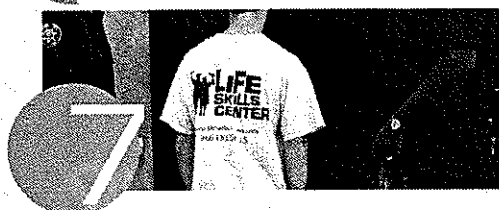


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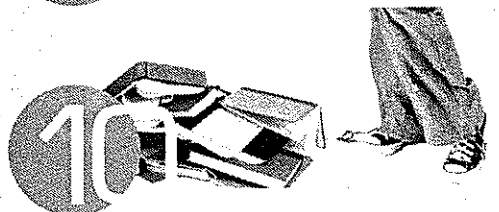
'GHOST SCHOOLS' PAID MILLIONS FOR ABSENT STUDENTS

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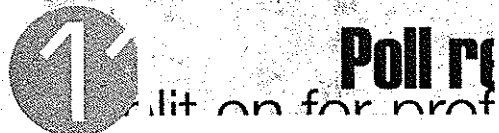
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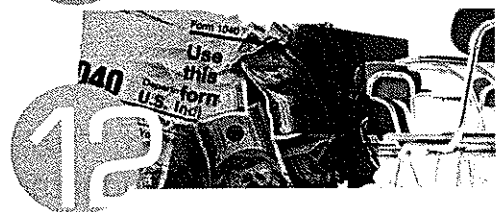
STATE LAWS FOR TRUANCY, DROPOUTS VARY GREATLY

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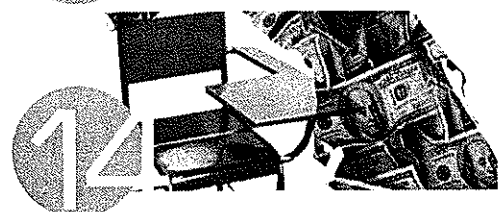
POLL REVEALS AMERICANS SPLIT ON FOR-PROFIT CHARTER SCHOOLS

Americans tend to support charter schools but are divided about whether they should be run by for-profit companies.



INFLATED SCHOOL ATTENDANCE SPARKS REFUND PUSH IN TEXAS

Texas officials want a refund for millions of tax dollars from schools that allegedly inflated attendance records, part of a national problem of absenteeism at schools operated by for-profit corporations.



FLORIDA TAXPAYERS SPEND MILLIONS ON ABSENT STUDENTS

Florida taxpayers are spending millions of dollars to educate thousands of high-school students who rarely or never show up for class, part of a growing trend of high absenteeism at schools operated by for-profit corporations.



OHIO OFFICIALS CONSIDER MORE OVERSIGHT OF CHARTER SCHOOLS

Ohio Gov. Ted Strickland and other state leaders want increased oversight of their charter schools after disclosures that dozens of so-called "dropout recovery" schools get millions of tax dollars for thousands of habitually absent students.



'GHOST SCHOOLS' PAID MILLIONS FOR ABSENT STUDENTS

By Thomas Hargrove and Gavin Off

Taxpayers pay millions of dollars every month to educate tens of thousands of high school students who rarely or never show up for class, part of a growing trend of high absenteeism at privately operated schools.

These special charter schools are supposed to rescue students who were failing in traditional public high schools, but a Scripps Howard News Service investigation found that many students are not attending class and few are graduating. Some of these institutions have become ghost schools with thousands of students who are enrolled but never attend.



Ohio, hardest hit by the trend, paid \$29.9 million for absent students who were enrolled at 47 of these "dropout recovery" schools during the 2006-2007 school year, the most recent year that complete data are available.

The nation's ~~single worst truancy rate~~ according to government records - was at a campus in Cincinnati where 64 percent of enrolled students were not in class on a daily basis during the 2004-2005 school year.

The problems are widespread.

Charter schools in Florida, for example, collected at least \$25 million for a daily average of 5,125 missing students during the 2006-2007 school year. And the Texas Education Agency has tried to recoup more than \$25 million from schools that allegedly inflated attendance reports.

For-profit companies operate schools in 30 states and the District of Columbia. Most of these schools are paid based on the number of students enrolled -- not those who actually attend -- so the schools get paid even if the desks are empty.

"I'm not against privatization of schools. But sometimes I get terribly ill thinking about all of the resources here that could have been better spent in traditional schools," said Gary Miron, a researcher at Western Michigan University who tracks the growth of education-management organizations, known as "EMOs."

"After all, these EMOs are doing what for-profit companies are supposed to do. They are making money. They are creating business models that are highly profitable. The real question is why our state legislatures are allowing this."

The dropout-recovery school movement began in 1998

in Ohio, and in recent years has been averaging about \$30 million a year in state payments for absent students. Taxpayers have paid more than \$100 million in the last five years through this system.

Robert H. Crosby, a Salem, Mass., businessman who owns a for-profit company that manages nine schools for at-risk students in Texas and Florida, said, "Ohio is the profit-making EMO capital of America."

The money can be significant.

"It's a cash cow! We all used to sit around and joke about that," said Mark Elliott, former principal of the Life Skills Center of Cincinnati. "I spent less than \$1 million on a \$3 million operation. What the hell are they (executives at his former company) doing with the other \$2 million?"

Elliott's former school has Ohio's highest absenteeism rate. Average daily truancy runs more than 50 percent of enrollment in recent years and spiked to 64 percent for the 2004-2005 school year. Only about 158 students of the 438 enrolled were showing up that year.

"Why does this go on? Because we let it go on," said Andy Jewel, a researcher for the Ohio Education Association. "This isn't about education reform. It's about politics. Charter

schools have become a highly politicized process. That's why it hasn't been reined in, yet."

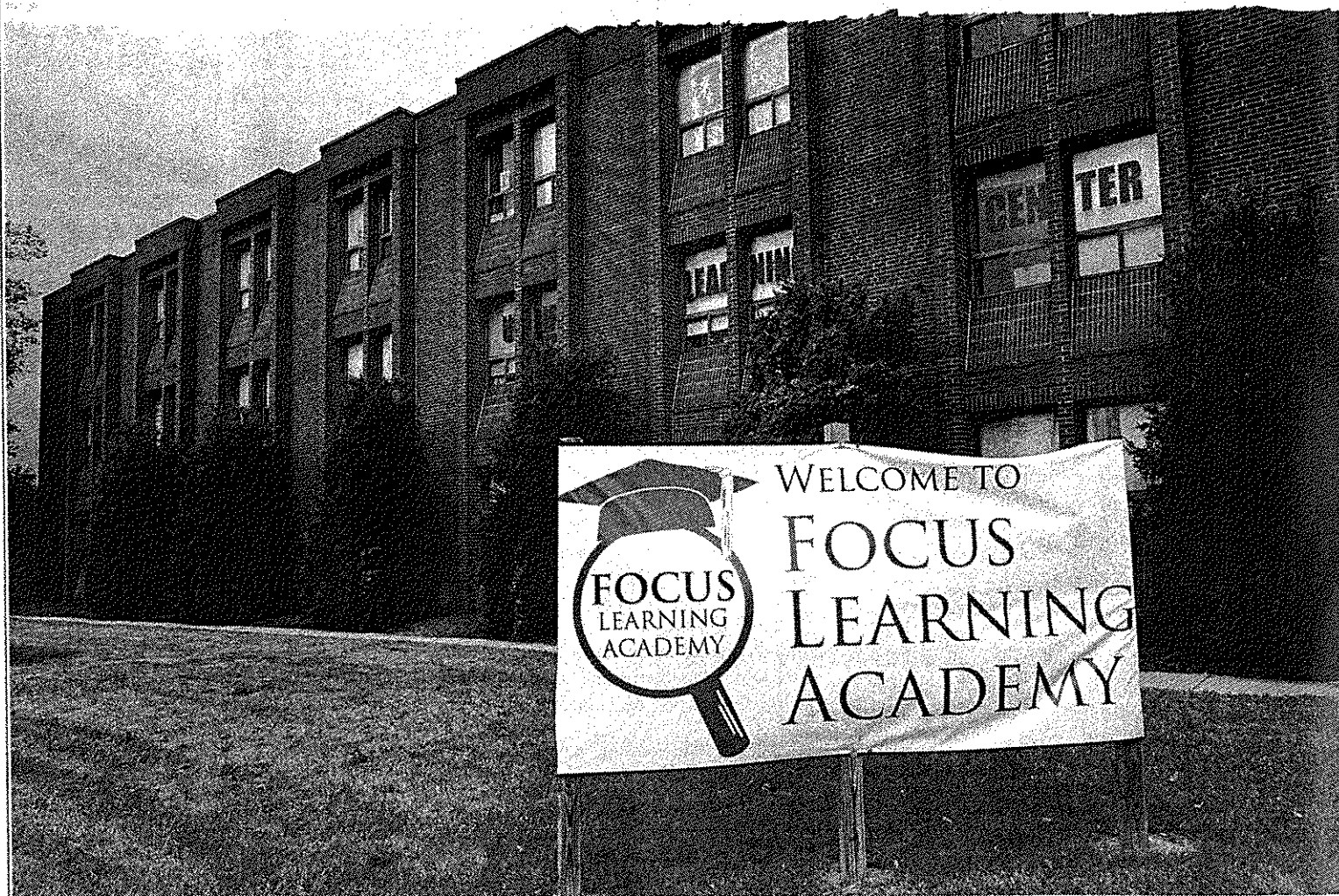
Nationwide, absenteeism in all public schools runs about 8 percent, according to a study of the 2003-2004 school year by the U.S. Department of Education.

