

October 4, 2006
Senate Committee on Education
440 Sam Houston Building
Austin, TX 78711

Dear Honorable Senators:

SENATOR FLORENCE SHAPIRO, CHAIR
SENATOR ROYCE WEST, VICE CHAIR
SENATOR KIP AVERITT
SENATOR KYLE JANEK
SENATOR STEVE OGDEN
SENATOR TODD STAPLES
SENATOR LETICIA VAN de PUTTE
SENATOR TOMMY WILLIAMS
SENATOR JUDITH ZAFFIRINI

I am providing public comments today on accountability, the primary goal of the No Child Left Behind Act.

Houston ISD has out sourced its alternative program for students to a private company called Community Education Partners or CEP since 1997. Dallas ISD also used CEP but terminated the program because an internal evaluation recommended ending the program.

At your last meeting on September 20, 2006, you heard testimony from a representative of CEP. The testimony included a statement that CEP sends 86% of its students back to their schools and that 86% of them graduated. I am providing you with my data which found that less than 1% of high school students sent to CEP at one alternative school in Houston graduated and that 90% of them were no longer students in Houston ISD after two years of being enrolled in the CEP alternative school. A copy of my study is in your packet.

I believe that CEP is not being held accountable by the District or the State. I have enclosed in your packet a copy of an article (Fall 2006) with the subject, "CEP mystery: many pass through...and then?" The article discusses how the State of Pennsylvania and school Districts are paying 28 million dollars for a program "with little systematic oversight by the state Department of Education". The Pennsylvania Governor's policy chief stated that "It's amazing that they're willing to spend (this) money on kids, but it's sad they don't hold vendors accountable." She adds, "We have no data...we are not happy". In Philadelphia, CEP charges \$13,000 per student enrolled in CEP. Houston pays approximately \$10,500 per student enrolled in CEP or over \$17 million dollars a year.

There also is another article (August 2006) that was published in "The Nation" which I included. It argues that "'CEP uses political clout to carve a niche market serving students the public schools don't want, and it makes millions in the process". Carl Shaw,

a former TX state official is quoted as saying, "It's fair to say they (CEP) have avoided true scrutiny" and adds, "Their modus operandi is political, not educational and not scientific." He evaluated the program for the Commissioner of Education, Mike Moses, and had this to say. He found limited student progress after six months in CEP and after a year actual regression. He wrote one report to HISD that stated, "Few CEP students would be smart enough for prison education. It's shocking and here is a company touted as a leader".

George Scott who has done extensive research on CEP believes that "As long as the district and the vendor have influence over accountability measures, it is corrupt". Today, in the early edition of the Houston Press, (October 4, 2006) another feature article critical of the CEP program in Houston has been published. I have also enclosed a copy of that article in your packet.

Finally, I just want to say a few words about by research. I studied a sample of 180 students, by name, which were enrolled at one alternative school in Houston in March 2004. Under the open records act, I requested to know which students were still enrolled as of September 11, 2006 and which had graduated. The Houston ISD provided me the data that clearly shows that less than 1% of the high schools students in CEP had graduated and that 90% were no longer students in HISD. Now, one could argue that they all went back to their home country or went to another school District. However, I believe that almost all of them dropped out and that CEP is in reality a dropout factory.

At your last meeting on September 20, 2006, the President of HFT testified that she was the protector of CEP. She and others may tell you that my research was based on a sample of students. Well, Senators that is how research studies are conducted. You take a sample and report your findings. I recommended in a meeting with the Superintendent of Houston ISD on October 17, 2005 that he review the status of all CEP students and determine if those students are dropping out as I suspect they are. I also sent a letter to each trustee on October 27, 2005. No action on my recommendations to evaluate and hold CEP accountable has been taken. I have also met with the VP of CEP to discuss my concerns and visited CEP on at least 5 occasions.

TEC Code 37 (m) requires TEA to evaluate annually the performance of alternative schools. I requested those reports on September 22, 2006 from TEA. Yesterday, I was told by TEA (Perry Weirich) that they could not find the reports. Thank you for listening and reviewing the packets I have provided you. I trust that you will take measures to hold private companies like CEP more accountable to taxpayers, school children and parents.

Dr. Robert Kimball
32918 Willenhall CT
Fulshear, TX 77441

Enclosed: Study by Dr. Kimball, Recent news articles on CEP, Copy of Ltr to Trustees, HISD School Board, Copy of TPIA request to TEA

Opt In, Opt Out (EARLY EDITION...HOUSTON PRESS OCT 4, 2006)
HISD continues to send students to CEP. Whether they go there, stay there or return successfully to their home school is anyone's guess.

BY MARGARET DOWNING

Anthony was sentenced to alternative school at Community Education Partners, and there was nothing his mother or his lawyer could do about it. He had violated the student code of conduct regarding "dress code, defiance." Mom and the lawyer weren't disputing that Anthony had not behaved well, but they were hoping allowances would be made for the fact that Anthony probably should be in special education. And as offenses go, his profanity, belligerence and sleeping in class weren't on the level of weapons, drugs or serious bodily injury.

His actions, they said, were a result of his disability, a combination of Attention Deficit Hyperactivity Disorder and depression.

That argument went absolutely nowhere in a series of meetings with Burbank Middle School officials. School officials pointed out that Anthony had never been certified as a special ed student. The insinuation was clear that this was probably just a desperate measure to avoid his rightful punishment. When the lawyer asked for special ed testing before Anthony was moved to CEP, this was rejected. His mother, Connie Ruiz, formally requested special-ed testing in May 2005, but that didn't happen.

HISD was adamant. Anthony would have to go to one of the alternative schools founded and operated by Nashville-based Community Education Partners. His sentence was 180 days, the equivalent of an entire school year. Since 1997, HISD has been contracting out its problems to CEP and saying it has everyone's best interests at heart.

There were the usual grief stages of denial. The mother didn't want him in CEP, but home schooling would be a tough job, considering that Anthony had failed fourth and eighth grades and was looking to fail again.

So he went off to CEP, where he was scanned each day to get in, plunked in front of a computer and told to get with it. His attorney, Barbara Ashley, filed appeal after appeal, but nothing moved forward much.

It took months. Finally, in May 2006 an HISD mental health services administrator agreed he should be tested. And shazaam, turns out Anthony does have problems that not only entitle him to special-ed services but that should have been considered when weighing any punishments. He would be returned to his home school.

Jubilation all round. Anthony could stop going to CEP.

As it turns out, he'd decided that on his own months ago. He'd walk toward the bus stop under his mother's watchful eye. He just wouldn't get on, wouldn't go to CEP. He checked himself out, unofficially to be sure, but definitely.

HISD thought he was at CEP, and CEP apparently didn't know where he was. Anthony took full advantage of the giant gap of information between the two and opted out.

Robert Kimball doesn't know Anthony, but he does know numbers. The former assistant principal at Sharpstown High School, who was the first to sound the alarm about that school's bogus dropout figures scandal in 2003, says CEP is a dropout factory that helps almost no one. And he backs up his claim with numbers, numbers he got from HISD itself through repeated Texas Open Records Act requests.

For months now, the University of Houston-Clear Lake professor and retired Army lieutenant colonel has been studying the dropout issue in middle and high schools. In regards to CEP, he focused on a group of 180 HISD students enrolled there in March 2004. He checked their status in March 2006 and September 2006. He found that 90 percent of the high schoolers were not in any HISD high school by September 11, 2006 and that less than 1 percent of the group had graduated. The missing kids were not still in CEP either, he says.

