

A Walmart Fortune, Spreading Charter Schools

Photo



Mary Ann Carlson with pupils at a charter school in Washington run by KIPP, an organization aided by the Walton foundation. Credit Gabriella Demczuk/The New York Times

WASHINGTON — DC Prep operates four charter schools here with 1,200 students in preschool through eighth grade. The schools, whose students are mostly poor and black, are among the highest performing in Washington. Last year, DC Prep's flagship middle school earned the best test scores among local charter schools, far outperforming the average of the city's traditional neighborhood schools as well.

Another, less trumpeted, distinction for DC Prep is the extent to which it — as well

as many other charter schools in the city — relies on the Walton Family Foundation, a philanthropic group governed by the family that founded Walmart.

Since 2002, the charter network has received close to \$1.2 million from Walton in direct grants. A Walton-funded nonprofit helped DC Prep find building space when it moved its first two schools from a chapel basement into former warehouses that now have large classrooms and wide, art-filled hallways.

One-third of DC Prep's teachers are alumni of Teach for America, whose largest private donor is Walton. A Walton-funded advocacy group fights for more public funding and autonomy for charter schools in the city. Even the local board that regulates charter schools receives funding from the Walton Family Foundation.

Photo



Nate Hanna at Washington's Mundo Verde school, a foundation recipient. Credit Gabriella Demczuk/The New York Times

In effect, Walton has subsidized an entire charter school system in the nation's capital, helping to fuel enrollment growth so that close to half of all public school students in the city now attend charters, which receive taxpayer dollars but are privately operated.

Walton's investments here are a microcosm of its spending across the country. The foundation has awarded more than \$1 billion in grants nationally to educational efforts since 2000, making it one of the largest private contributors to education in the country. It is one of a handful of foundations with strong interests in education, including those belonging to Bill and Melinda Gates of Microsoft; Eli Broad, a Los Angeles insurance billionaire; and Susan and Michael Dell, who made their money in computers. The groups have many overlapping interests, but analysts often describe Walton as following a distinct ideological path.

In addition to giving grants to right-leaning think tanks like the Thomas B. Fordham Institute and the American Enterprise Institute for Public Policy Research, the Walton foundation hired an education program officer who had worked at the American Legislative Exchange Council, a conservative business-backed group. Walton has also given to centrist organizations such as New Leaders for New Schools, a group co-founded by Jon Schnur, a former senior adviser to President Obama's transition team and to Arne Duncan, the secretary of education.

In 2013, the Walton foundation [spent more than \\$164 million](#) across the country. According to [Marc Sternberg](#), who was appointed director of K-12 education reform at the Walton Family Foundation last September, Walton has given grants to one in every four charter start-ups in the country, for a total of \$335 million.

"The Walton Family Foundation has been deeply committed to a theory of change, which is that we have a moral obligation to provide families with high quality choices," said Mr. Sternberg. "We believe that in providing choices we are also

compelling the other schools in an ecosystem to raise their game.”

The supporters and critics of charter schools, many of them fierce, cannot be easily divided into political camps. Supporters include both Republicans and Democrats, although critics tend to come more from the left. In Washington, where the charter system has strong backing in City Hall, supporters have been more successful than in New York, where opposition from teachers unions and others has kept charter school enrollment to about 6 percent, despite growth in the past decade.

The size of the Walton foundation’s wallet allows it to exert an outsize influence on education policy as well as on which schools flourish and which are forced to fold. With its many tentacles, it has helped fuel some of the fastest growing, and most divisive, trends in public education — including teacher evaluations based on student test scores and publicly funded vouchers for students to attend private schools.

“The influence of philanthropy in terms of the bang for the buck they get is just really kind of shocking,” said Jack Schneider, an assistant professor of education at the College of the Holy Cross in Worcester, Mass.

A separate Walton foundation that supports higher education bankrolls an academic department at the University of Arkansas in which faculty, several of whom were recruited from conservative think tanks, conduct research on charter schools, voucher programs and other policies the foundation supports.