The Ohio Department of Education requires schools to take action if absenteeism exceeds 7 percent, although dropout-recovery schools have been exempted from the rule. Ohio public schools most recently reported statewide absenteeism averaging about 5.9 percent.

Ohio's charter schools account for only 3 percent of the state's public high school enrollment, but they account for 45 percent of the state's high school dropouts, according to a Scripps Howard analysis of U.S. Department of Education computer files.

The Ohio schools with the worst attendance are the 17 Life Skills Centers run by the for-profit company White Hat Management, founded by Akron, Ohio, businessman David Brennan. The company operates 20 more Life Skills Centers in Arizona, Colorado, Florida and Michigan, many of which also have high levels of absenteeism.

Fewer than half of Ohio Life Skills Center students graduate, according to Ohio Department of Education records.



The Ohio Life Skills schools had a total enrollment of 5,789 students during the 2006-2007 school year, according to computer files at the Ohio Department of Education. But the state said absenteeism for those schools collectively was 45.62 percent that year, which means White Hat Management was paid \$17.3 million for 2,641 absent students.

White Hat Management issued a written statement when asked to explain the absenteeism. The company said its schools serve students who've dropped out of traditional public schools, and that more than 10,000 have received diplomas since 1998.

"It is a constant challenge to keep our students in school -- many of them have lost the discipline of daily attendance and almost all of them have other responsibilities such as jobs and families that make it harder for them to balance their schedules," the company statement said. "There is absenteeism at Life Skills Centers as there is at public schools. It is surprising that it isn't higher."

Under Ohio law, truant students must be dropped from the enrollment lists after missing 105 hours of instruction. But former employees and students at Life Skills Center schools said habitually truant students were kept on the active enrollment lists.

Former employees said they were routinely sent to students' homes to obtain written excused absences using a standard form the company developed. Then the absence became "excused" until another 105 hours were missed.

"It was really a bad experience. I'd spent my time biting my own tongue and swallowing blood," said Andrea Gale, a former English teacher at the Life Skills Center of Lake Erie, Ohio.

She said teachers were used primarily as record keepers for attendance -- "nothing more than clerks" -- and told to obtain excuse notes from parents and guardians.

"We really wanted to be able to mark a kid as 'E' for 'excused' on our records. We would

even go to the families' houses and say, 'Where is your kid?' We had time allotted for home visits. Usually the excuses were for medical reasons. But we'd take whatever excuse we could get, things like 'My child was ill' or 'He was at the doctor' or 'He was out of town.' Then I'd match that to my attendance book," Gale said.

Other former employees echoed Gale's remarks. Each said administrators ordered teachers and clerical workers to obtain excused-absence notes to keep the students enrolled.

"I think they had it down to a science. It was a business. It was run like a business," said Nanyah Bar-Asher, who taught at the Life Skills Center of Cincinnati. "They knew exactly how long to keep the students on the books, how long they could get paid for them."

Former Life Skills Center of Canton, Ohio, teacher Michael Appollonio, who now works for the Ohio State Mental Health Agency, said:

Appollonio's Canton school had 211 students enrolled and collected more than \$1.5 million in the 2006-2007 school year. If its pay were based on actual attendance, it would have received about half that amount, according to the state's funding formula.

"A lot of the excuses that kids brought in, they were a joke. Some of them might have said the student missed the bus. OK, but three days in a row of a student missing a bus? I've seen documents that I know were written by students and the administrators just took them."

These forms, collected by the hundreds each year, allowed White Hat to earn millions in tax dollars for kids who rarely attended.

Appollonio's Canton school had 211 students enrolled and collected more than \$1.5 million in the 2006-2007 school year. If its pay were based on actual attendance, it would have received about half that amount, according to the state's funding formula.

former enrollment specialist for the Life Skills Center in Trumbull County, Ohio, Cathalene Weyant said she helped the attendance coordinator change the unexcused-absence records after receiving excuse notes. She said the school had a running list of whom it needed to get notes from and was collecting notes from about 50 percent of its students.

Administrators never questioned the notes' validity, she said.

"I'm sure they were bogus," said Weyant. "It was pretty much a given that they (the students) weren't going to go" to class.

Former students said they lied on the forms.

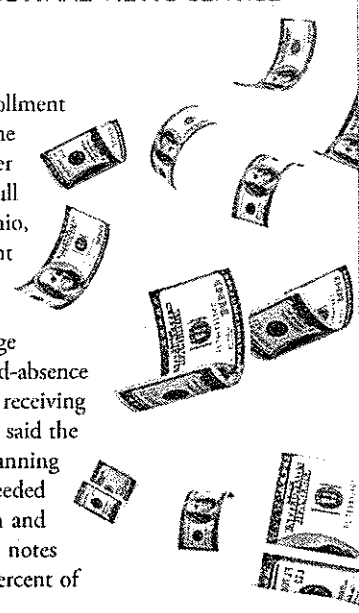
Desiree Troy attended the Life Skills Center of Canton from 2002 until she graduated in 2006. Although she rarely cut school, the now-22-year-old admitted to handing in fake absence notes.

"They wanted us to write our names and dates and why we weren't in school," Troy said. "I wasn't always honest. If I wasn't going to school to avoid conflict or to get a break from it, I would still say I had a headache."

Officials with the Ohio Department of Education defended their oversight of White Hat schools. State reviewers have gone to each Life Skills Center to examine hundreds of excused-absence forms on file in recent years.

"The student files are checked for proper documentation. If a student is listed absent, they will note that there is an excuse in the file. As to the validity of that, how do we determine if the parent is lying or not?" asked Jason Wall, the management analyst supervisor for the Ohio Department of Education's School Finance Office.

Wall said the auditing methods used to determine how many full-time-equivalent



A s
the

Opposite: The Focus Learning Academy of Southeastern Columbus last year averaged only 49 percent attendance for enrolled high-school students. The campus is part of a growing number of privately operated charter schools specializing in students who've dropped out of traditional schools. (SHNS photo by Gary Gardiner)

students (FTEs) are actually attending a school does not allow for any challenge of the accuracy of excused-absence forms, other than to confirm that they exist.

"There is nothing in our FTE review process where an area coordinator would pick up the phone and call a parent regarding a specific excuse," Wall said. "We trust that the parent has what is best for the child in mind and that it is a valid excuse."