Sixty percent of the middle school students couldn't be found in any HISD high school two years later, he says.

Now, it could be that these students just enrolled in another district, or are happily attending school in another country. Kimball believes that is just wishful

thinking. His take: "It is more likely that all these highly at-risk students just dropped out."

CEP started in Houston with all sorts of bright promises. It has two campuses here, one on Beechnut and one on Ferndale. It also opened up schools in Atlanta, Orlando and Philadelphia, where this year's contract totals \$28.1 million. In a recent report in the *Philadelphia School Notebook* (www.thenotebook.org/editions/2006/fall/cep.htm), reporter Dale Mezzacappa, using data from the Philadelphia school district and a study done by Temple University, found that of the more than 10,000 students directed to CEP there since 2000, about 500 graduated from high school. The story noted that while data is available on the success stories, no comprehensive reports are available on the vast majority who don't go back to their home schools and graduate.

Not all the schools CEP has opened have stayed that way. It used to operate an alternative program for the Dallas ISD, but a new superintendent canceled it in 2002 after he and the school board agreed it was a bad deal. Locally, the Pasadena ISD used CEP's services, but also later dropped its contract.

Since its arrival in Houston, CEP has attracted criticism from parents, students and some educators for its heavy reliance on computer programs, its number of uncertified teachers and the HISD habit of assigning kids to CEP for 180 days (the equivalent of an entire school year). For years there have been consistent reports from students and teachers that fighting is a normal part of the CEP school day.

CEP also has had strong supporters: most notably, former HISD Superintendent and former U.S. Secretary of Education Rod Paige and Houston Federation of Teachers union president Gayle Fallon. Fallon has said repeatedly that there's a need to get the worst of the misbehaving students out of the regular classrooms so other students can learn and so that students and teachers can work in a safe environment. On September 20, both she and Sharon Baker, principal of CEP's Beechnut campus, testified before the state Senate Committee on Education in support of CEP. The principal said that 86 percent of the students who went to CEP returned to their high schools and graduated. CEP has testimonials on file from kids and their parents who say their lives were turned around after going there.

Even teachers who dislike CEP say that just cutting off ties with it won't work; HISD has nothing with which to replace it.

Students get to CEP when they have committed crimes considered too onerous to allow them to stay in their regular school. The idea is that rather than abandoning students who previously would have been tossed out on the streets, the district is caring for them by giving them a second chance.

Finding out what happens at CEP is difficult, especially if you have been critical of it in the past as this paper has. It is not a public entity; it is a private business, and if it doesn't want to answer questions, no one can compel it to. HISD and CEP were each sent a list of questions about the operations at the CEP schools. HISD spokesman Terry Abbott picked out a few questions to answer but said the rest were the responsibility of CEP. He did, however, ask CEP to answer the questions sent it. This occurred after initial calls and a fax to company CEO Randle Richardson at his Nashville office went unanswered.

The student body at both CEP campuses is about 60 percent Hispanic, 35 percent African American, 4 percent white and 1 percent Asian American. Abbott points out that the ethnic breakdown almost exactly mirrors that of the district as a whole. The male to female ratio is 70-30.

According to statistics on file with the Texas Education Agency, both CEP schools in Houston have been a rousing success. Beechnut had an attendance rate of 84 percent in 2003-4 and 86.9 percent in 2002-3. The annual dropout rate for grades 7-12 was a startling 0 percent in 2003-4 and 0.7 percent the year before. What makes this more surprising is that these are kids who already have established problems attending class in their home schools; many of them landed at CEP because of their inability to adhere to the state's truancy laws. The report also shows that 100 percent continued high school and that the class of 2004 had a 100 percent completion rate. Ferndale had similar figures.

When asked if these statistics were, in fact, accurate, HISD spokesman Terry Abbott said, "Yes, remember CEP has mostly middle school kids, not high school kids, so the dropout rate would be lower than the district average." The district

average as reported to TEA is 2.2 percent, a figure greatly suspect in its own right, given the serious drop-off in the number of students between the ninth and 12th grades, as well as the regular sweeps through the neighborhoods that Superintendent Abe Saavedra makes, appealing to students to return to school.

CEP has its own set of numbers for Houston. Of the 3,887 students CEP served last year, it says:

- 1,145 (29 percent) returned to CEP. These students were assigned in the second semester and will be returning to their home schools this year;
- 1,721 (44 percent) returned to HISD;
- 897 (23 percent) either graduated or continued their education outside of the district in charter schools, private schools or other school districts;
- 124 (3 percent), whereabouts unknown.

But Kimball, in his study of this CEP subgroup, comes up with some very different results than either CEP, HISD or the TEA. He has spent months gathering and analyzing public information he requested from HISD.

The students in the sample Kimball selected were all the students assigned to CEP's Beechnut location from schools in the West District. He looked at retention rates and graduation results. Highlights of his findings:

Of the 93 high school students (38 from Sharpstown, 21 from Westside and 34 from Lee) at the Beechnut location, only four had graduated from HISD by March 2006. By September, that had moved to five graduates, with another four still enrolled. That means: Ninety percent of this sample group of students were no longer students in HISD two years after being enrolled in CEP.

Of the 87 middle school students (six from Grady, 18 from Long, 24 from Paul Revere, seven from Westbriar and 32 from Sharpstown Middle) enrolled in CEP in the same sample, only 34 students (40 percent) of them were still on the active list in HISD by September 11. Five of those students were not on the active list as of March, but were reported to have re-enrolled between March and September.

Kimball also found that of the West Side students he studied, as of March, six had been at CEP since 2002. In September only one of those six was enrolled in HISD. Ninety-five had been enrolled in CEP since 2003, and 79 in 2004. The terms of the contract states students are to be reviewed for possible return to their home schools after 120 days, but many of the students are staying at CEP much longer, Kimball says.

Kimball says there is evidence that when students learn they are assigned to CEP, they drop out before ever reporting, or they report to the school as Anthony did and then drop out after just a few days. Assignment to CEP comes with its own special stigma, he says. Students feel like, and sometimes say they are treated like, ex cons upon their return to the home school. So they opt out instead.

On October 27, 2005, Kimball sent a letter to all HISD school board members tagging CEP schools as "dropout factories." He mentioned in this letter that he had discussed this with Superintendent Abe Saavedra on October 14, 2005.

In his letter, Kimball stated: "An assignment to CEP is often the turning point when students decide to drop out. CEP has a large number of no-shows and it is because they drop out..."

"The bottom line is that almost every student who enters CEP eventually drops out of school," Kimball wrote.

He went on to say that he recommended to Saavedra that HISD determine how many of the students directed to CEP actually ever graduate from HISD, predicting that this number would be fewer than 30 out of each year's graduating classes at schools across the district. He called for a cost-benefit analysis of the district's spending on its CEP contract, then \$16 million, with that kind of result.

A year later, and it's apparent that the arguments Kimball made carried little weight. On June 29 of this year, the board not only authorized Saavedra to negotiate another agreement with CEP, it gave CEP a raise from \$16 million to \$17 million. So as Kimball sees it, HISD is paying more as retention and graduation rates at CEP decline.

Kimball was scheduled to speak before the Texas Senate Education Committee on Wednesday, October 4 and present his research and report. He stresses that he is doing this as "a concerned citizen and taxpayer."

CEP offers testimonials complete with full color photos. There's Isaias, who moved here from war-torn El Salvador with his family, then lost his father right before high school and went astray. A stay at CEP not only led him to complete high school — he now studies at Houston Community College and is part of the CEP instructional team.

