

## Who runs our IPS?

*“The crisis is not about education at all. It’s about power.”*  
~ James Baldwin

*Overview:* Traditionally, local school board races are nonpartisan. Such elections are supposed to be about grassroots politics and connections made at doorways between candidates and voters. Campaign chests are small: some yard signs, political buttons, and lots of volunteers. As well, school board elections are local--concerned with local issues and influenced by local stakeholders. Those outside a district normally show little concern. Influences from state or national interests are neither necessarily sought nor expected. Why would they be? It’s local politics. Yet, what happened in Indianapolis during our 2012 Indianapolis Public Schools (IPS) school board elections threatens this tradition. Such events raise this issue: Need Indianapolis, Marion County, and Indiana voters realize: state-wide and national education organizations and individuals with a market reform agenda for public education intend to control your local school boards?

### **A closer look at the IPS candidates and their campaign finances**

To create a perspective, it must be noted that current IPS Commissioner Roof had \$2,461 in her 2010 campaign chest. Current Commissioner White had \$4,182 in her 2010 campaign chest.

For the 2012 election, Commissioner Gore had \$2,157 to run against Commissioner Cosby’s \$78,326. Cosby got \$15,491 from the Stand for Children (SfC) PAC (Oct. 11: \$5,000; Oct. 31: \$5,000; Dec. 18: \$5,491) and \$43,867 from Democrats for Education Reform (DfER) PAC (Oct. 12: \$3,356; Oct 31: \$4,000; Dec.18: \$36,511). So, of the total \$78, 326, contributions from SfC/DfER equaled \$59, 358. However, \$55,368 (93%) of this amount was “in-kind.” Thus, she was not the leader in terms of total cash contributions. Commissioner Cosby won, receiving 75% of the votes.

“Our staff and volunteers knocked on 17,000 doors and made 39,000 phone calls on behalf of our members' endorsement of Gayle.” (December 27, 2012 E-mail from Indianapolis SfC’s Mat Impink.) This does not count the many mailers SfC sent out.

Then there was \$57,000 campaign chest of Commissioner Odle. His opponent, Larry Vaughn, had zero funds in his campaign chest. Commissioner Odle received 63% of votes cast.

What more compelling is “unpacking” and analyzing Commissioner Hannon \$67,438.00. She won 67% of the votes cast. Some of her biggest donations came from out of state:

David Ritchie, Denver.....	4,000	Charles Ledley, Boston.....	1,000
Arthur Rock, San Francisco.....	5,000	Tim Marquez, Denver .....	1,000
Greg Penner, Atherton, CA.....	5,000	Geoff Ralson, Atherton, CA ...	5,000
Allen/Jennifer Fournier’s, Far Hills, NJ..	2,000	Michael Bloomberg, NYC.....	10,000
Lydia Callaghan, Palo Alto CA .....	5,000	Leadership for Educational	
Ken Thiry, Cherry Hill, CO .....	3,000	Equity, Washington, DC.....	+1,240
David Goldberg, Atherton, CA .....	1,000		\$43,240

This means over 64% of Commissioner Hannon’s \$67,438.00 came from those who do not live in Indy or Indiana, and most importantly, do not live in the IPS district or send their child/ren to IPS.

Some of these same donors gave to Rep. Mary Sullivan for her 2012 campaign for state senate. She received and accepted money from donors Rock, Ritchie, Callaghan, Penner, and Goldberg.  
[www.followthemoney.org/database/StateGlance/contributor\\_details.phtml?c=138306](http://www.followthemoney.org/database/StateGlance/contributor_details.phtml?c=138306).

## **\$202,764.00 vs. \$4,957.00**

Adding the donations of Commissioners Odle, Cosby, and Hannon had campaign funds totally \$202,764.00. In contrast, their 6 opponents had a total of \$4,957.

### **Were donations to IPS candidates from out-of-state supporters special to Indianapolis?**

An IPS family might assume that for some reason folks all around the nation heard about Commissioner Hannon's campaign and wanted her to have enough to run against Jim Nixon whose campaign was funded by \$300 and educator Larry Whiteman who had little or no money donated.

### **Buying school board seats in Minneapolis and Perth Amboy, NJ**

In "[So You Wanna Buy a School Board Seat...](#)," fellow pro-public education blogger, Edushyster, wrote about the situation in Minneapolis, while another pro-public education blogger Jersey Jazzman wrote a November 4, 2012 essay, "[How To Buy a School Board Race 3000 Miles Away](#)," about the same thing happening in Perth Amboy, NJ (Pelto, 2013).