White Hat Management, in its written statement, also defended its use of excused absences: "Our policies require written documentation for excused absences and we comply with all applicable sections of the Ohio Revised Code. We will not dignify allegations made

The student files are checked for proper documentation. If a student is listed absent, they will note that there is an excuse in the file. As to the validity of that, how do we determine if the parent is lying or not?

Jason Wall, the management analyst supervisor for the Ohio Department of Education's School Finance Office.

in interviews with 'former employees,' 'former teachers' and 'former students' since we have not been offered transcripts of such interviews," the firm said in a written statement.

"We find offensive any implication that White Hat Management -- the management company for Life Skills Centers -- has not complied with reporting and legal requirements," the company said.

Elsewhere in America, some state and local officials are aggressively challenging the accuracy of attendance claims at privately run schools.

In Florida, three Richard Milburn Academy schools were shut down in the last two years for a variety of performance

complaints that always included absenteeism.

"It was a struggle from the very beginning with them. What constitutes attendance? Their record keeping was just so poor," said Sandra Ramos, recently retired assistant superintendent of Pasco County schools who oversaw last year's closure of the Milburn school in her district.

"They were continually trying to get their enrollment up," Ramos said. "During FTE weeks (twice-yearly enrollment counts to determine funding) they would give \$50 bonuses so the kids would show up. But those kids didn't show up after that."

Robert H. Crosby, the founder and president of NonPublic Educational Services Inc., which operates three remaining Milburn academies in Florida and six campuses in Texas, vigorously defended his programs.

"We are focusing on the at-risk kids. I like to say we've focused on the bottom of the barrel. I'm not taking the easy road on this. I have a total mission in life to help kids who are at risk. After all, I was an at-risk kid once myself," Crosby said from his Salem, Mass., office.

He said many school boards in Florida are hostile to charter programs run by private businesses. Four Florida counties -- Brevard, Collier, Polk and Alachua -- refused to give charters to his group, according to state records.

"If you are a nonprofit group, you can do no wrong. But if you are for-profit, then you can do nothing right," Crosby said. "There is a bias against

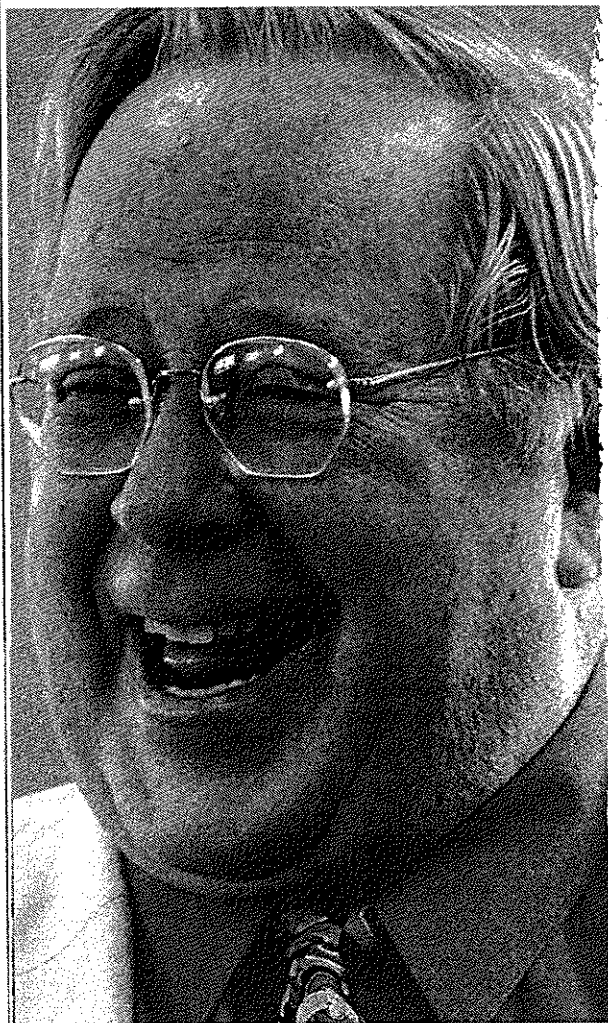
for-profits in education."

Absenteeism at Crosby's remaining schools averages 26 percent in Florida and 17 percent in Texas. Texas, unlike most states, pays charter schools on the basis of actual attendance, not enrollment.

Crosby was asked whether the method of funding influences attendance in schools.

"That's an interesting hypothesis. But that's for someone else to look at, not me," Crosby said. "In Florida, we are paid by enrollment, but so is every other school. Texas is one of the few states that pay by attendance. Most of the states pay by enrollment, fortunately."

Texas officials believe their funding formula does have an impact.



Businessman David Brennan founded White Hat Management, a for-profit company that manages 37 Life Skills Center high schools in five states. Many of these schools report that only half of their enrolled students actually attend class. (SHNS photo by Mike Levy / The Plain Dealer)



What is it like to go to a school next to a cocktail lounge?

By Thomas Hargrove

Every weekday a few minutes before 8 a.m., more than a dozen teen-agers line up in front of The Lobby cocktail lounge in a strip mall located in a blue-collar neighborhood.

Across the street is an adult book club. Down the block is a gentlemen's club featuring exotic dancers.

Exactly at 8 a.m., a weathered steel security door opens next to the glass-door entrance to the bar. A guard with a cigarette dangling from his lips begins searching the teen-agers, mostly African Americans, patting the boys down for weapons and looking into

Time for school.

Opposite: Columbus, Ohio, police officers are assigned to help maintain security at the Life Skills Center of Southeast Columbus, a charter school that specializes in enrolling teen-agers and young adults who've dropped out of traditional high school. Only about half of these students actually attend class.

The Life Skills Center of Southeast Columbus is part of a 17-school chain operated by the for-profit White Hat Management firm of Akron, Ohio. The schools offer "dropout-recovery" programs meant to serve students who have failed in traditional high schools. Absenteeism is extremely high, and students who actually graduate are in the minority.

"The White Hat schools have routinely been the largest chain with the worst academic performance year to year," said Lisa Zelner, a spokeswoman for the Ohio Federation of Teachers, a teacher lobbying group. "We found that the for-profit companies are posting much lower performance ratings than are traditional public schools."

Two teachers sit in the middle of the room to take attendance and answer questions. But the students, mostly, are tethered to their computers for most of their three-hour learning experience. Officials for the Ohio Department of Education said a three-hour day can meet the state's minimum requirements as long as students also get credit for their work experience in part-time or full-time jobs.

"The schoolwork was very easy. But I wasn't given the education I needed. I wasn't given what I needed to succeed in college," said Amanda Littrell, 22, who attended the Life Skills Center at Middletown, Ohio.

Littrell transferred from a traditional high school into the Life Skills program in her sophomore year and graduated the same year, getting her high-school diploma two years early. But she failed her admissions test for Cincinnati State

Technical and Community College and is bitter about the quality of her high-school education.

"It was so easy to cheat there. I certainly would have gotten a million times better education if I'd stayed in my old high school," Littrell said. "If I could erase going to Life Skills Center and stay in a regular high school, I would."

But many students don't show up at all, according to state records and former students.

"They kind of have an 'oh well' thing," Littrell said of the staff at the Life Skills school. "They don't really care if you don't show up."

Justin Greenfield, 21, dropped out of the Middletown campus in 2005. Although his school had enrolled 346 students that year, Greenfield said sometimes he saw only 30 students in class -- sometimes even fewer.