Maira had failed the ninth grade and was about to do it again. Sent to CEP, she became pregnant shortly thereafter, but returned to CEP after giving birth. She was able to graduate from high school and now works at the Harris County Constable's Office while taking computer courses on the side.

Melissa was 18 years old and still in the ninth grade at her home school when she came to CEP. With CEP's help, she was able to graduate from high school and is now working and planning to go to college.

There are other stories like this, all exceptional, all inspiring. These are kids who went to CEP and found something there and in themselves that enabled them to turn around their lives.

Besides the inspiring stories, CEP says it has test scores showing its students are able to about double their scores on the Texas Assessment of Knowledge and Skills test, without regard to the length of stay they have at CEP.

But two educators who talked with the *Press*, each of whom has worked at CEP and who are now employed as teachers in local public school districts, did not paint as rosy a picture. Most of their CEP students, they said, were not as successful. Neither one wanted their name used in this story, fearing complications in their present jobs.

The first teacher worked there in one of the early years, at Ferndale for one semester and Beechnut the other. He left, he said, because "It was just so horrid. There's absolutely no education going on."

He described a classroom with too many kids, where books remained stacked on desks and students were handed worksheets and pointed at a computer. "And they're just going to teach themselves," he laughed. "These students didn't succeed at their home school, so what makes you think all of a sudden...you're going to teach yourself calculus and biophysics and do well." Teachers graded all subjects at all grade levels, regardless of what their teaching specialty was.

This teacher said that with 32 students in a class turning papers in constantly, teachers were hard-pressed to keep up. "We're constantly classroom managing because we're worried about if somebody's going to bust somebody's head open with a keyboard. 'Cause it happens. Quite frequently. So we're more like - taskmasters."

One result was fake grades, he said. Teachers would give the students they liked 100s and the others zeroes. "And the ones that have negative behavior, they'll be there forever."

Students knew there were no consequences for negative behavior other than a longer stay, he said, something that was very frustrating to the teachers. "The kids know that they're not going anywhere. Where are you going to send them? They're already at CEP."

In fact, when asked about what would lead to expulsion, be it drugs or fighting, CEP wrote that in following the HISD Code of Conduct, if a drug offense reached Level V (the top level), then a student would be expelled.

"In the case of fighting, it is highly unlikely that a student would be expelled," CEP wrote. Attendance is too important to CEP — that's how it makes its money, both teachers said. In regular classrooms, when a student acted up, the teacher showed him the door. This often only made matters worse at CEP, another teacher said.

Sending a student out of the room brought him into the general commons area, where all the other classes could see him, according to this second teacher. Often this would just ignite more widespread bad behavior.

This second teacher, who stayed with CEP for seven years, said he saw improvements. The school discarded some of its early teaching approaches, such as leaving kids to their own self-paced devices even if they were failing in school. CEP began holding students to a higher behavior standard, with consequences if that wasn't met, he said.

The number of certified teachers improved. CEP now says that 89 percent of its teachers are certified and all the others are enrolled in a teacher-certification program.

Computers were moved into a separate room where students would take turns working with them, he says. Leaving eight to ten computers in each classroom had proved to be a mistake, he said. Most of them were destroyed.

It was all too successful, according to the teacher. More students were being returned to their home schools, and the census was down. This was not good for business. So they took several steps back, he said.

He left, he said, because he started seeing a lot of things going on there that would jeopardize his hard-won certification. He was abruptly switched from one class to another, eventually to a lower middle school grade level at which he hadn't taught in years. The changes were disruptive for the students and for himself, he said.

This longtime CEP teacher said he believes the basic problem with CEP is that as a business, it concentrates on the bottom line rather than on educating children.

"The biggest focus was on getting the kids to be here. We had the three Bs. Be Here. Behave. Be Learning." As long as they could get the kids there for the count, it was enough, he said.

Whereas for a while, when things improved, students were sent home for dress code violations or bounced if they brought drugs to school or got in a particularly bad fight, later many of these behaviors were overlooked, he said. If there was any suspension, he said, it was of the in-school variety so attendance could continue to be counted.

Other behaviors were excused as well.

"If a kid put his head down, if a kid went to sleep, well he's not causing problems," the teacher said.

Robert Kimball says there are two main reasons CEP students fail to graduate. There are no dropout-prevention programs at its two Houston schools, and there is no transitional program to ease the return to their home school.

CEP did successfully propose a credit recovery/dropout prevention program this year, saying it could do this for \$6,500 per student instead of \$9,995. This program, called "less intensive," would target non-disruptive students who are falling far behind their grade level. According to CEP's statistics, in the 2004-5 school year, of the 719 students referred to CEP, 407, or 57 percent, were over-age. Most of the over-age students were stuck in the ninth grade — 292 of them. The ninth grade is the traditional drop-out point for many students.

The program would be housed at the Beechnut Street address and offer a flexible schedule, noting that many of these students "have work and family responsibilities that do not allow them to attend classes on a traditional schedule." It would concentrate on math, English, science and social studies, with on-line preparation for the Texas Assessment of Knowledge and Skills.

HISD spokesman Terry Abbott wrote in an e-mail that the decision to add the credit recovery program was based upon its cost, as well as that CEP has demonstrated success working with students to catch them up in the credits they need for graduation in a special accelerated program.

Although Abbott has said there are no plans for a transitional program to ease the way back from CEP into the home school, there has been discussion of the need for this by HISD educators. Nearby Alief Independent School District has installed a transition program in its own alternative school, which allows students considered ready for a home school return to ease in on a partial-class-load basis before returning to all their regular classes.

Alief, like many other local districts, tends to send its students to alternative school for much shorter stays than are the norm at CEP.

CEP, which a few years ago set aside 110 slots for shorter sentences, says that it is up to the individual school district to determine the length of stay. Standard placements, it says, range from 30 to 180 days, with 102 being the average.

One teacher described his year at CEP in nothing but dismal terms. "All we were doing as teachers was being a police officer without badges, trying to stop fights and trying to stop food fights and riots all day."

He said more than half of the kids there did want to get rehabilitated, get straight and return to their home school. But he doesn't feel CEP did well by those kids because, he said, "they were getting absolutely zero education."

Another teacher, the one who stayed with CEP for so long, saw changes and feels CEP did some good, especially with students caught up in gang violence at their home schools who felt CEP was safer.

Many of the students sent to CEP, though, he said, just spent time learning more bad behaviors. If classes had been held to eight to ten kids, he said, he thinks the students could have been helped more. But in classes of 30 kids, there were just too many behavior problems for teachers to be effective, he said.

Ultimately, his heart was broken when the school seemed to step back from some of the gains it had made, when, he says, attendance figures once again became far more important than anything else.

CEP has its roster of stars, of kids who made it. HISD has its statistics and points to CEP as a more than acceptable solution.

Robert Kimball's numbers don't match all this self-congratulation. He went looking for kids and couldn't find them in HISD's own databanks. He matched anecdotal stories with stats with common sense and came up with a much more disturbing outcome than the one claimed by either the public school system or the private company that takes its most troubled kids.

In Anthony's case, his attorney says he went through a special-ed program at his middle school this summer that allowed him to move on to Sam Houston High School. In late September, just shy of two months into the school year, he was still enrolled there, according to HISD records.

There are victories even if they are of the moment. It will be interesting to see who gets the credit in Anthony's case.

margaret.downing@houstonpress.com

October 2, 2006

A Study of the Retention and Graduation rate at an Alternative School in Houston ISD Managed by Community Education Partners (CEP)

Focus: A study of a sample of 180 HISD students who were enrolled in CEP at the Beechnut location in Houston, TX in March 2004. Community Education Partners (CEP) is a private company that manages two alternative schools for HISD. The study provides data on the enrollment/graduation status in March 2006 and September 11, 2006 of students at the Beechnut location.

