"I have never found much redeeming social value in Indianapolis outside of the St. Elmo steakhouse," wrote political reporter Jack Germond a few years back. It would, indeed, take an exceptional town to live up to the pugnacious character of St. Elmo, where the steaks are plump and perfect and ruddy waiters stalk about an old, no-nonsense dining room with their sleeves rolled up.

Still, Germond’s glib dismissal of America’s 12th-largest city is in need of serious correction. This quiet town of square jaws and sturdy conservative values has become home to some of the most daring political reformers in the country. Former mayor Stephen Goldsmith (see “Pre-K 101,” features, page 40), a crusading Republican, spent the ’90s subjecting an array of government services to the unforgiving standards of private competition. And now his successor, Bart Peterson, a Democrat, has laid down a bold challenge to the city’s troubled public school system: improve or see your students migrate to the city’s growing roster of impressive charter schools authorized by the mayor himself.

This is no idle threat. In the 2006–07 academic year, the mayor oversaw 16 charter schools serving 3,870 students. Peterson is currently the only mayor in the nation running a charter school authorizer out of his office and has proven himself willing to be judged by the results. The charter school office issues an annual report on its schools that, in its candor and analytical sophistication, rivals just about any report out there. But what makes the mayor’s experiment far more interesting than, say, improvements in the city’s bus service, is that his charter schools are achieving results—in some cases, great results—with seriously disadvantaged kids. The Indianapolis experience shows that government, when ably led, can adapt and usher in its own set of reforms.
"We are simply in an age where cookie-cutter, one-size-fits-all, 1950s style education just doesn’t work for a lot of kids. The evidence is the dropout rate. The evidence is the number of at-risk kids who are failing at school."

The story also shows that charter schools are much more than a right-wing hobbyhorse—that Democrats, too, are capable of using them to buck the system. Peterson himself says, "I’m not interested in striking ideological notes," but he has certainly struck a chord with education thinkers like Andy Rotherham, former education adviser to President Clinton and co-founder of Education Sector in Washington, D.C. Rotherham says Peterson’s example proves that school choice is perfectly compatible with the philosophy of the left. Such a philosophy, however, must be a “liberalism of people,” devoted above all to the interests of students and families, not a “liberalism of institutions,” devoted to preserving the bureaucracy and the unions.

Peterson, who campaigned on a promise to bring charter schools to Indianapolis, says they provide three important goods: educational alternatives, that is, a choice for students and families; a compelling reason for public school leaders to introduce their own innovations; and a chance to improve on America’s traditional district public school model. “We are simply in an age where cookie-cutter, one-size-fits-all, 1950s style education just doesn’t work for a lot of kids. The evidence is the dropout rate. The evidence is the number of at-risk kids who are failing at school.” In Indianapolis the evidence includes a four-year graduation rate of 35 percent, as tabulated by the Indianapolis Star for the class of 2004. The numbers are even worse for African American males, only 20 percent of whom graduate in four years from the city’s public high schools. The majority of students in city schools and in the mayor’s schools are African American (see Figure 1).

But charter schools per se were not the innovation that Peterson introduced to Indianapolis. Well before many researchers, let alone politicians or the media, had noticed that the key to good charter schools is a good chartering authority, Peterson and his education adviser David Harris began building what is now considered a national model of a charter school office. But the story of this successful urban reform involves a number of people beyond the mayor.

The Players
For the better part of the 1990s, Republican state senator Teresa Lubbers was trying to get a charter school law through the Indiana General Assembly. Her efforts kept floundering on the opposition of the teachers union. In 2001, after all but a few states had passed charter-enabling legislation, Lubbers, then chair of the education committee, reached a compromise with the unions. It restored collective bargaining prerogatives on all working conditions for teachers—some of the union’s power had been stripped in earlier legislation. The other part of the deal was a requirement that all charter school teachers be certified or be pursuing certification in a three-year “Transition to Teaching” program.