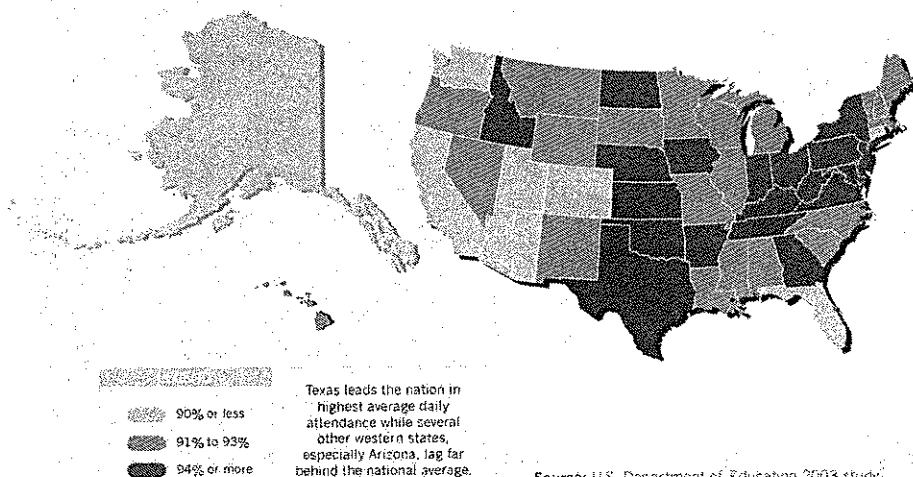
"At Life Skills, you come and go as you please. It's kind of like a school you go to until you're old enough to drop out," Greenfield said.

The people who run the Life Skills Center of Southeast Columbus say they take pride in their program, no matter how gloomy their statistics. Only 45 percent of these students will get a high-school diploma, according to Ohio Department of Education records.

And yet, Life Skills Center officials say, their 10-year-old program increasingly is being imitated.

"We're getting competition," said Monica Jones, a

Average daily public school attendance



A map showing which states have high, average and low attendance rates at public schools, based on a 2003 study by the U.S. Department of Education. Texas, which pays all schools on the basis of attendance and not enrollment, has the nation's highest average attendance rate.

The schools run by White Hat Management, as well as other dropout recovery schools, consistently report far below average attendance and graduation rates.

Part of the reason, critics say, is the teaching method.

After walking through the security checkpoint, students at the Columbus campus are ushered into one of three large rooms lined with dozens of computer cubicles. They don headsets and stare at pre-programmed lessons about basic mathematics, science, geography and English.

The Life Skills Center of Southeast Columbus is a dropout recovery charter school where only about half of enrolled students actually attend class. The school is located in a strip mall and shares a building with a cocktail lounge that is open during school hours. (SHNS photo by Gary Gardiner)

spokeswoman for White Hat Management.

School principal Andrew Pasquinilli nods in agreement.

"Just since our center opened, we've had another community high school open up at the next stoplight," Pasquinilli said.

"Oh, right by the strip club and the bars and everything?" Jones asked.

"Yeah, actually it's right behind the strip club," Pasquinilli said. "And there is another dropout-recovery program down by Refugee Road. It's a direct dropout-recovery program like ours. We are seeing more competition."

Dropout-recovery programs in Ohio are proliferating, with at least 47 charter high schools specializing in at-risk students popping up around the state since White Hat Management pioneered the business model in 1998.

The Ohio Department of Education during the 2007-2008 school year paid White Hat Management \$1.5 million to teach 264 students

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Amanda Littrell, 22, who attended the Life Skills Center at Middletown, Ohio.

enrolled at the Columbus school.

But a headcount by Scripps Howard News Service found that only 122 teen-agers and young adults actually went to class on May 1, a typical school day. It's a figure school officials didn't challenge. Similar checks at Life Skills Center campuses in Akron and Cleveland also

found that less than half of enrolled students actually went to class.

Neither Jones nor Pasquinilli disputed the counts.

According to state calculations, the Life Skills Center of Southeast Columbus averaged 138 students a day during the 2007-2008 school year, although the school was paid for the 264 students on the enrollment list.

"Every state is different in terms of payment. In Colorado, for instance, on the first of October, every single student is counted to determine funding. It's do-or-die that day," Jones explained.

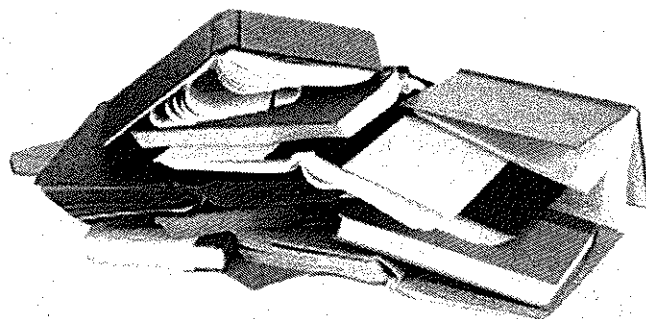
"At this school, we are only funded based on the Ohio guidelines. There are no irregularities in our funding. There are no irregularities in our reporting. There is nothing we are doing that is not in accordance with the way, legally, we are supposed to be funded," Jones said. □





STATE LAWS FOR TRUANCY, DROPOUTS VARY GREATLY

By Thomas Hargrove



States have struggled with the issues of truancy and high-school dropouts for many years, trying to weave regulations and compulsory education laws that will increase the number of youths who graduate from high school.

But the result of their attempts is a wide array of different policies.

How long teen-agers must stay in school varies, with 29 states allowing students to drop out at age 16, seven states ending compulsory instruction at age 17 and 14 states plus the District of Columbia requiring students to stay in class until at least their 18th birthday.

When young children must begin their schooling also varies, from as young as 5 years of age in eight states and the District of Columbia to as old as 8 in Pennsylvania and Washington state.

As a result, required school attendance ranges from a total of nine years in 11 states to 13 years in four states and the District of Columbia, according to the Denver-based Education Commission of the States.

...compulsory attendance laws do not specify the number of times a student must be truant before sanctions are enforced.

Commission researcher Kyle Zinth in a study released in 2005

"For the most part, compulsory attendance laws do not specify the number of times a student must be truant before sanctions are enforced," concluded commission researcher Kyle Zinth in a study released in 2005.

But 19 states set mandatory guidelines for when school authorities or police are supposed to intervene for truant students.

Arizona had the nation's lowest public-school attendance rate -- 82.6 percent for all grades -- in a 2003 U.S. Department of Education study. It also has one

of the most stringent definitions of truancy, saying it's an unexcused absence "for at least one class period during the school day." Arizona students are declared to be "habitually truant" after missing at least five school days within a year.

Students who are excused because of illness will not be automatically declared truant in Arizona.

At the other end of the spectrum are Illinois, which says a child is habitually truant after missing 10 percent of the school year's 180 days, and Connecticut, which requires remediation if a child misses 20 days. □

Poll reveals Americans split on for-profit charter schools

By Thomas Hargrove and Guido H. Stempel III

School entry, dropout ages by state

STATE	AGE	STATE	AGE
Alabama	7-16	Missouri	7-16
Alaska	7-16	Montana	7-16
Arizona	6-16	Nebraska	7-16
Arkansas	5-17	Nevada	7-17
California	6-18	New Hampshire	6-16
Colorado	7-16	New Jersey	6-16
Connecticut	5-18	New Mexico	5-18
Delaware	5-16	New York	6-16
DC	5-18	North Carolina	7-16
Florida	6-16	North Dakota	7-16
Georgia	6-16	Ohio	6-18
Hawaii	6-18	Oklahoma	5-18
Idaho	7-16	Oregon	7-18
Illinois	7-17	Pennsylvania	8-17
Indiana	7-16	Rhode Island	6-16
Iowa	6-16	South Carolina	5-16
Kansas	7-18	South Dakota	6-16
Kentucky	6-16	Tennessee	6-17
Louisiana	7-18	Texas	6-18
Maine	7-17	Utah	6-18
Maryland	5-16	Vermont	6-16
Massachusetts	6-16	Virginia	5-18
Michigan	6-16	Washington	8-18
Minnesota	7-16	West Virginia	6-16
Mississippi	6-17	Wisconsin	6-18
		Wyoming	7-16

State policies for compulsory education vary considerably by student age in the United States, with most states not requiring enough time to ensure high-school graduation. The following are the current ages by which students are required to enroll and the earliest age at which they are allowed to drop out.