Findings: Ninety percent (90%) of a sample of 93 high school students enrolled in CEP in March 2004 were not enrolled in an HISD high school on September 11, 2006. Less than one percent (1%) of the sample of CEP students graduated by September 11, 2006. Sixty percent (60%) of a sample of 87 middle school students enrolled in CEP in March 2004 were not enrolled in an HISD high school on September 11, 2006. The evidence indicates that almost all high school students enrolled in CEP drop out of school. It also indicates that more than half of middle school students enrolled in CEP also drop out after two years of enrollment.

Policy Impact: There are scores of reasons why students are pushed out of schools or dropout. Oftentimes, policies of a school district can have a major negative impact on the dropout and graduation rates in a school district. In the Houston Independent School District, a policy to outsource its alternative schools has had a dramatic impact on the high dropout rates, low retention and graduation rates.

Recent Events: : On September 20, 2006, the Principal of CEP at the Beechnut location and the President of HFT testified to the Education Committee, Texas State Senate. The Principal, representing CEP, reported to the committee that 86% of high school students sent to CEP returned to their high schools and that 86% graduated from high school. The President of HFT stated that her organization was the protector of CEP. When asked by the Chairperson why HISD hired a private company to manage its alternative schools, she replied that it saved the District money.

Purpose of the study: This brief study reports on the retention rate and graduation results of Houston Independent School students sent to one of two alternative schools managed by Community Education partners (CEP). HISD entered into a contract with this public company in 1997 to house students with behavioral issues. The District paid over \$17,000,000 dollars in 2005-2006 school year to the company for their services. The purpose of this study is to determine if students enrolled in CEP are successful at returning to their home school and graduating as reported by CEP officials.

Review of the data results: The data below reveals that from a sample of 93 high school students enrolled in CEP in March 2004, less than one per cent of them graduated from an HISD school by September 2006. Of the 93 high school students in the sample, five graduated and four were still enrolled by September 2006. . Eighty four of the 93 high school students (90%) who were enrolled in CEP in March 2004 were not enrolled in any high school in HISD in September 2006. The data below does not support the testimony and data presented to the Texas Senate Education committee by the Principal of CEP at the Beechnut location.

The report is based on a sample of 180 students who were enrolled in CEP in March 2004. The students in the sample are from the West District which has many of the higher performing schools in HISD. The performance (retention rate and graduation results) of these students is an indication of what is happening to all students sent to CEP from HISD. One could argue that 90% of the high school students in the sample enrolled in CEP in March 2004 who were not enrolled in HISD schools two years and half years later went back to their home country or enrolled in another school district. However, it is more likely that all these highly at risk students just dropped out.

There is evidence that when students learn they are being assigned to CEP, they dropout before reporting to CEP. Recently, two Hispanic students were assigned to CEP. One enrolled in CEP and remained only a few days. The second student did not enroll. Both, who were sixteen years old, were victims of a drive by shooting in front of the HISD high school they were ousted from .

Following are the results of a review of data collected on a sample of 180 students who were enrolled in CEP in March 2004 at the Beechnut location. The sample of 180 students includes all students assigned to CEP from the West District and who were physically enrolled on March 1, 2004.

Of the 180 students in the sample who were enrolled at CEP in March 2004, six of the students had been at CEP over two years (since 2002). In September 2006, only one of those six students was still enrolled in HISD. Ninety-five had been enrolled since 2003 and seventy-nine in 2004. The terms of the contract state that students are to be assigned for 120 days but most are kept there much longer.

Methodology: In March 2006, a freedom of information request was made to HISD requesting the status of these students as to current enrollment in HISD or graduation. The report by HISD only reported whether the student had been active in the data base between March 27-March 31, 2006. It did not reveal who was actually enrolled on March 1, 2004 in HISD. A student could have enrolled on the first day of school and dropped out the next day...he would still be shown as on the active list. Therefore, the list only reflects a student who was active in the school year.

On September 11, 2006, another TPIA request was made with a stipulation that the results show which students were actually enrolled on September 11, 2006. The new data will also be reviewed at the end of this report.

Sample size and mode of data:

Ninety-three (93) of the students in the sample were high school students and eighty-seven (87) were middle school students.

The schools (West District) that had students enrolled in CEP are as follows:

High Schools

Sharpstown HS: 38 Westside: 21 Lee HS: 34 **Total: 93**

Middle Schools

Grady MS: 6 Long MS: 18 Revere MS: 24 Westbriar MS: 7 Sharpstown MS: 32
Total: 87

Results of the review of the data on the sample provided by HISD in March 2006.

Retention Rate

Of the 93 high school students at the Beechnut location, only 4 had graduated by March 2006. Of the 93 high school students enrolled in CEP at the Beechnut location in March 2004, only 15 were on the active list in HISD two years later (March 2006). . ***Seventy four of the 93 students (80%) in the sample of high school students enrolled in CEP at the Beechnut location in March 2004 were no longer students in HISD two years after being enrolled in CEP (March 2006).***

Of the 87 middle school students, enrolled in CEP at the Beechnut location in March 2004, only 39 of them were still on the active list in HISD two years later. ***Forty eight of the 87 middle school students (55%) enrolled in CEP at the Beechnut location in March 2004 were no longer students in HISD two years later (March 2006)!***

Below are the results by school and students who were enrolled in CEP in March 2004 and still on the active list in HISD in 2005-2006.

High Schools

SHS 6 (of 38) Westside HS 4 (of 21) Lee HS: 5 (of 34) Total 15 (out of 93)

Graduated

SHS 1 (of 38) Westside HS 1 (of 21) Lee HS 1 (of 34) Total 4 (out of 93)

Middle Schools

Grady MS 2 (of 6) SMS: 13 (of 32) Longs 11 (of 13) Revere 13 (of 24) Westbriar 0 (of 7)
Total 39 (out of 87)

(Note: None of Westbriar students enrolled in CEP in March 2004 were on the active list two years later –March 2006)

Below is an update report on the sample. The update reports on the number of students who had graduated or were still enrolled in HISD as of September 11, 2006:

Of the 93 high school students enrolled in March 2004 in CEP at the Beechnut location, only 4 were enrolled in September 2006 in HISD schools. Less than 1 per cent of high school students out of the sample of 93 high school students enrolled in CEP in March 2004 graduated from high school by September 2006. Ninety percent of the 93 HS students enrolled in CEP in March 2004 were no longer students in HISD on September 11, 2006.

Of the 87 middle school students, enrolled in CEP at the Beechnut location, only 34 were still enrolled in middle school in HISD in September 2006. Five of those students were not on the active list in 2005-2006 (as of March 2006) but were reported to have reenrolled between March 2006 and September 11, 2006. . Fifty-three of the 87 (60%) middle school students enrolled at the Beechnut CEP location in March 2004 were not enrolled in HISD on September 11, 2006. . .

Below are the results by school and number of students who were enrolled in CEP at the Beechnut location in March 2004 and were enrolled in HISD schools on September 11, 2006

High Schools

SHS 4 (of 38) (of 93)	Westside HS 0 (of 21)	Lee HS 0 (of 34)	Total: 4
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Graduation: There was one change to the graduation results in March 2006. One student at SHS had graduated. A total of 5 students of the 93 high school students who were enrolled in CEP in March 2004 had graduated by September 11, 2006. Again, less than 1 percent of all high school students in the sample enrolled in CEP in March 2004 graduated by September 2006. Ninety percent of the sample high school students were no longer students in HISD on September 11, 2006.