Bart Peterson, then a candidate for mayor, testified before the senate education committee, which gave Lubbers the idea for writing into the legislation a proviso allowing the mayor of Indianapolis to become a charter school authorizer. Lubbers, who had become interested in charter schools after hearing educators in traditional schools complain about red tape holding them back, says that vesting the mayor (who is of course beholden to voters) with authorizing power offered the very desirable combination of freedom and accountability.

David Harris was a 27-year-old law school graduate working in a big corporate firm in Indianapolis when Peterson asked him if he’d like to be the “education guy” for his campaign. Harris had been a Governor’s Fellow during the Evan Bayh administration; Peterson was Bayh’s chief of staff. When in 2001 Mayor Peterson’s office gained the power to authorize charter schools, Harris headed up the effort to figure how it should do so. As Nelson Smith, former executive director of the DC Public Charter School Board, puts it, “David went around the country vacuuming up best practices.” In addition, he began building a roster of outside experts to help the mayor’s office work out all the details of its application and accountability procedures. The mayor’s office staff disdain to play up the rhetoric of free markets in talking about their charter schools, but much of their intelligence derives from outside government: nonprofits and even the private sector.

One of the first people Harris contacted was Paul Herdman, then an instructor at Harvard’s Kennedy School of Government, who brought in Bryan Hassel of Public Impact, an education consulting firm. Herdman and Hassel had written a guide on charter school accountability—reporting, performance transparency, making data public—used in Indianapolis. Hassel compiles and writes the city’s widely praised annual accountability report on its charter schools.

Andy Rotherham says when he heard the mayor’s office had been granted chartering authority, he wanted in. Then a policy analyst at the Progressive Policy Institute, he believed Indianapolis could be a “proof point,” demonstrating that the sky wouldn’t fall if mayors began authorizing charter schools.
Another key player was Ron Gibson, Indianapolis City Council member-at-large. When asked about his work with black ministers to shore up community support for charter schools, the light-skinned council member cheerfully explains why he undertook this role, “I’m African American, in case you can’t tell.” Gibson receives copies of charter applications and attends interviews with applicants. He acts as a stand-in for the charter office within the City Council and within the Democratic caucus, an important political task given that the council has to give final approval before a charter is granted. “I lay out the case for why [each] school is important,” says Gibson.

The Annie E. Casey Foundation was looking into Indianapolis as a place to invest in education reform shortly after the mayor gained chartering authority, recalls Senior Program Associate Bruno Manno. What caught Manno’s eye was the opportunity the mayor’s new initiative presented to build a whole new sector of schools outside the traditional district system. What “entranced me” was nothing less than a chance to “alter the political economy, to get fancy about this, of public education…. to open up the district sector to different people, different arrangements.” The Casey Foundation has provided money to build the infrastructure of the charter school office, establish the city’s accountability and reporting system, and help underwrite school construction for charter schools in Indianapolis.

A Good but Imperfect System
One hard lesson of America’s experiment with public charter schools is that building a school from scratch is no small task. From recruiting faculty to implementing a curriculum to meeting the requirements of special education laws to applying for federal funds for extra literacy instruction to complying with health and safety codes to hundreds of other little boxes that need to be checked off, getting a school off the ground is a formidable undertaking. If your charter school fails, your name will be dragged through the mud. And the
political fallout will be significant. States that have too easily greenlighted charter schools have seen a number of them flame out, publicly and embarrassingly.

It is now widely understood that quality charter school authorizers are critical to charter school success. A strong charter school law makes it possible for parents to choose between the system and something else. A good chartering authority makes it far more likely that the alternative is going to be a worthy one. Mayor Peterson says, “I don’t hold myself out as the guy who has the answers. I hold the key to a process where smart people who know the answers can flourish.”