(Source: National Center for State Legislatures)

Americans tend to support charter schools but are divided about whether they should be run by for-profit companies.

A survey of 1,003 adults conducted by Scripps Howard News Service and Ohio University found that more than four in 10 adults say they know "almost nothing" about charter schools, which receive tax dollars but often are run independently from local school districts.

Among those who say they know enough to have an opinion, support for charter schools runs 2-to-1 in favor. Only 18 percent said charter schools are a bad idea, while about twice that many believe the schools are a positive trend.

"There is a severe knowledge deficit regarding charter schools in the United States. In our own national poll, only 20 percent of respondents correctly identified charter schools as 'public' schools," said Kara Hornung of the pro-charter Center for Education Reform, based in Washington. "But, through additional research, we know that support grows with awareness."

By nearly a four-to-one margin in the Scripps poll, people who have an opinion say students in charter schools are doing better on achievement tests than students from traditional schools.

The following are selected findings from a survey of 1,003 adults conducted by the Scripps Survey Research Center at Ohio University from May 11-28.

Charter schools are public schools operating with tax dollars but also are allowed to function independently from their local school districts as long as they meet state standards. Do you favor or oppose the idea of charter schools, or do you not know enough about them to have an opinion?

Favor Idea **38**
 Oppose Idea **18**
 Don't Know Enough **42**
 Other Response **12**

Some charter schools are operated by for-profit corporations. Do you think that is a good idea or a bad idea?

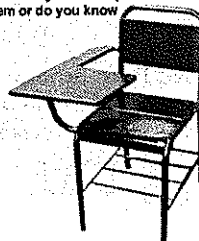
Good Idea **30**
 Bad Idea **36**
 Don't Know **32**
 Other Response **12**

There are now thousands of charter schools in the United States. If you had to guess, are students in these schools doing better on their achievement tests than kids at traditional public schools or are they doing worse than kids at traditional schools?

Charter Kids Do Better **43**
 Charter Kids Do Worse **11**
 Don't Know **39**
 Other Response **7**

How much do you know about charter schools? Do you know quite a bit about them, do you know a little about them or do you know almost nothing about them?

Know Quite A Bit **16**
 Know A Little **35**
 Know Almost Nothing **41**
 Don't Know/Other **8**



or gave other good, others bad." ☐

Actually, because charter schools often are designed to serve under-performing students, charter-school students as a group are performing less well on standardized tests than students in traditional schools.

Respondents were asked: "Some charter schools are operated by for-profit corporations. Do you think that is a good idea or a bad idea?" Thirty percent said private companies operating "public schools" was a "good idea." Another 36 percent said it was a "bad idea," and 34 percent were uncertain responses, such as "some are

The survey was conducted by telephone at Ohio University's Scripps Survey Research Center from May 11-28. The overall survey has a margin of error of about 3 percentage points.



Inflated school attendance spark refund push in Texas

By Thomas Hargrove and Gavin Off

Texas officials want a refund for millions of tax dollars from schools that allegedly inflated attendance records, part of a national problem of absenteeism at schools operated by for-profit corporations.

Seven charter schools have more than \$16 million in debts to the Texas Education Agency for allegedly inaccurate and inflated attendance reports, debts the state may never recoup. The state wrote off another \$9 million in debts after 20 charter schools went out of business. There is a national trend of states hiring companies to operate special "dropout-recovery" programs for students who are failing in the regular public schools. In most states, but not in Texas, these special schools are paid per student enrolled, not for how many students actually attend class.

"In the mid-1980s, Texas decided that attendance is important to achieving good performance in school," said Lisa Dawn-Fisher, deputy associate commissioner for school finance at the Texas Education Agency. "We only pay on the basis of warm bodies in the seats, so that the kids are receiving instruction. It is not enough just to enroll kids, but to actually teach them."

A 2003 study by the U.S. Department of Education

found that the average absenteeism rate in Texas was just 4.9 percent, the lowest for any state. Texas authorities said absenteeism recently has dropped to about 4 percent, still the nation's best.

But absenteeism averages about 9 percent in Texas' charter high schools, according to the Scripps Howard study.

Texas has aggressively sought refunds from charter schools, including \$8 million for attendance claims at Houston's Gulf Shores Academy (GSA), where absenteeism averaged 30 percent every day during the 2004-2005 school year.

"GSA reported students as having graduated, then listed those same students as still enrolled in the following academic year," the Texas Education Agency said in a lawsuit. "Almost since it began operating, GSA has failed to maintain necessary student attendance and financial records."

Texas state Rep. Harold Dutton, D-Houston, a lawyer who represents Gulf Shores Academy officials, said many charter

schools in Texas have a difficult time learning how to enter attendance information into the state's complex computer system.

"All of these charter schools are required to file through the Public Education Information Management System," Dutton said. "Most traditional schools have full-time people who enter the data. But charter schools are struck with doing this with just a part-time person. So the data are not correct."

Dawn-Fisher at the Texas Education Agency agreed that training could be part of the problem.

"There could be some devious intentions here," she said. "There could be some misunderstanding. I do see the need for some more training and technical assistance for charter-school holders, especially on the business side of the house -- their documentation requirements, what they need to be keeping track of."

But the fate of Gulf Shores became even less certain in March when principal Linda Johnson and her daughter, school employee Marian Johnson, were charged with felony counts of tampering with a government record after allegedly accepting \$150 from undercover agents to document a class credit so a fictitious child could graduate from high school.

Dutton said he believes the case stemmed from the cutthroat competition between national chains of charter schools to sign up "at-risk" high-school dropouts in the Houston area.

"There are people who are going after their (Gulf Shores') students," Dutton said. "There are national organizations whose sole purpose is to make money off of these kids. I'm talking about the for-profit companies who run the charter schools for at-risk kids and who are in bed with a lot of the local school boards."

It was just one of several criminal and civil cases that have been brought against charter-school officials in Texas. Among them:

-- Baptist minister Harold W. Wilcox and three family members were indicted in 2004 for defrauding the state and federal government of \$3.3 million through fraudulent attendance records at the Prepared Table Charter School in Houston. Wilcox died before trial, but his relatives pleaded guilty and got jail sentences.

-- Dolores Hillyer, former chief executive officer of Austin's Texas Academy of Excellence, was indicted last year for mispending charter-school funds for personal health care and private automobiles. She pleaded guilty in June and was placed on 10 years' probation. The school still owes the state about \$1.8 million.

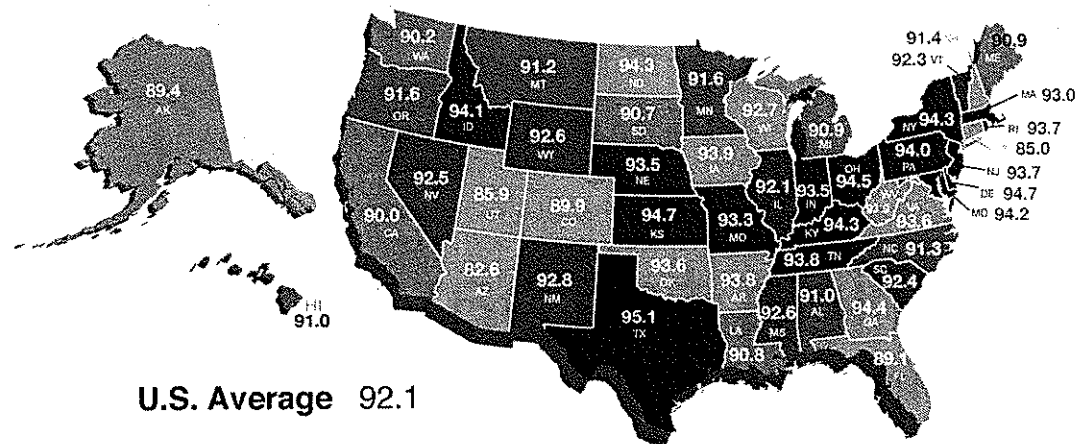
in Texas and three academies in Florida.