Background: Almost a year ago, on October 27, 2005, I sent a letter to all HISD school board members informing them that my research reveals that CEP should be considered a dropout factory. I mentioned in the letter that I had discussed this subject with the Superintendent of Schools on October 14, 2005.

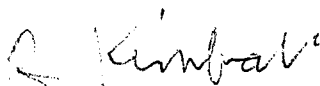
On June 29, 2006, the HISD Board authorized the Superintendent to negotiate and execute an agreement for a credit recovery program with CEP. Although the contract has not been executed, one hundred students were enrolled last year and the program continues this year.

HISD paid over \$17,000,000 (17 million dollars) to the private company that manages CEP for the school year 2005-2006. The program's retention and graduation effort reported above is evidence that CEP increases the dropout rate in HISD and decreases its graduation rate.

Recommendation: In October 2005, I recommended to the Superintendent and trustees that they complete a similar study but include all students who were enrolled at both alternative schools. The study should determine how many students of all students who were enrolled in CEP in 2003-2004 graduated or were not enrolled in HISD by October 1, 2006.

If the sample for this study, which indicates that the attrition rate is 90% among high school students at one of the alternative schools, is the same for all students at both campuses, then HISD should terminate its contract with CEP because it is not cost effective.

A concerned citizen and taxpayer,



Dr. Robert Kimball
32918 Willenhall Ct
Fulshear, TX 77441
281-533-9441

Fall 2006 edition | School District contracting

CEP mystery: many pass through ... and then?

The company's three discipline schools have served over 10,000 students here, but its public reporting accounts for only a tiny fraction of them.

by Dale Mezzacappa

The for-profit school manager in Philadelphia with the biggest contract, the longest tenure, and the most difficult mandate is also among the least scrutinized - Community Education Partners, which operates three schools in the city for disruptive youth.

CEP, a Nashville-based corporation, gets \$28.1 million a year to educate some 2,000 to 3,000 students at a time who are referred for serious disciplinary infractions. That is more than three times the \$8.7 million total for all other alternative school operators, and more than the \$20 million paid to all the School District's education management organizations (EMOs) combined.

Since the first Philadelphia CEP school opened in 2000, more than 10,000 troubled students, including some returning from incarceration, have cycled through its no-nonsense, highly-structured program, according to the company's data.

The high numbers reflect the growing clamor from state legislators, teachers and the public to remove unruly and violence-prone students from regular city schools. "The greatest public pressure I get is on discipline," said School District CEO Paul Vallas. "What the legislature wants, what City Council wants, what the public wants is one thing: get them out."

As this clamor has intensified, the main beneficiaries have been private companies like CEP that over the past decade have moved rapidly into the discipline school business in Pennsylvania and elsewhere. Since Vallas came here four years ago, Philadelphia has entirely outsourced its discipline schools to CEP and three other organizations and companies.

Since 1999, when it authorized districts to hire private companies to run discipline schools, the Pennsylvania legislature has sent tens of millions of dollars a year to Philadelphia to help pay for them. And the industry has steadily grown - despite limited evidence that the outside providers are significantly improving the educational attainment and life chances of most of the students who attend their schools.

Almost all that money is funneled through the state Republican caucus to a

handful of urban districts, with little systematic oversight by the state Department of Education.

Officials of the Rendell administration acknowledge that discipline is a tough issue and are glad the legislature is providing money for it. However, they say not enough information is being provided to adequately judge the programs' effectiveness.

"It's amazing that they're willing to spend [this] money on kids, but it's sad they don't hold vendors accountable," said Donna Cooper, Governor Rendell's policy chief. "We have no data. It's a frustrating thing. We're not happy."

In Pennsylvania, CEP's mandate is to take these problematic students for a year - fifth through 12th graders - and improve their attendance, skills and behaviors so they can return to their home schools able to learn and ultimately graduate.

While CEP has tracked students who did well at CEP and went back to their neighborhood schools, no comprehensive reports are available on what happens to CEP's students who don't make that successful transition, which appears to be the overwhelming majority.

But by piecing together data provided by the District and available through a study done by Temple University, it seems that, among the thousands who have attended CEP, there are about 500 who successfully completed CEP's program, went back to their home school, and proceeded to graduation. That figure also includes 146 who graduated in June from CEP itself.

To be transferred back to a neighborhood school, a student has to maintain a 90 percent attendance rate, pass all courses and keep a clean behavioral record, fulfilling the company's mantra of "Be Here, Behave, and Be Learning."

Despite repeated requests, however, neither the District nor the company provided statistics indicating what percentage of CEP students met those standards and went back to their home schools.

CEP did provide information showing that, based on in-house computerized testing, the average CEP student advances between three and five grade levels within one year in math and reading. It also provided data showing that the student attendance rate is around 75 percent, about the same as neighborhood high schools.

District officials said that the data tell them what they need to know: private firms are doing far better than the District ever did with its old

discipline schools. Vallas called the old District-run schools "unmitigated disasters" with zero graduation rates, 50 percent attendance and "pitiful" test scores.

"I am absolutely convinced, and the data proves it, that we cannot manage these programs effectively in-house," he said. "Public schools don't do alternative discipline schools right. Private providers are better. Period."

Barbara Braman, a former District principal and administrator who is now a senior vice president with CEP, said that in the company's early days, most of the students were in middle school, so the graduation statistics are less meaningful than data showing that CEP has succeeded in substantially raising their grade level skills.

Keeping these students in school and improving their achievement is a daunting task, Braman said. The typical student arrives at CEP with third- or fourth-grade skills, so even advancing them by four or five grades will not necessarily get them to high-school achievement levels. On top of that, she said, "they are coming with behavioral health issues, an incredible array of needs. They are an underserved and under-seen population." She acknowledged that future studies should try to determine what ultimately happens to the majority of CEP students.

"Can we do it better? You bet, but is what we're doing materially better than what we had in the District? You bet," Braman said, choking up. "We're saving lives. Kids say to us every day, thank you, if I weren't in this school, I think I'd be dead."

While CEP came to Philadelphia essentially offering a money-back guarantee if student attendance and achievement didn't meet certain benchmarks, the performance aspects of CEP's contracts have been watered down since then.

In its early contracts, it got paid only for the days students actually attended and could earn bonuses for substantially improving a student's attendance, but in the 2004 renewal, the attendance incentives were dropped.

Now the company has an unusual funding formula - it gets paid based on its building capacity, not the number of students enrolled or attending.

In the earlier contract, the company also agreed to educate free of charge any student who didn't make at least one grade level of improvement in reading and math within a year. The 2001 contract said that target would be increased in subsequent contracts, but it never was, despite company data showing that students who stay for 180 days increase their skills by multiple grade levels.

Vallas said that although the District is outsourcing all its alternative schools, it has sought different models. It has also hired three other providers to run discipline schools.

While some have called CEP's model prison-like, school and company officials have described it more as a structured private school. The company has invested millions in refurbishing buildings to fit its model, which is highly controlled. Students are subject to metal detectors and pat-downs when entering, including the removal of their shoes.

The buildings have no windows to limit distraction and are divided into learning communities of four classrooms surrounding a common area, to which each class has a supervised rotation for meals.

Vallas said the District wants to create more transition schools for overage students that are less restrictive and will be a more permanent placement. He said many students don't want to return to their neighborhood schools from CEP, and that the legislature's mandate that a student must go back to their home school after a year could be causing problems.

