Recent Concerns with Charter Schools

Kids Not Profits is an issue advocacy campaign and growing coalition of education, parent, civil rights and community organizations calling for greater accountability and transparency for California’s charter schools.

Charter schools are privately-managed, taxpayer-funded schools exempted from some rules applicable to traditional public schools.

Research and news reports have documented that this lack of accountability has led to financial gains for private charter operators; cost taxpayers millions in waste, fraud and abuse; and had real consequences for students. State regulators have found more than $81 million in fraudulent and wasteful spending at charter schools around California. Below are a few recent examples of the problems that have come to light. To read more details and other stories, visit [www.KidsNotProfits.com](http://www.KidsNotProfits.com).

## Livermore Valley

On the first day of school this year, hundreds of Bay Area students withdrew from Livermore Valley Charter School and Livermore Valley Charter Preparatory. Tri-Valley Learning Corp., which operates the two charter schools, is being investigated by the Alameda County District Attorney’s Office for financial fraud and potential criminal charges. State Superintendent of Public Instruction Tom Torlakson called it “the most serious set of allegations against a charter that I’ve ever seen.”

*News coverage of Livermore charter crisis and new criminal charges:* <http://goo.gl/GPG2NA> AND <http://goo.gl/tp60vv>

## K12, Inc./CAVA

The publicly-traded, Virginia-based K12 Inc. has raked in more than $310 million in state funding since 2002, but cheated thousands of students out of money by making promises it never kept. Teachers at its operation in this state, California Virtual Academies (CAVA), even filed a complaint to protect their students from the mismanagement which included allegations of padding attendance and enrollment to increase funding, and false advertising. The private management company was eventually taken to court, and settled with the California Attorney General for more than $168 million.

*Read the full CAVA investigation by the San Jose Mercury News:* <http://goo.gl/hwt2SV>

## Rocketship

Rocketship operates 13 schools in the San Francisco Bay Area, Tennessee and Wisconsin. The “non-profit” organization has made technology a key part of its business model, trying to save money by replacing educators with computers. While the results have greatly benefitted members of Rocketship’s board of directors, the school’s 6,000 students have suffered. From 2010 to 2013, Rocketship increased its assets from $2.2 million to $15.8 million, even as test scores plummeted.

*Learn more about Rocketship:* <http://goo.gl/4J6Fb3> AND <http://goo.gl/QawJVj>

## University High School

Several Fresno-area charter schools, including University High School, have been cited in a report by the American Civil Liberties Union for being exclusionary and requiring students to take certain math and music classes in order to be admitted.

*Read more:* <http://goo.gl/hDlDCj>

## Wisdom Academy for Young Scientists

An audit of this Los Angeles charter operation in 2014 found that the school’s founder and former director received millions in improper payments of public money. The former director also appointed her children to key positions within the charter so that they could direct millions of dollars in public funds to her companies and personal account. The school ultimately lost its charter and closed.

*Learn more about Wisdom Academy:* <http://goo.gl/s8hpAf>

## Magnolia Charter Schools

Magnolia has operated 11 charter schools in California, eight of which are in LAUSD. After uncovering financial mismanagement involving Magnolia’s relationship with a vendor and improper visa payments, LAUSD closed several of the campuses.

*Learn more about Magnolia:* <http://goo.gl/VKYzVw>

## The American Indian Model Charter Schools

The school’s former director Ben Chavis and his wife, Marsha Amador, were found to have made $3.8 million in questionable payments to businesses controlled by the couple. The offenses were so egregious that the Oakland School Board voted to have the school’s charter revoked – a move that was later blocked by the courts.

*Learn more about AIMCS*: <http://goo.gl/CmEhws>

## California Charter Academy

From 1999 to 2004, California Charter Academy was the largest charter operation in the state, with over 4,500 students enrolled in K-12. That changed when a state audit found that the charter had misused over $25 million in public money, with the operators spending at least $2.6 million on their personal costs.

*Learn more about California Charter Academy:* <http://goo.gl/6bgTQz>