Absenteeism at Richard Milburn Academies averages 26 percent in Florida and 17 percent in Texas. Texas, unlike Florida and most states, pays charter schools on the basis of actual attendance, not enrollment.

Local Florida school boards have closed three other Milburn Academy centers for a variety of performance issues and, in all three cases, for complaints about poor attendance.

"We are focusing on the at-risk kids," Robert H. Crosby, company founder. "I like to say we've focused on the bottom of the barrel. I'm

Public School attendance rates by states



Source: National Center for Education Statistics' School and Staffing Survey for the 2003-04 school year

-- The Renaissance Charter School of Irving and its affiliate, Heritage Academy of Dallas, were shut down in 2000 after state officials said the schools' erroneous attendance records caused a misallocation of \$4.5 million. The Texas attorney general's office early this year obtained a court order barring Renaissance founder Donald L. Jones and two other employees from working in the state's charter-school system or from receiving state and federal grants.

"There have been a few bad actors that really have big problems," Dawn-Fisher said.

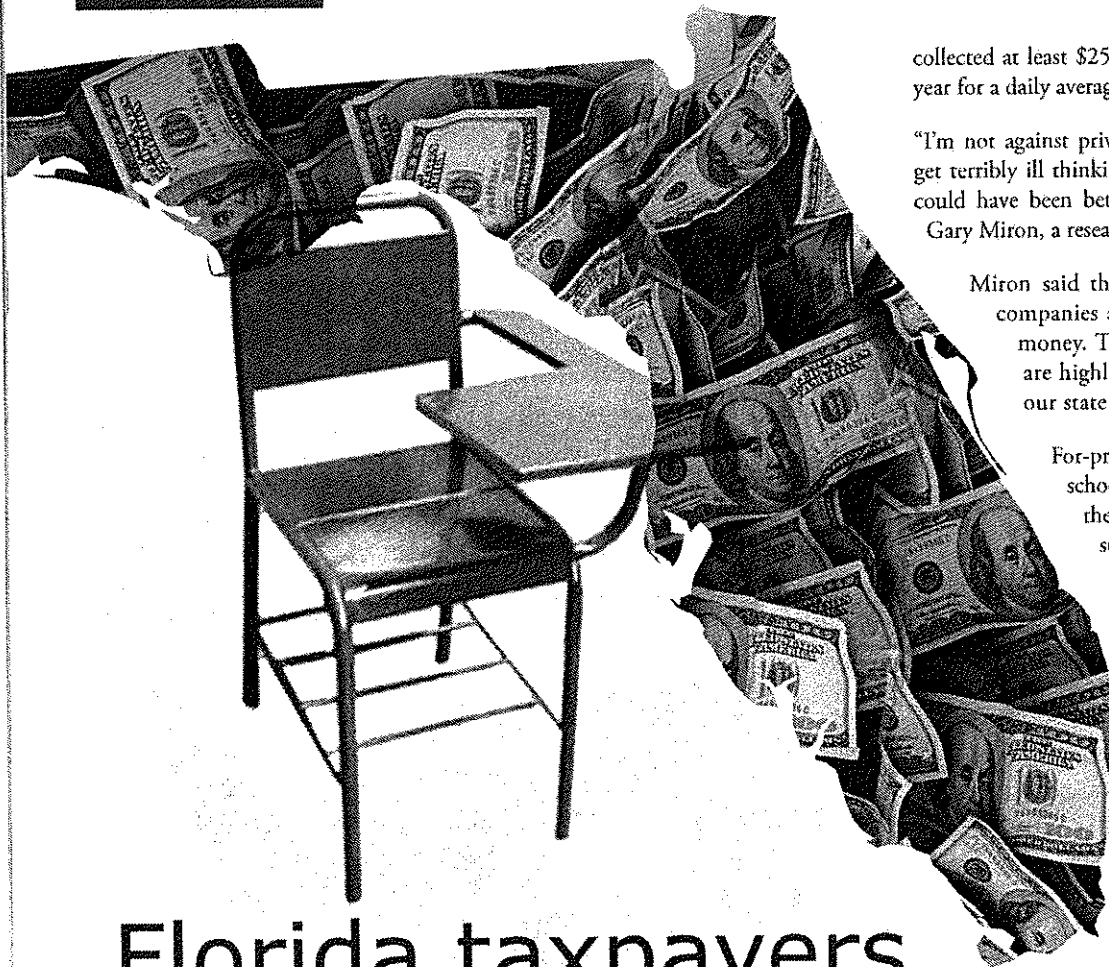
How for-profit charter schools are paid may influence their truancy rates. NonPublic Educational Services Inc. of Salem, Mass., operates six Richard Milburn Academy schools

not taking the easy road on this. I have a total mission in life to help kids who are at risk. After all, I was an at-risk kid once myself."

"If you are a nonprofit group, you can do no wrong. But if you are for-profit, then you can do nothing right," Crosby said. "There is a bias against for-profits in education."

Crosby was asked whether the method of funding influences attendance.

"That's an interesting hypothesis. But that's for someone else to look at, not me," Crosby said. "In Florida, we are paid by enrollment, but so is every other school. Texas is one of the few states that pay by attendance. Most of the states pay by enrollment, fortunately." □



Florida taxpayers spend millions on absent students

By Thomas Hargrove and Gavin Off

Florida taxpayers are spending millions of dollars to educate thousands of high-school students who rarely or never show up for class, part of a growing trend of high absenteeism at schools operated by for-profit corporations.

The Sunshine State has more than 120 schools where more than 20 percent of enrolled students miss class on a given day. On some campuses, daily truancy levels are half or more of the official student population, according to a study by Scripps Howard News Service.

Because charter schools in Florida are paid based on enrollment -- not actual student attendance -- the schools

collected at least \$25 million during the 2006-2007 school year for a daily average of 5,125 missing students.

"I'm not against privatization of schools. But sometimes I get terribly ill thinking about all of the resources here that could have been better spent in traditional schools," said Gary Miron, a researcher at Western Michigan University.

Miron said the schools are "doing what for-profit companies are supposed to do. They are making money. They are creating business models that are highly profitable. The real question is why our state legislatures are allowing this?"

For-profit companies run several chains of schools in Florida, including facilities with the state's worst rates of absenteeism. The state has 11 Life Skills Centers operated by White Hat Management of Akron, Ohio.

The worst-attended of these are the Life Skills Center of Polk County, with an average absenteeism rate of 48 percent, and the Life Skills Center of Opa Locka, where absenteeism averaged 45 percent.

White Hat Management issued a written statement to Scripps Howard when asked about the absenteeism. The company said its Life Skills Centers serve students who've dropped out or otherwise rejected their traditional public schools.

"It is a constant challenge to keep our students in school -- many of them have lost the discipline of daily attendance and almost all of them have other responsibilities such as jobs and families that make it harder for them to balance their schedules," the company statement said. "There is absenteeism at Life Skills Centers as there is at public schools. It is surprising that it isn't higher."

White Hat also operates 17 Life Skills campuses in Ohio that have the nation's lowest attendance rates, according to the Scripps Howard study. The Life Skills Center of Cincinnati reported that absenteeism averaged 64 percent of enrollment in the 2004-05 school year.

Also reporting consistently high absenteeism in Florida are three Richard Milburn Academy schools, where an average of 26 percent of enrolled students missed class during the 2006-07 school year.

"There's not enough oversight," Lee County School Board member Bob Chilmonik said after reviewing the records of the Milburn Academy in his county. "Most people, a lot of

people, can start a charter school."

Lee County's Milburn Academy received \$7,500 per student for the 2006-07 school year, but spent only a third of that amount on actual instruction, according to county files.

The Lee County School District also has approved creation this year of the Lee Alternative Charter High School. It will also be run by

work personnel," she said.

But she said the academy failed to reach the 80 percent attendance goal it promised the school board. "And that's according to their own figures," she said.

The Milburn Academy of Pasco County was closed last year.

"It was a struggle from the very beginning with them.