CEP has just been awarded an additional \$4.5 million annual contract to expand a school for overage, underachieving students.

"We are trying to identify other programs that can service our kids," Vallas said.

CEP's political allies

Privatizing discipline in Pennsylvania brought together unlikely allies: the Republican state legislature, which liked privatization, and the teachers' union, which opposed it, but was desperate to get troublesome students out of regular classrooms. In addition, CEP's original proponent was former Philadelphia schools superintendent David Hornbeck, who got along with neither the legislature nor the union.

Hornbeck first saw CEP in operation in Houston in 1998, and was impressed, especially when the company agreed to a performance-based contract. The company had been started by several well-connected Republican operatives in Texas and Tennessee, including Randle Richardson, who is still the president. Today, the company has 13 schools in six states.

CEP was "claiming outcomes in Houston both in terms of test performance, dropout reduction, and return to the host school that were very impressive," Hornbeck said in a recent interview. "It began to emerge in my mind, this was a no-lose situation, a creative response to a very real problem."

Then-Majority Leader John Perzel and Philadelphia Democrat Dwight Evans also went to Houston to check out CEP, and in 1999 the legislature passed a law allowing districts to contract with private providers to run discipline schools. Perzel indicated that Harrisburg was prepared to provide some money to help the District to bring CEP to Philadelphia - one of the few things in the city schools that the state was eager to fund.

Since then, state funding for alternative education has exploded, from about \$5.2 million in 1998-99 to \$66 million this year. Of that amount, \$23 million is available to all districts that apply, while \$43 million is doled out by Republican legislative leaders to five urban districts: Philadelphia, Harrisburg, Lebanon, York and Pittsburgh.

Diane Castelbuono, deputy secretary for elementary and secondary education, said that privatization has grown faster than the department can adequately monitor, and that the financial incentives to districts and companies promote placement of students in the schools, but not the development of quality programs for students once they're there.

Harrisburg has been focused intently on stemming school violence and crime since 1995. It created one of the toughest zero-tolerance discipline policies in the country - resulting in an escalation of expulsions. The legislature got particularly tough with Philadelphia, enacting a law forbidding the city from allowing students who had been in prison to return directly to neighborhood schools and creating a Safe Schools advocate to monitor the city's compliance with anti-violence mandates.

Vallas said the money from Harrisburg comes with no strings attached. "Nobody ever told us you have to hire private providers," Vallas said. "The speaker [Perzel] has always said, hire the best providers, and if you do it better in house, it's your call." Perzel's spokesman did not return a call asking for comment.

At the same time, he said, the providers are the ones doing the District's lobbying in Harrisburg for additional funds. This year, Philadelphia is getting half of the caucus-controlled money, some \$22 million, some of which will go to CEP for a new school for overage, underachieving students.

CEP officials are generous contributors to Perzel's campaign coffers and those of other Republican legislative leaders, and have also donated to the city Republican committee and to Gov. Rendell. Campaign contributions from CEP executives in Pennsylvania since 2001 total over \$62,000, according to Pennsylvania Department of State campaign finance reports.

Failing Students, Rising Profits

>by Annette Fuentes The Nation

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>Morris Gandy's son was a problem student throughout elementary school,
>playing hooky and acting up. A few days after he began sixth grade in 2002
>at Gillespie Middle School in Philadelphia, he was suspended. Gandy, a
>single parent, beseeched the principal, "What can you do for a problem
>child?" He got no help.

>

>Then a neighbor told him about Community Education Partners (CEP), an
>alternative school for kids like his son. So Gandy enrolled the boy,
>expecting that teachers there would know how to handle him. Instead, the
>situation went from bad to worse. "The teacher said my son shot him in the
>head with a rubber band," Gandy said. "I said, "What are you going to do
>about it? This is supposed to be a school for troubled kids." His son told
>Gandy that all they did was watch movies. He went truant. "They are
>supposed to be the experts on the kids outside the box. They are supposed
>to get them back inside the box," Gandy said. "They couldn't hold his
>interest."

>

>Morris Gandy is what you'd call a dissatisfied CEP customer. CEP, however,
>continues to prosper. Founded ten years ago in Houston, the company entered
>the private-school market at a time when Texas was a roiling cauldron of
>Republican politics and Enron-style corporate dealing--and a laboratory for
>education reform. George W. Bush was governor, the mantra was
>accountability for public schools and the tools were high-stakes testing
>and privatization. What emerged from the mix were the so-called Texas
>Miracle, which boosted student achievement; Rod Paige as President Bush's
>Education Secretary; and ultimately Bush's No Child Left Behind (NCLB) law,
>authored by Texas education player Sandy Kress.

>

>The Texas Miracle has since been debunked as so much manipulation of test
>scores and phony graduation rates. Paige, who rode to the White House on
>its falsehoods, is history. And Bush's NCLB is sagging under the weight of
>impossible test goals and unfunded mandates, with even some Republicans
now
>criticizing it. But privatization in public education and the credo of
>accountability through testing still chug along.

>

>CEP is one beneficiary. Despite a tarnished history and no independent
>evidence that its student-customers fare better than in regular public
>schools, CEP uses political clout to carve a niche market serving students
>the public schools don't want, and it makes millions in the process. CEP's
>story is a primer on how the politics of education reform serve business
>interests. Its success represents the triumph of free-market ideology over
>sound pedagogy and the fallacy of the accountability-through-testing

>approach to teaching. "It's fair to say they [CEP] have avoided true
>scrutiny," said Carl Shaw, a former Texas state official who evaluated
>CEP's program. "Their modus operandi is political, not educational and not
>scientific."

>

>The CEP Program: Be Here, Be Tested

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>CEP contracts with public school districts in Houston, Atlanta,
>Philadelphia, Richmond and Orlando, and in the Pinnellas and Bay districts
>in Florida, to run alternative schools for students in grades six through
>twelve who've been suspended for behavioral problems. Most students sent to
>CEP also are academically failing, and the vast majority are
>African-American and Latino. CEP's contract requires that students spend
>120-180 days in the program--far in excess of the typical ten-day
>suspensions public schools impose on misbehaving students. CEP's rationale
>is that it needs time to transform kids' behavior and academic performance,
>but the company also has an obvious financial incentive for a longer
>placement. CEP's per-student charge varies by district, but it's more than
>the districts spend per pupil on regular students. In Orlando CEP gets
>\$8,865 per pupil, double the district's own cost. Philadelphia pays CEP
>about \$13,000 per pupil--almost twice the district's \$7,000 average cost.
>"We charge more. We're a premium product," said Randle Richardson, the CEO
>of CEP. "Anyone can warehouse a child."

>

>CEP renovates abandoned big-box stores or industrial spaces, creating
>sex-segregated "learning communities." The students can't mingle and are
>>walked in groups to bathrooms at specific times. Lunch is provided in their
>classrooms. Students may not bring money to school and are screened as if
>going through airport security, shoes and coats off. Teachers take
>attendance with an electronic fingerprint scanner that transmits the
>information back to CEP headquarters for payment. Some critics have called
>CEP schools "soft jails."

>

>CEP boasts that it employs "certified teachers and degreed individuals with
>experience in behavior management, counseling or social services." But CEP
>faces the same shortage of certified teachers the public schools do, and it
>pays lower salaries. In its early Houston days, says Marsha Sonnenberg, a
>Fort Worth educator who consulted for CEP, "they used some people from
>corrections and some they trained. Some had been from the streets
>themselves and rehabbed. Some were a little more like me." Irving Mitchell,
>principal of CEP's Atlanta school from August 2003 to January 2004, said
>his school had few certified teachers and high turnover, so on an average
>day classes were doubled up. "There was very little instruction, because
>you were dealing with fights and staff shortages," Mitchell said.
>Richardson said CEP pays for teacher-certification training when needed,
>and that such classes are brought onsite for his Philadelphia staff.