Photo



A class at Junior High School 118 in the Bronx led by Pamela Paniagua of the Walton-backed Teach for America. Credit Ángel Franco/The New York Times

Last year, the Walton Family Foundation gave \$478,380 to a fund affiliated with the Chicago public schools to help officials conduct community meetings to discuss their plan to close more than 50 schools at a time when charters were expanding in the city.

And Walton played a role in a recent battle in New York, giving a grant to a charter advocacy group that helped pay for advertisements attacking Mayor Bill de Blasio after he denied public space to three schools run by Success Academy Charter Schools, a network in which students have gotten high scores on standardized tests.

While charter schools and vouchers may benefit those families that attend these schools, there may be unintended effects on the broader public school system.

Grant recipients say Walton injects entrepreneurial energy into public education and helps groups eager to try new ideas move more quickly than they could if they relied solely on publicly managed bureaucracies. Thousands of children, they say, attend better schools because of options Walton supports.

“The supply of new models and new ideas is really important, and so I think it’s a very positive thing,” said Robert C. Pianta, dean of the Curry School of Education at the University of Virginia, of the Walton investments. Neither Dr. Pianta nor the Curry School have received funding from Walton.

Critics say that Walton backs schools and measures that take public dollars — and, some say, the most motivated families — away from the existing public schools, effectively creating a two-tier educational system that could hurt the students most in need.

Although Walmart [opened its first two stores](#) in the nation’s capital just last December after [a protracted battle over the retailer’s wages](#), the Walton Family Foundation has played a role in steering the direction of public education in the city for more than a decade. Since 2000, the foundation has invested more than \$80 million here, not only in charter schools but also in support of taxpayer-funded vouchers for students to attend private schools. It poured millions into a controversial overhaul of tenure, the implementation of stricter teacher evaluation systems and the introduction of performance pay in the district’s public schools.

Walton also supports measures that labor leaders say undermine union protections for teachers. Like-minded Walton recipients are working together in many cases, so there are few dissenting voices.

“When lots of charter schools open up, it’s like a new Walmart store moving in,” said Kevin G. Welner, director of the National Education Policy Center at University of Colorado in Boulder. “You could look at it and say, ‘Well, the schools in a

community are losing families because of healthy competition the same way that the hardware store is losing customers because of healthy competition.' But that doesn't take into account the long-term harms to the community, which are probably greater than any short-term benefit."

Photo



Walton's Marc Sternberg does not apologize for the foundation's focus on charter schools. "What's the argument there?" he said. "Don't help anybody until you can help everybody?" Credit Gabriella Demczuk/The New York Times

In addition to the foundation's activities, many individual members of the Walton family have made millions of dollars in campaign donations to candidates for local school boards and state legislatures who support causes funded by the foundation.

Walton's largest recipients include the Charter School Growth Fund, which helps charter school networks expand (\$101.6 million since 2000); Teach for America, which recruits high-achieving college graduates for two-year teaching stints in poor districts and now places about a third of its corps members in charter schools (\$67.2 million); KIPP, one of the country's best-known and largest charter school networks (\$58.7 million); the Alliance for School Choice, a national advocate for private school vouchers (\$18.4 million), whose board includes Carrie Penner, a member of the Walton family; and GreatSchools Inc., an online schools information database (\$15.5 million.)

Last year, the foundation announced a two-year, \$8 million grant to StudentsFirst, an advocacy group led by Michelle A. Rhee, the former schools chancellor in Washington who oversaw many of the policy changes funded by Walton in the district's public schools. StudentsFirst now pushes for the extension of many of those same policies in states across the country, contributing to the campaigns of lawmakers who support the group's agenda.

"What they're doing in terms of education is they're trying to create an alternative system and destabilize what has been the anchor of American democracy," said Randi Weingarten, president of the American Federation of Teachers, the country's second-largest teachers union.

Although the foundation's leaders say they are focused on helping children in poverty or stuck in low-performing schools, some of their actions support concepts regardless of whether poor children benefit. In 2012, for example, Walton gave \$300,000 to the Douglas County School District in Colorado to help it fight a lawsuit brought by opponents of a voucher program. The median income of families in the district, where the public schools are high performing, is more than \$99,000, according to census data.