What constitutes attendance? Their record keeping was just so poor," said Sandra Ramos, a recently retired assistant superintendent of Pasco County schools who oversaw

by an instructor who wasn't qualified. Students were given science credit even though the school didn't own lab equipment -- a violation of district rules, according to Ramos. A former teacher also said students were awarded gym credit despite the school not having a physical-education class.

Robert H. Crosby, founder and president of NonPublic Educational Services Inc., which operates the Milburn academies, vigorously defended his programs.

"We are focusing on the at-risk kids. I like to say we've focused on the bottom of the barrel. I'm not taking the easy road on this. I have a total mission in life to help kids who are at risk. After all, I was an at-risk kid once myself," Crosby said from his Salem, Mass., office.

He said many school boards in Florida are hostile to charter programs run by private businesses. Four Florida counties -- Brevard, Collier, Polk and Alachua -- refused to give charters to his group.

"If you are a nonprofit group, you can do no wrong. But if you are for-profit, then you can do nothing right," Crosby said. "There is a bias

Because charter schools in Florida are paid based on enrollment -- not actual student attendance -- the schools collected at least \$25 million during the 2006-2007 school year for a daily average of 5,125 missing students.

NonPublic Educational Services Inc., the for-profit company based in Salem, Mass., that operates the Milburn academies.

Three Milburn campuses in Florida have been shut down by local school boards for a variety of performance issues, including attendance.

"What I remember clearly is being appalled at the lack of student performance," said Cindy Olson, a member of the Hillsborough County School Board, which closed its Milburn school in 2006.

According to the Florida Department of Education, the Milburn Academy of Hillsborough reported that 60 percent of its students missed at least 21 days of class during the 2004-2005 school year. It was the sixth-worst rate of truancy among all of Florida's public schools.

The worst absenteeism, according to the state, was at the Milburn Academy of Sarasota, where 72 percent of students missed at least three weeks of school.

Deb Metheny, supervisor for charter schools in Sarasota County, said poor attendance was just one of the reasons her school board revoked the Milburn Academy's charter in 2006. The school was also cited for poor student performance, low graduation rates and failure to provide vocational training programs.

"Also, there was a lack of qualified teaching staff and a failure to provide guidance and social-

the closure. "They were continually trying to get their enrollment up. During FTE weeks (twice-yearly enrollment counts to determine funding) they would give \$50 bonuses so the kids would show up. But those kids didn't show up after that."

Lauren Pelkey, now 22, graduated from the Pasco County Milburn Academy as the school's valedictorian in 2004. She said the school's small class size -- enrollment was about 130 students -- was made even smaller, since only about two-thirds of the students showed up each day.

Pelkey said the only time she skipped school was during spring break when she went to the beach in Clearwater.

"I would say I was really sick, and they (her teachers) would notice I was extremely tan," Pelkey said. "So they would ask for a note, and I would have to forge one. I don't think they believed it, but what could they do?"

The school's closing last year didn't surprise Pelkey, now a student at St. Leo University, in central Florida. Although Pelkey liked the teachers, she said the students ran Milburn Academy. She said the program was "a waste of taxpayers' money."

Pasco County officials said that school officials had awarded credits for Spanish classes taught

■ ■ There's not enough oversight...most people, a lot of people, can start a charter school. ■ ■

Lee County School Board member Bob Chilmonik said after reviewing the records of the Milburn Academy in his county.

against for-profits in education."

But he said the schools have had problems finding qualified teachers. He acknowledged that his schools offered \$50 gift cards to coax kids to attend class, "but that was for high attendance rates over the course of the year" and not just during designated counting weeks.

There are six Milburn schools in Texas, where the funding rules are quite different. Texas only pays based upon the number of students who actually attend class. Daily absenteeism averages 26 percent in the three remaining Florida schools and 17 percent in the Lone Star State campuses.

Crosby was asked whether the method of funding influences attendance.

"That's an interesting hypothesis. But that's for someone else to look at, not me," Crosby said.



Ohio Gov. Ted Strickland

Ohio officials

consider more oversight of charter schools

By Thomas Hargrove and Gavin Off

Ohio Gov. Ted Strickland and other state leaders want increased oversight of their charter schools after disclosures that dozens of so-called "dropout recovery" schools get millions of tax dollars for thousands of habitually absent students.

Half of the registered students never show up for class at some of these privately operated schools, according to Scripps Howard News Service's national reporting project called "Ghost Schools." Absenteeism at one Cincinnati campus averaged 64 percent during the 2004-2005 school year, the worst for any charter program in the nation.

Strickland, several key state lawmakers and the Ohio Board of Education want legislation putting all charter schools under state authority, ending a legal loophole that protected them from meeting state attendance and academic performance standards.

"The governor is aware of the issue and aware of the reporting done by Scripps Howard both here in Ohio and nationally," said Strickland's press secretary, Keith Dailey.

"The governor supports a proposal that the Ohio Department of Education has put forward that would bring all Ohio charter schools under that department's authority. He believes this would improve accountability," Dailey said.

The state school board, which oversees the Ohio Department of Education, has sought such authority since 2005.

"The board has recommended it have oversight over all community schools sponsors," said Ohio Department of Education spokesman Scott Blake. "But the sponsors that were in place prior to April 2003 are subject to a grandfather provision."

That means the state has limited authority over schools established before 2003.

The problem is that Ohio pays charter schools for each student officially enrolled, not for each student who actually shows up for class. Ohio paid \$29.9 million for absent students who were enrolled at 47 of these special charter schools during the 2006-2007 school year. These schools had an average truancy rate of 33 percent, even though state law requires most public schools to have fewer than 7 percent absenteeism.

One way the schools get paid for absent students is that the schools report the students as having "excused absences."

School officials say there is little they can do to check whether excused absences are valid.

"Do we verify that these notes are authentic? We don't have the necessary staff to go to every parent who wrote a note," Blake said.

The question has raised interest among members of the Ohio Legislature.

"The question is who is going to investigate whether these are false records. That's the key," State Rep. Mike Skindell, D-Columbus, told Scripps Howard News Service.

"One of the things I've advocated for is a False Claims Act. I'd like to make this a violation. And if it's a violation, that empowers the state to actually investigate these documents when they suspect that a school is fudging records to gain state money," Skindell said.

Skindell said odds of passage of reform legislation improve dramatically when Democrats take control of the state House next year. He said chances are also better that the measure can pass the GOP-controlled Senate following disclosure of abuse of at least \$100 million in school funds in the last five years.

"If we give assurances to the Republican caucus that remains in control of the Senate that we are talking about accountability of taxpayer money and not just shutting down charter schools, hopefully we can sell this to them," Skindell said. □

EDITORIAL: At-risk students at even bigger risk

An editorial / By Dale McFeatters

In 30 states, special for-profit charter schools are supposed to rescue students at risk of dropping or failing out of traditional public high schools.

On paper it sounds like a good idea. But too often in practice the taxpayers are shelling out millions to educate students who don't show up for class and are unlikely ever to graduate.

Scripps Howard News Service reporters Thomas Hargrove and Gavin Off have christened these "ghost schools" for the thousands of students who are on the rolls but rarely in class. In most places, the schools get reimbursed regardless. What checks are in place tend to be cursory at best.

Ohio, hardest hit by the trend, paid \$29.9 million during the 2006-2007 to educate students who weren't there at 47 "dropout recovery" schools. At one school in Cincinnati the daily absentee rate averaged 64 percent of those enrolled. And still the state paid.