Jersey Jazzman noted, "It seems absurd, and yet it's true: four wealthy Californians and one wealthy Coloradan--heavy hitters in the tech, financial, and health care sectors--have contributed tens of thousands of dollars to a slate of candidates running for the school board in Perth Amboy, a city of 50,000 with a majority Hispanic population. It really couldn't be clearer: the 'Better Schools Now!' slate is being supported by a group of wealthy outsiders who would love to bring a swarm of new charter schools to Perth Amboy."

Here's the bio's of the multi-millionaires Jazzman mentions. A close look at the profiles of these contributors provides clues as to why they support particular school board candidates.

**Greg Penner, Atherton CA: \$8,000 donation.** [Penner](#) is the Founder of Madrone Capital Partners and a well-known conservative activist. Married to Walton fortune heiress [Carrie Walton Penner](#), HE sits on the boards of Teach For America (TFA) and The [Charter School Growth Fund](#). [CSGF invests](#) in charter management organizations around the country, including the KIPP network and Nobel charter schools. [CSGF](#) is also an investor in Rocketship Education; see below.

**Arthur Rock, San Francisco CA: \$8,000 donation.** Rock is a [well-known venture capitalist](#) who also serves on the [board of TFA](#) and is an active funder of KIPP. Rock has invested in the [Rocketship Education](#), a "hybrid" school that features extensive use of computerized instruction and, consequently, has a [smaller faculty](#) than regular public schools. [Larry Miller](#) found that Rocketship had large student attrition rates and smaller percentages of special needs students than its neighboring public schools (Rocketship responds to Miller [here](#)).

**David Goldberg, Atherton, CA: \$8,000 donation.** [Goldberg](#) is CEO of SurveyMonkey; his wife is Sheryl Sandberg, COO of Facebook. Both are partners, along with Rock, in [Rocketship Education](#).

**Kent Thiry, Cherry Hills, CO: \$10,400 donation.** [Thiry](#) is CEO of DaVita, a dialysis provider; he was previously a consultant for Bain Capital. DaVita has been the [subject of several federal investigations](#) (in fairness, the company was recently [cleared in one](#)). Thiry has been [interested in Colorado's schools](#) and education policy for some time. He [donated \\$33,000](#) to a slate of "reform" candidates in Denver school board elections last year, who were also [endorsed by Democrats for Education Reform](#) and [Jonah Edelman's Stand For Children](#).

**Lydia Callaghan, Palo Alto, CA: \$8,000 donation.** Callaghan is the wife of [Adam Weiss](#), a principal at Scout Capital Management. Weiss has been introduced at investor conferences by [Whitney Tilson](#),

founder of Democrats For Education Reform, a group well-known for supporting [charter school expansion](#).

"Any time hedge fund managers...when they walk into the inner city areas and start talking about poor children's education, it's not because they want kids to read and write, it's because they know that the federal government spends \$600B on education and they want it and they're going to get it."

~ Chris Hedges

### **Louisiana**

In the October 17, 2012 issue of *The Nation*, reporter Matthew Cunningham-Cook (2012) noted that for the fall 2011 elections a group of very wealthy billionaires, among them NYC Mayor Michael Bloomberg, turned the races for unpaid positions on the Louisiana school board (BESE) into some of the [most expensive](#) in the state's history. Here, 7 education "reform" candidates for the BESE outraised 8 candidates endorsed by the teacher's unions by \$2,386,768 to \$199,878.

In one race, a local Teach for America executive Kira Orange Jones raised \$472,382. Her opponent, local New Orleans lawyer Louella Givens, had only \$13,815. To support Jones's campaign against Givens, Eli Broad, billionaire head of the education reform organization the Broad Foundation and a major trainer and placer of school superintendents, chipped in \$5,000. Reed Hastings of Netflix kicked in the same. Houston energy hedge fund billionaire John Arnold and his wife Laura gave a total of \$10,000, as did Walmart heiress Carrie Walton Penner and her husband Greg. New York City's second-wealthiest man, Michael Bloomberg, contributed \$10,000 as well.

### **Sound familiar?**

This is worrisome: national-level millionaires contributing to IPS school board candidates. It reflects a situation where nation-level big box stores come into a community and use their buying power to lower prices, taking control of the market and causing locally owned businesses to close. Are national-level organizations like DfER and national lobbyists like SfC (along with their local Indiana/Indy franchises) which have given their own large support for local candidates--and the millionaires they have enabled to give even larger donations--*influencing the vote of IPS board members*? IPS commissioners accepting big money must know there are strings attached. Take note: these millionaires have no direct ties to the families and students living on East 10<sup>th</sup> Street, State Street, Warman Avenue, Iowa Street, Boulevard Place, Coffee Street, or 30<sup>th</sup> and Broadway.