Walton supporters say the foundation is not blindly supporting the expansion of charters. Two years ago, Walton announced a \$5.2 million grant to the National Association of Charter School Authorizers to support an initiative under which the group would push state and local regulators to close about 900 low-performing charter schools around the country, while opening another 2,000.

“Any foundation that invests the money has to ask themselves, is their money impacting the system as a whole?” said Dennis Van Roekel, president of the National Education Association, the country’s largest teachers union.

Walton’s Mr. Sternberg, who started his career in Teach for America and founded the Bronx Lab School, a public school in New York City, does not apologize for Walton’s commitment to charter schools and vouchers. “What’s the argument there?” he said during an interview. “Don’t help anybody until you can help everybody?”

He said the foundation was focused not on ideology but on results, a word he repeated many times.

Photo



A student worked at Mundo Verde. Credit Gabriella Demczuk/The New York Times

In Washington, for example, the group has given more than \$5.8 million to the District of Columbia Public Charter School Board, whose members are nominated by the mayor to regulate the opening and closing of charter schools. The board has used Walton's grants to help develop accountability measures for all charter schools in the city. When critics complained that charters were pushing out difficult students, the board began reviewing and publishing data on expulsions and midyear departures. Scott Pearson, executive director of the board, said charter schools in the city had halved expulsions since the board began releasing statistics.

"D.C. is a better place today than it was 10 years ago because of the reforms that have played out here," said Mr. Sternberg, who was an official in the New York City

Department of Education under Mayor Michael R. Bloomberg. He pointed to recent increases in scores on national tests by both public and charter school students, saying that neighborhood schools had responded to competition from charters. “And maybe in very small part, because of Walton’s role,” he added.

Walton has become a go-to source for many charter schools seeking start-up grants. In addition to funding large networks like KIPP, which is expanding in Washington, the foundation has given grants to several stand-alone schools.

The Richard Wright Public Charter School for Journalism and Media Arts, housed in a building across the street from the Washington Navy Yard in the southeast part of the city, received \$250,000 from Walton in 2011. The school used the money to buy computers for students, as well as chemistry lab equipment and recording gear for the school’s media studio.

All of the school’s students qualify for federally subsidized free or reduced price lunches. According to Marco Clark, the founder and head of the school, one in five students have special needs and one in 10 have been involved with the criminal justice system.

On a recent morning, the range of academic abilities in the school was apparent. In an advanced placement world history class, 11th-graders gave rapid-fire answers to questions about Native American tribes, with the teacher asking “Why?” to gauge whether students were merely regurgitating memorized facts. Upstairs, in an eighth-grade reading class, several students asked the teacher for help in understanding a passage about the world’s largest harp. One boy struggled to eke out what he thought was the main point. “It about how can orchastra works,” he wrote.

Several students noted that they had come from schools in which they either did not feel safe or were not learning much. Dr. Clark acknowledged that the school was

still working to raise test scores, and had added extra math and reading classes.

“Those who want to criticize any philanthropy group for giving money to kids to change their futures,” said Dr. Clark, “there’s something wrong with them.”

Some parents said they felt torn between the interests of their children and those of the city. Marcus Robinson, the owner of a pet supply and grooming business, said he had attended public schools in Washington and wanted his children to do the same. But his daughters Lourdes, 8, and Maja, 6, attend Mundo Verde Bilingual Public Charter School, a start-up that received \$250,000 from Walton.

Mr. Robinson was concerned that the schools in his northeastern neighborhood had trouble coping with students who had behavioral problems. He also liked the dual language approach at Mundo Verde, where students work in small classes on projects related to the environment and sustainability. A relaxed atmosphere permeates the classrooms, and a yoga teacher and nutritionist are on the faculty.

“Charter schools are a bit of a disservice to the public schools,” Mr. Robinson said. “It puts the onus on public schools to take on the people and children that other schools don’t want. But in the meantime, between everyone fighting about it, I did not want my kids to be caught in the limbo.”