

Charter school sponsor gets a "free pass" from failing grades with split from University of Toledo

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Lenny Schafer heads the charter school sponsor Ohio Council of Community Schools, Schafer's non-profit can avoid state penalties for bad grades at its schools with its split from the University of Toledo. *(Patrick O'Donnell/The Plain Dealer)*

By **Patrick O'Donnell, The Plain Dealer**
paodonnell@plaind.com

CLEVELAND, Ohio - A prominent charter school sponsor will avoid potential penalties for the failing grades of its schools thanks to a special exemption in state law and by formally splitting from the University of Toledo.

In the minds of charter school critics, it's a move that provides an "outrageous" free pass that lets poor management of charter schools continue. But it's just a paperwork adjustment in the minds of supporters.

"I see through the back door grandfathering of this maneuver and it cannot be tolerated," said [State Rep. Teresa Fedor](#), a Toledo Democrat.

[Lenny Schafer](#), the head of the sponsor, the [Ohio Council of Community Schools \(OCCS\)](#), disagreed and said he is just following a procedure spelled out in law.

"We're not skirting anything," Schafer said. "We're not gaming any system."

The council and the university have been partners for 15 years in sponsoring - creating and overseeing charter schools - after the state decided to let more organizations beyond the Ohio Department of Education sponsor schools. While the university was the official legal sponsor, it created the council as a non-profit to do all the oversight work.

The relationship has been a controversial one, drawing accusations over the years of favoritism and nepotism. See below for more on those concerns.

Most recently, the [state rated the two as "ineffective" as a charter sponsor](#) last fall after their 50 schools landed an academic rating of zero - the equivalent of an F - as a group. Those schools include 11 in Cleveland.

If student test scores did not improve by the end of this school year, the partners would have been booted out of the sponsorship business.

Not anymore.

By splitting from the university, the Council moves on with a clean slate and the poor results will be assigned to the university.

"OCCS would be a new sponsor for the 2017-2018 school year," said Brittany Halpin, spokesperson for the Ohio Department of Education.

That re-sets the council's three-year countdown to improve its schools or else lose sponsorship rights. Instead of facing the death penalty as early as next year, it gets a new three-year clock that other sponsors don't.

All despite the council essentially being the sponsor for more than a decade and the university the official sponsor only on paper.

Consider:

- The Ohio Department of Education listed the council as the sponsor - not the university - for several years in its charter school directory. The state even assigned the "ineffective" sponsor rating to the council - not the university - last fall. Those listings were only changed earlier this year when the council sought the split.

- The council regularly referred to itself as a "sponsor," not an agent of the university, in advertising and on its website.

"As a sponsor of community/charter schools, we are a student-centered organization advocating excellence in education through strategic partnerships," the website stated in 2007, with no mention of the university at all.

- Council officials are visiting schools it and the university have sponsored and asking each school's board to approve the switch, assuring them that nothing will change.

"You will see no difference in the oversight we would provide," Tony Cardinal, an OCCS official told the board of the Cleveland Preparatory Academy last week. "You wouldn't even notice the difference, but in a few months when you see the financials it won't say University of Toledo, but OCCS."

Fedor said that it is unfair for the council to avoid accountability, given that they were the real agency overseeing the schools.

"The Ohio Council of Community Schools doesn't deserve a pass or a re-set after all these years of ineffectively managing or sponsoring their failing charter schools," she said.

But state law allows it. According to Halpin, state law lets the council "succeed" the university without having to apply as a new sponsor. The council met a few basic rules, she said, and is now a new sponsor.

It was not immediately clear when that procedure was put into law, but it was one that appears to apply only to the university and council. It lets a sponsor "succeed the board of trustees of a state university located in the pilot project area." That pilot area was Toledo.

The relationship between the legislature, the council and charter schools run by the for-profit White Hat charter school operator has been a controversial one for more than a decade.

Former state legislator Sally Perz, sponsor of the state's original charter school bill, was later hired as a lobbyist by the university, as The Plain Dealer reported in 2006. With Perz as a member of what was then a university charter council, the university took on sponsorship of a White Hat-run online school.

The current Ohio Council of Community Schools was formed in 2002, with Perz' daughter Allison as the head. She then hired her mother as a lobbyist for the council.

The council then sponsored more White Hat schools, even as Sally Perz became a lobbyist for that controversial for-profit charter school operator.

In addition, The Plain Dealer reported in 2006, "Schools operated by four other for-profit education companies that employed Sally Perz as lobbyist also hired her daughter's agency as sponsor."

Sally Perz said at the time that she would protect the public interest, despite her family connections and financial reliance on sponsorship fees from White Hat's schools.