

MAY 1 2008

National Heritage Academies is a For-Profit Charter Management Company. It Has Created a Chain of Private Schools Funded with Public Money.

Within 10 miles of Westland, there are 8 charter schools that have been OPENED by the for-profit management company National Heritage Academies. There is a total enrollment of 5,375 students that accounts for \$38,700,000 in school aid at \$7,200 per pupil per year.

NHA now operates 70 schools in 9 states. Roughly 2/3 of these charters are in Michigan with NHA's headquarters in Grand Rapids, MI.

Three new NHA charters opened this fall. One in Detroit. One in Ypsilanti. One in southern Canton. The latter two were authorized by Grand Valley State University.

The creation of these schools through Grand Valley State University as there authorizer is built on a foundation of conflict of interest. The founder of National Heritage Academies, J.C. Huizenga is a \$1 million+ donor to GVSU. Mr. Huizenga sits as a director of the GVSU foundation as well as the business college Dean's Advisory Board. Evidence shows that NHA itself is the applicant for the charter contracts. Every year they are at the front of the line to receive the limited openings available that are by law to be issued on a competitive basis.

Results: 48185 (within 10 miles)

1 Metro Charter Academy

ADDRESS: 34800 Ecorse Road
Romulus, MI 48174
PHONE: 734-841-3200
GRADES: Full Day K-8 **737**
view school profile | visit website

APPLY NOW **GVSU**

2 South Canton Scholars Charter Academy

ADDRESS: 3085 S. Canton Center Rd
Canton, MI 48188
PHONE:
GRADES: Young Five K-8 - **580**
view school profile | visit website

APPLY NOW **GVSU**

3 Quest Charter Academy

ADDRESS: 24745 Van Born Road
Taylor, MI 48180
PHONE: 313-299-0534
GRADES: Full Day K-7 - **514**
view school profile | visit website

APPLY NOW **CMU**

4 Warrendale Charter Academy

ADDRESS: 19400 Sawyer Street
Detroit, MI 48228
PHONE: 313-240-4200
GRADES: Full Day K-8 - **740**
view school profile | visit website

APPLY NOW **GVSU**

5 Canton Charter Academy

ADDRESS: 49100 Ford Road
Canton, MI 48187
PHONE: 734-453-9517
GRADES: K-8 - **726**
view school profile | visit website

APPLY NOW **CMU**

6 Detroit Premier Academy

ADDRESS: 7781 Asbury Park
Detroit, MI 48228
PHONE: 313-945-1472
GRADES: Full Day K-8 - **727**
view school profile | visit website

APPLY NOW **GVSU**

7 Achieve Charter Academy

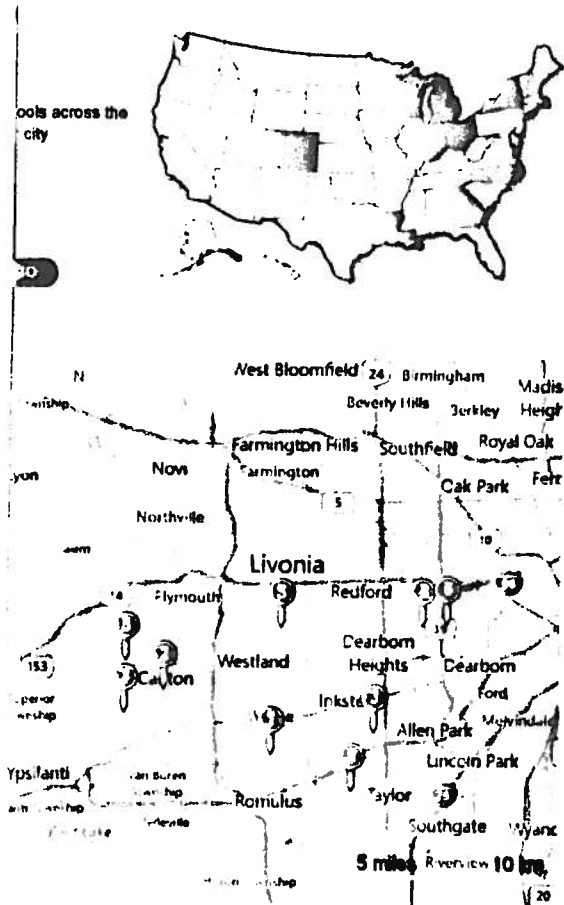
ADDRESS: 3250 DENTON RD
Canton, MI 48188
PHONE: 734-397-0960
GRADES: Full Day K-8 - **657**
view school profile | visit website

APPLY NOW **GVSU**

8 Taylor Exemplar Academy

ADDRESS: 26727 Goddard Rd
Taylor, MI 48180
PHONE: 734-941-7742
GRADES: K-8 - **694**
view school profile | visit website

APPLY NOW **BMCC**



Education Town Hall—Westland/ Oct. 18, 2011/ Mary T. Wood
tmarywood@aol.com

The initial board that was hand picked by NHA agrees to NHA's management agreement that turns over 95% of all school funds to NHA as their management FEE. NHA in turn promises a quality program with a balanced budget. These tax dollars now belong to NHA to use at their discretion. In reality the charter board has now NO control over any spending. NHA leases the, building, furniture, computers, books, etc. year after year. The curriculum belongs to NHA and they provide all the staff. The public board's role of authority is really an illusion when it comes to money. This is all defined in the application before the board is even picked. The board receives limited training and is making decisions before the contract is even signed so nobody even knows where these public meetings are taking place. I have concerns that the Open Meetings Act is regularly violated, but who would know!

