



BAD DATA AND FLAWED ASSUMPTIONS IN STILL ASLEEP AT THE WHEEL

The recently released report by the Network for Public Education (NPE), *Still Asleep at the Wheel*, purports to build on an earlier NPE report with new data about the Charter Schools Program (CSP). Instead, it [again](#) provides an inaccurate and deeply flawed picture of the CSP because it is based on the following faulty assumptions:

- ▶ **Inaccurate accounting of grant awards:** NPE uses U.S. Department of Education grant award totals rather than the actual allocations. Awards represent the total amount of funding a school may draw down. However, schools are only allocated money as reimbursements for approved expenditures. Thus, money actually spent on schools that don't open or close is a fraction of the award amount. Rather than recognizing the difference between awards and allocations and limitations of the data, the report dishonestly overestimates spending and labels it "waste" and "fraud." NPE's estimates are therefore undoubtedly higher than reality, and at a level NPE cannot calculate with the data available.
- ▶ **Inaccurate accounting of open and closed schools:** The Department's grants database does not provide an up-to-date accounting of whether schools are open or closed. Many of the schools that NPE says have closed are in fact still open. Their identification codes may have changed because of changes in a school's authorizer or other changes in a school's status, such as new grade configurations. We estimate that they over count by at least 120 schools.
- ▶ **Redefining school closure as "waste":** As reported by the U.S. Department of Education, less than two percent of CSP funded schools fail to open. The other schools identified as closed in the report, some of which operated for up to a decade before closure, reflected the accountability at the core of the charter school model—that the schools will close if they fail to meet the needs of their students. Many would consider the model to be less wasteful than the thousands of district-operated schools that remain open while failing students and taxpayers year after year.

FACT CHECKER: Examples of other errors from the report

"Although Congress forbids for-profit operators from directly receiving CSP grants, they still benefit by having their schools apply." (page 3)

Arizona is the only state to permit for-profit schools to directly hold charters. These schools do not receive any federal education funding. The report authors may be conflating the idea of a for-profit charter school with the practice of contracting with a for-profit service provider—something that both district-operated school and charter schools do. For-profit companies also benefit from other federal programs including Title I and IDEA—public schools use those funds to purchase services and curriculum with federal dollars. In fact, in many cases the same providers serve both district-operated schools and charter schools. While the report lists charter schools that contract with for-profit service providers, they provide no evidence that this money is going to anything other than to support the schools and their students.

“The disbursement of over one billion dollars during the program’s first decade was never monitored for its impact or results. There is no record of which schools received the funds.”
(page 2)

During the 1995-2005 period referenced in the report, the Department carried out evaluations of the CSP. Department staff monitored the grants to ensure that the states were administering them properly and the fact that the Department did not collect certain data does not mean that no monitoring occurred or that oversight ended once the grants were made.

“Although the overall rate of failed charter projects was 37 percent, in some states the rate of failure was much higher.” (page 3)

The report’s inaccurate accounting of school openings undermines the accuracy of this assertion. For example, the report miscounts 32 schools in California, overstating the proportion of schools that closed or never opened. In Louisiana, the report cites a closure rate of 46% when in fact it is 31%. Overall, 4% of charter schools close annually on average—significantly lower than what the authors suggest.

Detroit Delta Prep Example (page 1)

The report claims that Detroit Delta Prep wasted \$235,000 as a result of its closure. As demonstrated by the 2019 database published by the Department of Education, the school did not spend that amount. It spent \$156,000. While not an inconsequential amount, the fact that the NPE report relies on a figure that is inflated by 50% underscores how little effort the authors made to confirm the accuracy of their data.

“The National Center for Education Statistics (NCES) recently reported that charter schools do not get better academic results than public schools, even when demographics of students are taken into account.” (page 8)

This is a major overstatement of the NCES findings. The cited NCES report looked only at one year of 8th-grade NAEP data—it did not provide comprehensive information on the academic results of charter schools vs. other public schools. For a more accurate review of the relative performance between charter and district schools, we recommend reviewing the research produced by CREDO at Stanford University.

Follow the Funding on NPE

The Network for Public Education (NPE) receives funding from sources which are notoriously hostile to giving parents and students more choices in public education. The American Federation of Teachers and the National Education Association have provided \$95,000 to NPE since 2015. Between 2014 and 2016, the Chicago Teachers Union Foundation, which has \$53 million in assets and is directly controlled by CTU, gave more than \$300,000 to the Network for Public Education. This report is another attempt to put a veneer of data and research on a political effort to deny students public school choices. We would urge all readers to consider the source before embracing the findings.