### **Questions**

- Why would anyone need such amounts of money (\$67,000 or \$57,000 or \$78,000 which equal over \$202,000.00) to run for an IPS school board seat (a job paying little) and especially against opponents with practically nothing, and in two instances actually nothing?
- Is this a power grab?
- Are candidates trying to buy school board seats?
- Why is this amount of money coming in from out of town?
- Are school board elections in Pike, Warren, Perry or the other townships next to be flooded with money from millionaires supporting board candidates who will carry out their national agenda?

Now, with the big picture framed by school board elections in New Jersey and Louisiana, (and Colorado [Marcus, 2011]) we can see why these out-of-state folks contributed to IPS candidates and begin to question why these candidates accepted these thousands of dollars and what the donor expects in return. Do we really want out of state interests running our IPS?

*“It’s just an attack by folks [Latinos for Education Reform] who aren’t in this district and can’t vote here and are trying to influence the vote in northwest Denver.”*

~Arturo Jimenez, Denver school member whose 2011 campaign raised \$68,073, winning against opponent Draper Carson who raised \$177,440.

### **Campaign Finance Reform: Taking the money out of school board elections**

Do we need a limit put on the amount money school board candidates can collect so that school board elections are about the issues and not who can buy school board seats or who is following agendas of out-of-state interests?

What’s also important is what happens with the monies not used in the campaigns? How can citizens find out? See the financial reports at [Indianapolis Public School](#).

### **Who is running IPS?**

A review of the financial reports concerning the donations to the campaigns of 3 of the 4 recently elected IPS commissioners reveals that if we based the answer to the question, “Who’s running IPS?” on who contributed to their campaigns, the response would be that it’s certainly not these commissioners or the neighborhood IPS families who voted them in.

*“Pro-reform coalitions tend to be dominated by business and political elites and supported by neighborhoods with large concentrations of highly educated middle-class professionals.”*

~ David Kimball and Lana Stein, “Democracy at Work? School Board Elections and Reform in St. Louis”

A review of Commissioner Odle’s donations show they came from local businesses, developers, attorneys, doctors, politicians, and friends--the degreed people he’s met in his executive and philanthropic work who live in the suburbs, in the north side Indy neighborhoods, and downtown Indy’s townhouses and the gentrified neighborhoods Kimbal and Stein (2007) refer to.

Most of Commissioner Odle’s contributions came from zip codes in Indianapolis: 46218, 46220, 46228, 46230, 46236, 46239, 46240, 46250, 46254, 46256, 46260, 46268, and 46278. Other contributions came via supporters from zip codes in Carmel: 46032, 46033, and 46074; Fishers: 46037; and Zionsville: 46077. He did have 2 out-of-state donors, the more significant being NYC Mayor Michael Bloomberg from whom Commissioner Odle accepted big \$10,000.00 donation. Remember his opponent (Larry Vaughn) in the November election had no campaign funds. See the links below for more details on Commissioner Odle’s finances. See his 2012-10-12 and 2012-12-31 reports at [Odle, Samuel](#).

Commissioner Hannon’s local donors resided either in north side Indy neighborhoods or suburban areas or towns. Donations came from zip codes in Indianapolis: 46208, 46217, 46220, 46228, 46237, 46240 and 46256. Other donations came via supporters in zip codes in Carmel: 46032 and 46033; Fishers: 46037; Zionsville: 46077; and, Noblesville: 46062. See [Indianapolis Public School](#).

Are the local so-called “pro-reform” coalitions dominated by local and national business and political elites--and supported by large concentrations of highly educated middle-class professionals of all colors living in neighborhoods north of 38<sup>th</sup> Street--trying to control IPS?

Do we actually want a public school system run by donors who perhaps have no child/ren in a regular (non-magnet, non-special program) school where the majority of IPS families send children? Is this the way the system is supposed to work? Are the wealthy supposed to run IPS? Is this the type of democracy we want and tell others around the world to copy?

## **The Big Picture**

To continue to put what is going on locally in perspective, a review of the efforts of national education lobbyists Stand for Children to influence local elections around America is needed. See “APPENDIX: The Big Picture” below.