NHA makes it very clear that they are a private company and do not have to show details of the schools finances even to the public board that is held responsible for this school. When several charter boards wanted to negotiate different arrangements Grand Valley State University, the charter school authorizer stood in defense of NHA. GVSU removed board members from Metro Charter Academy in Romulus for even speaking those thoughts. Even though many charter boards have sought out and changed management companies, the board members at Detroit Enterprise Academy were told that their school would be closed if they no longer contracted with NHA. Since the school is housed in a NHA building, a new NHA school would be approved to open with another name and new board, managed by NHA. In essence these are "private schools" that are being created totally with public dollars by a for-profit management company while under the oversight of a public authorizer having a CONFLICT of INTEREST and a public board with limited power!!!

In the past it was typical to see NHA spend \$4 million in purchasing a building and renovating or buying property and building their school. In turn they would lease it to the taxpayers for \$800,000 a year recovering their costs in 5 years. In newer schools the investment has increased thus the rent is higher. Leases to the taxpayer can now be seen to be as high as \$1.3 million a year. The profit that NHA makes from their existing schools using tax dollars rolls over into building more new schools that becomes NHA property.

As a private property owner, NHA does have to pay taxes. The Grand Rapids Press cited that the taxes for the Knapp Charter was \$90,000. New legislation now wants to eliminate NHA and others from having to pay taxes on their private real estate used as schools. I would not expect to see an additional \$90,000 being funneled into the school but rather into the bank account of the company.

I have seen it stated that NHA has invested \$400 million dollars into its existing charter schools. In reality, this is the reinvestment of the same money over and over again. The investment for the building of their 1st charter as well as roughly \$3 million of supplemental start up money the first couple years of the school's operations was recovered after several more years when the profit started rolling in for NHA off the lease and rentals all paid with our tax dollars. Because they are a private company nobody knows for sure just how many millions the company has profited. They continued this scenario reinvesting the original investment over and over to set-up more schools. The profits on the leases alone for their 70 schools opened for 5 years or more is probably near \$50 million A YEAR.

This would be classroom dollars in the traditional districts if students had not transferred to NHA charters since the funding follows the students. By allowing more charters and with for-profits taking a big piece of the pie, ALL education programming must get water down to stay within the districts budget. Traditional districts had worked hard to create expanded programming outside of the basic academics that often was first to go as revenue was lost. Paid off school buildings now are boarded up as consolidation of school buildings saves money while tax dollars pay rent for new schools popping up.

J. C. Huizenga
Founder of National Heritage Academies

Involvements associated with Grand Valley State University:

- ** A Director of the Grand Valley State University Foundation**
- ** Provides \$35,000 to the J.C. Huizenga Business Scholarship**
- ** A Member of the Seidman College of Business Dean's Advisory Board**
- ** Listed on the 2009 Annual Report on Giving as a member of the Lifetime Giving President's Council for \$1,000,000 and above. As well as a \$25,000+ annual donor.**

In a Nov. 2007 interview with the Seidman College of Business newsletter, Huizenga discussed his involvement with public education. He referenced the assertions of Nobel Laureate Milton Friedman, back in the 1970's that public education could only improve if it was privatized. Only through privatization can competition be introduced and with competition quality rises and prices (costs) fall. In the early 1990's he partnered with Paul DeWeese who had created "Teach Michigan" to change the law. They succeeded in creating the charter school statute.

J. C. Huizenga, opened one of the first charter schools in 1995, Excel Academy in Grand Rapids with GVSU as its authorizer. Now his company, National Heritage Academies operates 70 schools across the U.S. with close to 50 being in Michigan, many of them authorized by GVSU. The close relationship between NHA/J.C. Huizenga and GVSU is a CONFLICT of INTEREST.

Are these really "public schools"? They are open to every child and are funded with public dollars BUT the NHA staff handpicks the public board to whom they will be accountable too. Then GVSU "appoints" those people to the public board. This is also a CONFLICT OF INTEREST and totally invalidates any integrity of this being a "public school". NHA WILL NOT negotiate any terms with the board. When this has been attempted by some academy boards THEY were removed by GVSU.

Huizenga a Contributor to the "527" Republican Governors Association:

6/16/2004-9/29/2005	\$30,000	Under his Westwater Group
5/15/2007	\$15,000	Under his Westwater Group
3/25/2010-4/19/2011	\$150,000	Under his Huizenga Mfg. Group

State Board of Education /Oct. 11, 2011/ Mary T. Wood

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