>

>"Be Here, Behave and Be Learning," is CEP's motto, but it should include
>"Be Tested," because students spend much of their learning time at
>computers with Plato, a self-paced tutorial that tests and assesses
>achievement. CEP uses Plato data to prove its claims of student
>improvement, but assessment experts give Plato mixed reviews, and some
>who've worked with it say cheating is not difficult.

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>Political Juice

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>Richardson founded CEP with his college buddy Phil Baggett, CEP's vice
>chairman. Richardson says his inspiration came from his early years as a
>small-town lawyer taking \$50 juvenile delinquency cases from the family
>court judge. Then Richardson ran the Tennessee Farmers Home
Administration,
>making loans to low-income homeowners. John Danielson, who would become
>Under Secretary of Education to Paige, was also a founder. Initial
>investors included Bill McInnes, formerly of the Hospital Corporation of
>America, and Tom Beasley, founder of the Corrections Corporation of
>America, the private prison company. CEP's early investors put up \$65
>million; the company is now backed by Stephens Inc., a Little Rock,
>Arkansas, investment bank, and the Texas Growth Fund, a private equity firm
>created by the Texas legislature with public employee pension funds.
>Richardson says CEP's annual revenues are \$70 million.

>

>Richardson bristles at questions about Beasley's role, sensitive to critics
>who've likened CEP schools to juvenile jails. "We had discussions early on
>that we are not going to be correctional," Richardson said. "Tom
>understood. He said, 'I'm an investor. You guys are here to run the
>company.'" But like Beasley, Richardson saw a ripe business opportunity in
>privatizing a public service--one that, like prisons, deals with society's
>messy failures. CEP's first contract was to operate a juvenile detention
>alternative-education program for Harris County, Texas.

>

>Giving CEP entree into the Texas education scene was George Scott, then
>president of the Tax Research Association, a nonprofit education-reform
>group in Houston, and now a senior writer for the online newspaper
>Education News. Scott, who was close to Paige when Paige was Houston
>schools superintendent, helped CEP score its first public school contract,
>with the Houston district. Scott said he told Paige, "Rod, this is it. This
>is privatized accountability at its best." Scott later became a CEP critic,
>though, charging that the company evaded real accountability for a program
>that was educationally flawed and a waste of taxpayer money. "I look back
>on my role with CEP, my dedication and commitment to accountability, and it
>is the greatest professional disgrace in my career," Scott said. "As long
>as the district and the vendor have influence over accountability measures,

>it is corrupt."

>

>Richardson says his background is in government, but it's his Republican
>Party credentials that pay off. Like Tom Beasley before him, Richardson was
>Tennessee's GOP chair--from 1992 to 1995--helping to lead Republicans "out
>of the wilderness and into control of statewide offices," according to one
>news account. Richardson soft-pedals his political ties, calling himself a
>"Howard Baker Republican" and insisting CEP is above the partisan fray. But
>CEP has thrived on the accumulated political juice Richardson and his
>cohorts have squeezed, mostly Republican-flavored, since its founding.

>

>In Texas CEP executives cultivated powerful friends, hiring Houston school
>board member Larry Marshall as a \$6,000-a-month consultant and landing an
>endorsement from George Bush Sr. at the opening of CEP's first Houston
>school. "They were putting together the juiciest political team," Scott
>said. "They had powerful people at their beck and call." Political pull
>helped CEP waltz into Florida. Richardson and Baggett contributed to
>Charlie Crist's successful 2000 run for state education commissioner and to
>Governor Jeb Bush's 2002 campaign. In 2001 CEP's Florida lobbyist Juhan
>Mixon helped write a provision in a state appropriations bill that
>earmarked \$4.8 million for "Alternative Schools/Public Private
>Partnerships." It was "to serve a minimum of 500 or more disruptive and low
>performing students"--a description tailored to CEP. Mixon also lobbies for
>several Florida school districts, including Bay, which hired CEP.

>

>In Philadelphia CEP found privatization high on the agendas of
>then-Governor Tom Ridge, a Republican, and state politicians. The state
>took control of the bankrupt Philadelphia school district in 2001, and
>state legislators made privatizing schools one of the conditions for the
>bailout. CEP's chief political ally has been Republican State House Speaker
>John Perzel, whose beefy visage graces the company's website along with his
>testimonial. Richardson, Baggett and CEP execs have contributed more than
>\$11,000 to Perzel's campaigns. CEP's five-year, \$28-million-a-year contract
>with Philadelphia schools was renewed in May 2004 with no debate.

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>Accountability in Action

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>CEP is a product of the high-stakes testing and accountability approach to
>education reform, which aims to run public schools like businesses whose
>products are students. Yet holding CEP accountable has been a quixotic
>undertaking because of the fluidity of the student population, the
>malleability of statistics and the company's political savvy. The few
>totally independent evaluations of CEP's effectiveness have rated it
>poorly. Several evaluations were paid for by CEP, like one in 1999 by Bush
>Sr. Education Department appointee Diane Ravitch, whose glowing
endorsement

>of CEP's Houston program appears on CEP's website. Others were based on
>testing data completely controlled by CEP.

>

>In Texas CEP's first brush with evaluation was a lesson in the pitfalls of
>accountability and the importance of data control. In 1997 Texas state
>education commissioner Mike Moses hired Carl Shaw, former chair of the
>Texas Education Agency's (TEA) assessment committee and head of Houston's
>testing for fourteen years, to assess CEP's first contract, the juvenile
>detention program. Shaw found limited student progress after six months in
>CEP, and after a year, actual regression. "I could find no evidence that
>there was a strong-enough academic program in place to produce change," he
>said. "One report I wrote for [the Houston Independent School District]
>said few CEP students would be smart enough for prison education. It's
>shocking, and here's a company touted as a leader." Shaw said CEP head
>Richardson was angry at his findings and his refusal to compromise his
>work. "The first reaction I had from Richardson was, 'I am more powerful
>than you,'" Shaw said.

>

>CEP executives turned to Scott, the taxpayers' group president, for backup.
>"They wanted support that his test had gone awry," Scott said. "I told them
>I was 100 percent into Dr. Shaw's approach." Scott says discussions he and
>CEP had been having about a consultancy and shares of founders stock broke
>down because Scott refused to repudiate Shaw. Richardson says CEP raised
>concerns about Shaw's tests having "both positive and negative
>aberrations," and that they couldn't be validated by the TEA. Richardson
>noted that his relationship with Scott soured after the problems with
>Shaw's testing emerged.

>

>Next up was Dr. Tom Kellow, an evaluation specialist for Houston's schools.
>In 1999 Superintendent Paige asked Kellow to evaluate CEP--but he was
>forbidden to visit the school and could only use data CEP provided. Kellow
>learned that CEP's contract stated that it could only be held accountable
>based on its own in-house testing, not the statewide Texas Assessment of
>Academic Skills (TAAS). "What I found is what Carl Shaw found," Kellow
>said. "The longer [students] stayed, the worse their performance." Although
>under NCLB all schools must meet Adequate Yearly Progress (AYP) standards
>for specific percentages of students testing at grade level in math and
>reading, the TEA exempts CEP. For both 2003 and 2004, the AYP status of
>CEP's two Houston schools is listed as "Not Evaluated." CEP's school
>profiles on the Houston schools website also reveal that the company evades
>the accountability that public schools face: No TAAS scores are listed and
>no information is provided for either state or district accountability
>measures.