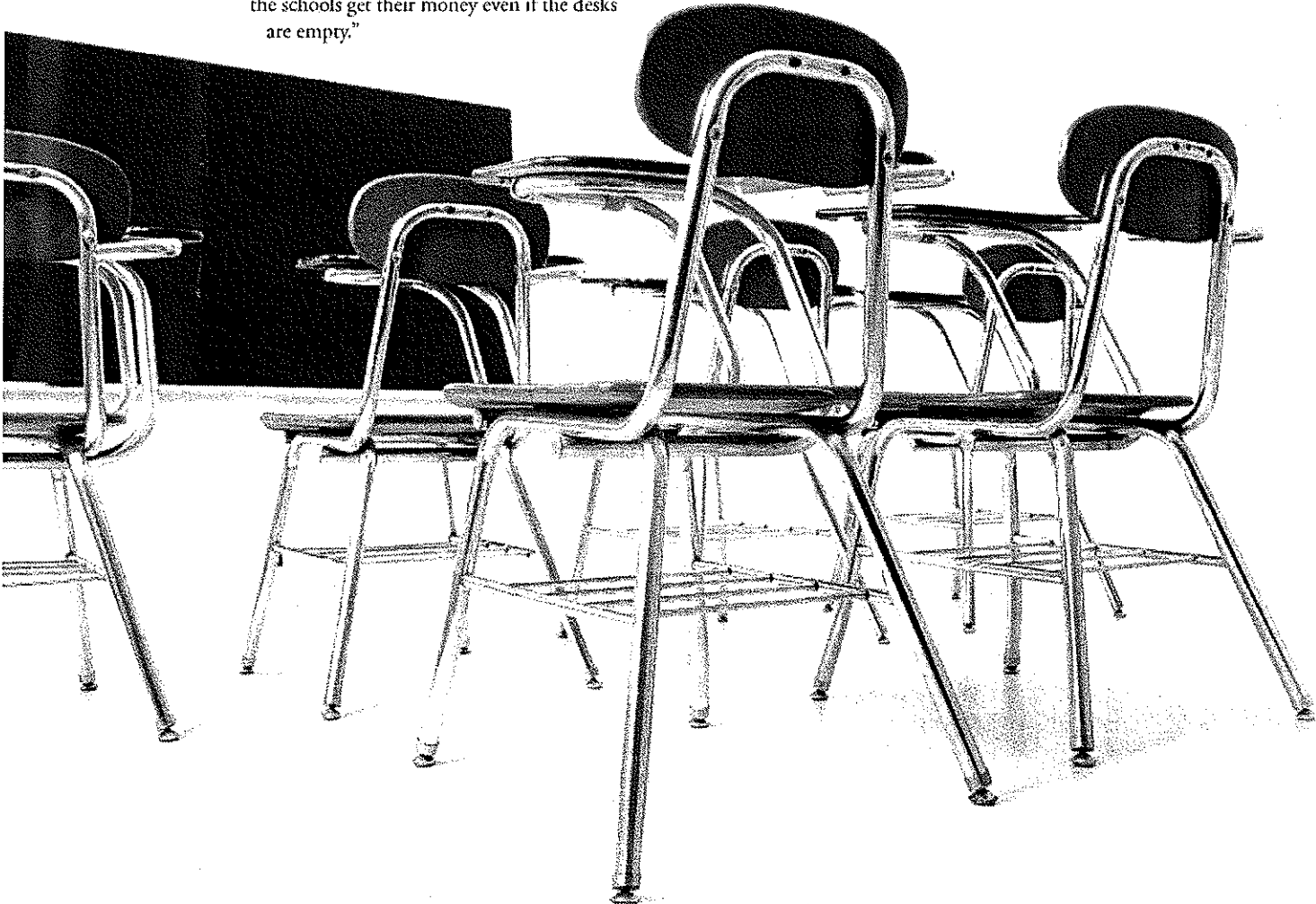
The crux of the problem, according to Hargrove and Off, is that the for-profit charters "are paid based on the number of students enrolled -- not those who actually attend -- so the schools get their money even if the desks are empty."

"It's a cash cow!" said one former principal.

While some states have thresholds for attendance, the teachers at those schools are under considerable pressure from the administrators to generate paperwork changing unexcused absences into excused absences. The emphasis was on getting the excuse in the files, not its accuracy. "I've seen documents I know were written by students and the administrators just took them," said a former teacher at one at-risk charter.

Texas, in the words of one of its educators, settled on the seemingly obvious premise "that attendance is important to achieving good performance in school." It is one of the few states that pay by attendance rather than enrollment and as a result has a significantly lower absentee rate.

These at-risk schools can perform an important service and it's important not to underestimate its difficulty. Students who are failing or in danger of dropping out of one school are likely predisposed to do the same at another school. But a ghost school that purports to be teaching absent kids is providing a phantom education.



Two extras inside today's paper: Wall Street Journal Sunday and PARADE

THE WALL STREET JOURNAL 10/17/17
Maybe There is an Upside to This Mess

PARADE 10/17/17
What's New

The Stuart News
Scripps Treasure Coast Newspapers

High of 74° - 75°
Low of 54° - 55°
Breeze 10-15 mph

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\$290
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Sewall's Point sees bobcats on the prowl

Residents seek alternatives to trapping because state law requires euthanasia

By Thomas A. Collins
Sewall's Point — Town Councilmember Jacob Thorne says bobcats are the scourge of the town. He says they are killing cats and dogs and are a nuisance to residents. Thorne says he has seen several bobcats in the town and that they are a threat to the residents. He says he has seen several bobcats in the town and that they are a threat to the residents. He says he has seen several bobcats in the town and that they are a threat to the residents.

School absentee rates draw educators' concern

School	Absentee Rate
MURRAY MIDDLE SCHOOL	6.4%
WANTED ELEMENTARY SCHOOL	3.61%
DR. DAVID A. ANDERSON MIDDLE SCHOOL	6.27%
NESSEY CREEK ELEMENTARY SCHOOL	3.7%

By Kelly Fitch
Educators are concerned about the high absentee rates in several schools in the district. The district has implemented several strategies to reduce absenteeism, including phone calls to parents and home visits. The district is also working on improving the attendance policy and is looking for ways to support students who are absent.

Cost of Thanksgiving dinner up 6 percent

By Maria Vandenbergh
The cost of a Thanksgiving dinner has increased by 6 percent compared to last year. The increase is due to higher prices for turkey, stuffing, and other ingredients. The district is looking for ways to help families who are struggling to afford a Thanksgiving dinner. The district is also looking for ways to help families who are struggling to afford a Thanksgiving dinner.

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SLICE OF THE BAILOUT: SHOWDOWN IN CONGRESS LOOMS FOR AUTOMAKER RESCUE NEWS/A5

Winter workout
Keeping an outdoor fitness routine takes a few extra steps
HEALTH & MEDICINE/D7

Clutch Colts
Tom Brady says Indianapolis Colts survived a grinding game
SPORTS/C1

Evansville COURIER & PRESS
44/25
Log on to register to win tickets to "Ain't Misbehavin'" starring Ruben Studdard at The Centre

163rd comes marching home

First group to land today in Indy

By Gavin Lebeck
The 163rd Airborne Cavalry Group is expected to arrive in Indianapolis today. The group has been deployed to Afghanistan and has been fighting in the war on terror. The group is expected to arrive in Indianapolis today and will be staying at the Indiana State Fairgrounds. The group is expected to arrive in Indianapolis today and will be staying at the Indiana State Fairgrounds.

Truants inflating class bill

'Ghosts' plague charter schools

By Thomas A. Collins
Charter schools are facing a problem with truants. The schools are having a hard time getting the students to come to school. The schools are having a hard time getting the students to come to school. The schools are having a hard time getting the students to come to school.



On Thursday, several students from the Community Action Program in Evansville, Ind., help a child with his homework.

CAPE makes winter warmer

Budget for heating assistance doubled

By Gavin Lebeck
The Community Action Program in Evansville, Ind., has doubled its budget for heating assistance. The program is helping families who are struggling to pay their heating bills. The program is helping families who are struggling to pay their heating bills. The program is helping families who are struggling to pay their heating bills.

QUESTION OF THE DAY

Do you believe there will be significant changes in federal aid to states in the next year?

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Gun owners loading up

By Gavin Lebeck
Gun owners are loading up on ammunition. The stores are selling out of ammunition. The stores are selling out of ammunition. The stores are selling out of ammunition.

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