## **Summary**

A summary of the information presented in the above pages shows how a national organization, by way of a franchise, localizes its national agenda. These groups have lots and lots of money, and national political clout (Sawchuk, 2012). They take advantage of the local politics of states like Indiana (also Florida, Louisiana, or Arizona) which have a legislative majority of pro-business or corporate school reform legislators (both Democrats and Republicans) and governors. These franchises use their advantage to get laws past favoring a national reform agenda, forcing this on local districts.

## **Conclusion: What does the future hold?**

Due to the present amount of monies invested and the amount of return on investments in all aspects of American public education, which has a budget of over \$600,000.000.000.00, one could predict that at this rate, investors and/or politicians from India, Germany, Korea, England, or Canada will be contributing to local school board elections and will be expecting things in return.

### **2013 elections in California: \$10,000,000.00 race for 3 spots on LA school board**

“The race in [Monica] Garcia's District 2 is expected to be the most expensive. United Teachers Los Angeles reportedly vows to spend \$4 million to unseat her. Insiders say Garcia, a close political ally of Mayor Antonio Villaraigosa, will likely raise a similar amount.”

~Barbara Jones “15 candidates file to run for LAUSD school board seats” *LA Daily News* 12.05.12

In LA, 15 candidates have filed paperwork and the three races are **anticipated to cost \$10 million**, between direct contributions and independent expenditures from labor and reform allies.

<http://scholasticadministrator.typepad.com/thisweekineducation/2012/12/campaign-2013-10m-race-for-3-spots-on-la-board.html>

### **Our IPS has a civic, not a private purpose** (Resseger, 2012)

What is about to happen in LA is a warning. As more and more money from the private sector (representing corporations and wealthy individuals from outside a school district who favor privatization) continues to influence local school board campaigns, the ante is raised for all candidates. At this pace, school board elections will not be about children, but money and power. This not only corrupts the long standing tradition of grassroots local school board campaigns being about district issues and influenced by district stakeholders, but threatens our democracy. Public schools were not created to meet the needs of private interests. IPS has a public purpose.

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## APPENDIX: The big picture

To continue to put what is going on locally in perspective, a review of the efforts of national education lobbyists Stand for Children to influence local elections around America is needed.

### **2010 Washington state legislative session** Using money and clout, SfC:

- turned out and testified at hearings, met with key legislators and generated 600 calls and 5,325 emails during critical times.
- advocated in local districts distributing 4,000 postcards and attended town hall meetings.
- collaborated with pro-reform organization to have a strong presence in the media with over 30 editorials over the course of the 2009-2010 sessions and recruited the support of 34 superintendents in 2010.
- pushed state senate leadership at a critical moment to Race to the Top—wrote/delivered 327 personal postcards, ran 42 radio ads, sent over 300 emails, made 100 calls and generated 20,000 auto-dial calls to motivated voters.

### **A look at the 2010-2011 elections**

In 2010-2011, SfC has helped elect 19 school board members in: **Tennessee** (Memphis and Nashville), **Colorado** (Denver), **Oregon** (Portland, Reynolds, Salem-Keizer, Lane County, Hillsboro, Central Coast), **Washington** (Issaquah, Tacoma), and **Texas** (Houston). In 2010 and 2011, SfC helped elect 41 legislators in CO, OR, and IL. <http://stand.org/national/about/what-weve-done>

### **Illinois**

On Oct. 7 2010, SfC Illinois PAC gave \$175,000 to legislative candidate Ryan Higgins (R-IL). This was the single largest "outside" legislative campaign check in modern Illinois history. He lost.

According to *Illinois Times* reporter Rich Miller in an Oct. 21, 2010 article, "Who's behind SFR?" noted the group contributed \$650,000 to rank and file legislative candidates since Oct. 4, 2010. [www.illinoistimes.com/Springfield/article-7903-whorss-behind-stand-for-children.html](http://www.illinoistimes.com/Springfield/article-7903-whorss-behind-stand-for-children.html)

In 2011, members of the Chicago Teachers Union [critical of Stand for Children's funders](http://austintalks.org/2011/04/stand-for-children-illinois-stands-for-billionaires-and-corporations/) held a picket, chanting "Billionaires, billionaires, we're no fools, Stand for Children destroys our schools."  
<http://austintalks.org/2011/04/stand-for-children-illinois-stands-for-billionaires-and-corporations/>