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>Houston continues to contract with CEP despite those early assessments, but
>Dallas's public school district was more discriminating. Dallas hired CEP

>in 1999, with a five-year, \$10 million yearly contract. But after three
>years the district bowed out; its own evaluation of CEP in 2002 recommended
>ending the contract, stating that "the model of education provided by [CEP]
>was untenable from a pedagogical standpoint. The reliance on non-certified
>teachers for the bulk of the student-teacher interaction was useful for the
>company to save money, but was not a design in the best interest of the
>students.... Students who attended Community Education Partners did not do
>very well academically." CEP had refused to provide its budget data, the
>report noted, making it impossible to know just how it was spending the
>district's money.

>

>Dallas's report and a series of critical articles about CEP in the Houston
>Press, an alternative newsweekly, helped New Orleans public schools decide
>against a contract with CEP, according to former school board president
>Cheryl Mills. But Atlanta public schools ignored the negative press and
>evaluations, contracting with CEP four years ago. CEP's Atlanta school was
>the target of community organizing in early 2005 after the Atlanta Voice, a
>black newspaper, ran a series exposing serious inadequacies at the CEP
>school. The articles were based on the accounts of former CEP principal
>Mitchell and of a former teacher. "It became a dump for human waste,"
>Mitchell said. "Accountability is with the Atlanta school board for
>disenfranchising these kids. There was a contract and expectations, and I
>feel they were not met. The statistics show they weren't met."

>

>Atlanta schools deputy superintendent Kathy Augustine called Mitchell
>"disgruntled." She said she was unaware that students could not take books
>home, that there was no homework or that there was a teacher shortage. "I
>think we're improving," Augustine said. "It's a developing relationship.
>Finding leadership is key to that." She said she had no evidence that CEP
>was not living up to its contract. Told that CEP's school had failed to
>meet AYP standards for reading and math in the 2003-04 school year,
>Augustine said, "The AYP piece is different for nontraditional schools
>because children are very fluid." She noted that the school board had voted
>to extend CEP's contract through 2009.

>

>In Philadelphia even supposedly independent evaluations of CEP were
>dependent on company-controlled data. In March Philadelphia released an
>evaluation of CEP's two schools conducted by researchers at Temple
>University. The report surveyed seventy students and seventy parents who
>offered positive reports on CEP's program--a fraction of more than 4,300
>students CEP has served. In evaluating student academic growth, the report
>relied entirely on CEP's own Plato data, which claim astounding gains of
>three to four "grade levels" in reading and math for students who spend 180
>days at CEP--but there's no indication of how many students actually stay
>that long. The school district itself partakes of the statistical spin.
>Paul Socolar, editor of Philadelphia Public School Notebook, an independent

>newspaper, noted that in 2004 the district issued a CEP fact sheet that
>excluded CEP scores on the statewide standardized test for eighth graders,
>which had gone down; in January of this year the district excluded results
>for CEP eleventh graders, which had gone down. "It's a total manipulation
>of data," Socolar said. And as for meeting the AYP standards, CEP's Philly
>schools don't.

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>CEP's Richardson says the proof of his company's success is that districts
>keep renewing their contracts. The question is how success is defined.
>Public schools have strong incentives to remove the lowest-performing
>students from their classrooms and make them CEP's problem, especially
>since the passage of No Child Left Behind. "CEP was a way to get around
>NCLB," said Mitchell. "If you move these kids from the regular school
>program, you automatically decrease the dropout rate and get a gain on your
>test scores. So you contract those kids out; they're in a separate
>environment, but they aren't counted in the total." For Socolar, CEP is a
>political solution to the public system's failures: "From the beginning,
>the concern that jumped out about CEP is whether putting these students in
>the hands of private companies is a way of putting them out of sight and
>out of mind," he said. While the public schools are hammered by the
>accountability-through-testing mandates of NCLB, CEP skirts the same
>accountability and proves the uselessness of high-stakes testing as an
>education strategy. Judging CEP by its test data only seems to make sense
>because the company and school districts that hire it buy into that
>accountability measure. Test scores, in truth, can never be an end in
>themselves--or proof that children are learning. That's why NCLB is phony
>education reform.

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>At the end of an interview Richardson asked in almost plaintive tones, "Are
>we the enemy?" Well, yes and no. CEP may be doing a poor job, but it's only
>a symptom of the crumbling national commitment to public education,
>including the public schools' failure to educate huge percentages of mostly
>black and Latino students. Vouchers and other privatizing efforts in
>education have still not gained the momentum that conservatives had hoped
>for. But companies like CEP in the expanding private education industry
>help chip away at the public school infrastructure by targeting a
>market--the "bad students"--that has few advocates. CEP promotes
>privatization in a more quiet, effective way than Chris Whittle's troubled
>Edison schools have. And Richardson's future ambitions reveal an astute
>understanding of the changing nature and needs of today's student
>population: He'd like to run schools for overage students--17- or
>18-year-olds who work or raise families and need flexible programming, the
>students who "don't fit in the box," he says.

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>As the box holding traditional students shrinks, one challenge facing
>public school educators is how best to serve all students--from high

>achievers to the most disruptive kids like Morris Gandy's son. If the
>public sector abdicates its responsibility to educate all children,
>businessmen like Randle Richardson are ready to step in. >

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>This article can be found on the web at:

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><http://www.thenation.com/doc/20050919/fuentes>

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>Visit The Nation <http://www.thenation.com/>

October 27, 2005

Dear (Name of Trustee, HISD) ,

On October 14th, two weeks ago, I met with Dr. Saavedra and discussed 15 recommendations which could help HISD improve its credibility and performance. I would like to briefly discuss one of those items, CEP.

Based on my experience with visiting CEP many times in 2003/2004, observing classes and reviewing data on CEP, I can only conclude that CEP schools have become dropout factories. Approximately 60% of dropouts in HISD are Hispanic. Enrollment varies but approximately 65% of students in CEP schools are Hispanic. An assignment to CEP is often the turning point when students decide to drop out. CEP has a large number of no shows and it is because they drop out. If the student enrolls at CEP, he/she will eventually drop out. **The bottom line is that almost every student who enters CEP, eventually drops out of school.**

I recommended to Dr. Saavedra that his staff research how many students have attended CEP at some point in their education and eventually graduated from HISD. I told him that I would guess that it would be less than 30 out of each year's entire graduating classes in HISD. If his research determines that this number is accurate, the Board needs to do a cost-benefit analysis. Should the District continue to spend 16 million dollars on CEP for perhaps 30 graduates? HISD secondary schools are not overcrowded and space is available for in-house alternative programs.

There are two primary reasons why CEP students fail to graduate. First, there are no dropout prevention programs in CEP. Secondly, there is no transitional program to help students adjust when they return to their home school. CEP students are often treated like ex-cons and fail to make a connection with their home school when they return. They are rarely given direct instruction at CEP and have difficulty when they return to a classroom where direct instruction is the teaching strategy.

I have offered to meet with CEP leaders (Randall Richardson, President and Anthony Edwards, VP) to recommend some dropout prevention programs and a transitional program. However, they do not feel change in their current program is necessary. Respectfully, I disagree and hope you will consider holding them accountable for the end product... high school graduation. CEP is a contributing cause to HISD's high dropout rate/declining graduation rate and your contract with them needs to be critically evaluated.

Dr. Robert Kimball
281-533-9441