 4/24/01
Edison Schools Decision Opposed
Groups, lawmaker seek to void contract
http://www.lvrj.com/lvrj_home/2001/Apr-24-Tue-2001/news/15941817.html#mailform

Catalyst: Voices of Chicago School Reform 11/00
(Note that this is a charter school advocacy publication)
Edison Schools, Inc., Reinvents City's Largest Charter School
<http://www.catalyst-chicago.org/11-00/1100ChicagoInternational.htm>

New York Observer 8/99
Whittle and Benno Schmidt Try Another IPO Fast One
(on Edison's practice of soliciting charitable donations for a for-profit business)
<http://www.newyorkobserver.com/pages/story.asp?ID=1588>

New York Observer 4/01
The Edison Project Needs Bull Market For Passing Grade

Commentary on Edison's business outlook including the following apt description:

Edison Schools Inc. of New York-the so-called "for-profit" educational company that is much in the news these days-is, at its core, just about as spiritually conflicted an enterprise as any H.M.O. you can name. It claims to be one thing (an educational system), but it is, in fact, something else (a system for raking off the unrealized profit that is presumed to lurk in the inefficient delivery of educational services to the public).

<http://www.observer.com/pages/story.asp?ID=4104>

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