### **Stand for Children's use of big money to influence the passage of Illinois SB7**

In July of 2011, Jonah Edelman, Co-founder of Stand for Children, talked in detail about how SfC came to Illinois with the express purpose to take down the teachers unions. Aided by the millions of dollars they raised from top Chicago corporate executives, SfC was able to influence Illinois state legislators to get Senate Bill 7 (SB7) passed. This landmark legislation severely curtailed teachers' rights and job security. It has been hailed by Arne Duncan and other corporate reformers as a model for the nation in how to takeover public education: *identify and support candidates with pro-SfC education platforms and then get them elect into office at state and local levels.*  
[www.dailykos.com/story/2011/07/09/992927/-VIDEO-How-to-Fool-the-Unions-and-Bribe-Politicians-Aspen-Institute-Bragging-Session](http://www.dailykos.com/story/2011/07/09/992927/-VIDEO-How-to-Fool-the-Unions-and-Bribe-Politicians-Aspen-Institute-Bragging-Session)

*"I'm being quite blunt here, the individual candidates were essentially a vehicle to execute a political objective..."* ~ Jonah Edelman on why he used big money to influence the vote on SB7

When Edelman found out his remarks were taped and made public, he soon apologized.  
<http://preaprez.wordpress.com/2011/07/10/jonah-edelman-apologizes-to-my-blog-readers/>

### **A look at the 2012 elections**

<http://scholasticadministrator.typepad.com/thisweekineducation/2012/10/campaign-2012-stand-for-children-endorsement-lists.html>

**Massachusetts** SfC endorsed 9 legislators Boston, Worcester & Springfield.  
<http://stand.org/massachusetts/elections>

**Indiana** SfC endorsed 8 house/senate candidates in Indiana.  
<http://stand.org/indiana/blog/2012/10/03/stand-children-endorses-education-champions-state-legislative-races>  
<http://stand.org/indiana/blog/campaign/1093/elect-education-champions-in-indiana>

DfER also backed 15 state legislators and 12 US legislators. In Indiana they endorsed Andre Carson, Tim Delany and Mary Sullivan, and John Gregg. Only Carson won.  
[http://www.dfer.org/blog/2012/11/2012\\_election\\_r.phpc](http://www.dfer.org/blog/2012/11/2012_election_r.phpc)

**Colorado** SfC endorsed 11 legislators.  
<http://stand.org/colorado/action/elect-education-champions/our-picks>

**Washington** SfC endorsed 24 legislative candidates. SfC endorsed Republican Rob McKenna for governor. Democrat Jay Inslee won. <http://stand.org/washington/take-action-washington-students/2012-election-endorsements?language=en>

It's interesting, not all folks in the state of Washington see SfC as a positive organization.  
<http://seattleducation2010.wordpress.com/2011/10/10/stand-for-children-school-board-races-and-the-washington-state-pta/>

The Washington American Federation of Teachers filed a complaint against SfC, alleging a deceptive mailer on behalf of candidate Sylvester Cann and saying: SfC, "...uses money from

ultra-conservative donors across the country to enact legislation to fund vouchers, de-fund public schools, and expand charter schools...”

<http://slog.thestranger.com/slog/archives/2012/10/26/aft-files-complaint-against-stand-for-children-alleging-deceptive-mailer-on-behalf-of-sylvester-cann>

**Oregon** SfC endorsed 38 legislative candidates.

<http://stand.org/oregon/action/2012-election-endorsements/house-races>

SfC had previously endorsed 3 successful candidates for the Lincoln County Oregon School District Board of Directors in the May 2007 election.

[http://stand.org/sites/default/files/Oregon/Documents/OR\\_2007\\_Central\\_Oregon\\_Coast\\_Victory.pdf](http://stand.org/sites/default/files/Oregon/Documents/OR_2007_Central_Oregon_Coast_Victory.pdf)

**Illinois** SfC endorsed 26 legislators.

<http://stand.org/illinois/action/elect-education-champions>

SfC opened its Chicago chapter in 2012.

[www.catalyst-chicago.org/notebook/2012/04/15/20034/stand-children-holds-chicago-kickoff](http://www.catalyst-chicago.org/notebook/2012/04/15/20034/stand-children-holds-chicago-kickoff)

### **Tennessee**

With \$200,000 from a single out-of-town source, SfC got 4 of 7 candidates it endorsed for Memphis school board elected to office.

<http://www.commercialappeal.com/news/2012/aug/03/stand-for-children-celebrates-4-school-board-in/?partner=RSS>

### **Arizona**

For the November 2012 Phoenix school board election, SfC endorsed 2 school board candidates in the Phoenix Roosevelt School District and 2 in the Murphy School District.

<http://stand.org/arizona/blog/2012/11/08/stand-children-parents-help-elect-school-board-candidates-and-save-millions>