Entering the game 10 years after America’s first charter schools opened in Minnesota, the Indianapolis mayor’s office was in a good position to avoid certain mistakes. The most important thing they did right, everyone seems to agree, was insin on quality over quantity. In their first year they received 31 letters of intent and 21 applications for charters. Hassel says it was anything but a “rubber-stamp process.” Along with staff and consultants, the mayor himself was “hashing through applications.” Most of them, Hassel says, were “weak, but ‘there were some real gems.’” Just four charters were granted.

Running a charter school authority out of the mayor’s office, Harris and others attest, brings prestige to the whole enterprise. Among “the real gems” Hassel mentions were applications from some of the most important charitable organizations in Indianapolis, including Christel House—founded in 1998 by philanthropist Christel DeHaan—which runs a child learning center in the city and others in India, Africa, Mexico, and elsewhere, and Flanner House, a local social-services agency dating to 1898.

Another advantage when screening applicants is the reach of the mayor’s Rolodex, which enables the charter school office to call on state budget experts and other specialists to help them assess applications.

Gaining a charter, of course, is only the beginning. The charter school office distributes a 17-page pre-opening checklist that gives a week-by-week accounting of all the paperwork required of a school: from organizational charts to budgets to teacher contracts to insurance coverage to zoning, land, and building permits, and safety documentation. Here again, the mayor’s clout makes a difference. When one charter school could not get a health inspector in before the first day of school, the mayor’s office successfully lobbied the governor’s office to intervene. Another school had nowhere to park its school bus.

While school administrators and the mayor’s staff both emphasize the schools’ independence, they see a lot of each other. The mayor’s accountability manager, Nicole Wiltrout, accompanied me to visit several of the schools. To staff and administrators she is a familiar face from their compliance meetings, which take place monthly, though she’s apt to show up more often than that. The relationships are not without tension. David Harris speaks with intensity about putting the feet of underperforming schools to the fire. He is ready to help, but he is also ready to be the bad guy (see sidebar).

In addition to Indiana’s statewide standardized tests (ISTEP), the mayor’s charter schools must administer nationally normed reading and math tests, for which the Northwest Evaluation Association’s Measures of Academic Progress (MAP) is used. The latter allows the annual progress report to show whether students are making gains relative to their peers in Indiana and nationwide. The MAP data also make it possible to document student progress and report what percentage of students are on track to achieve proficiency in two years.

The annual report offers detailed portraits of the individual schools. Sometimes the pictures are less than flattering. In the 2005–06 academic year, its second year of existence, Metropolitan Career Academy #1 did not make adequate yearly progress based on the ISTEP. The Indiana Department of Education placed the school on academic probation. Met Academy, the report spells out, failed to meet its targets in math, attendance, and participation rates. Ninth graders who in fall of 2004 scored a 37 percent passing rate in math on the ISTEP posted only a 17 percent passing rate in fall of 2005 as 10th graders. In a small school like Met Academy (student body: 88), such numbers can be seriously influenced by attrition and other factors. The report contains no sidebar for mitigating factors or excuses of any kind. But all other information is out there for parents, city officials, and charter school critics to see.

Goodwill Industries runs Met Academy #1 and Met Academy #2 out of its headquarters in Indianapolis. Students take

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Quality Control

When in 2005 the Flanner House Center for Higher Learning was showing signs of deep dysfunction, the mayor’s office quickly took action to close it down. Trouble signs included two principals leaving in two years and problems in the school’s financial management. The expert site visits yielded information calling into question the school’s reporting on ISTEP administration, graduation rates, and enrollment. The school claimed to have 168 students; different reports put the number below 50. The school had been offering classes in knitting and sign language, and several relatives of the school’s director were on the payroll, including her husband, who was listed as the school’s “life coach.”

Flanner House, which continues to sponsor a fine elementary charter school in Indianapolis, was and remains, Harris says, “a venerable institution.” Its application for a high school with flexible hours for working students who had previously dropped out was a strong one, targeting an at-risk, mostly African American population. Harris says he expected problems showing academic progress, not the kind of problems that concluded with the city seeking some $700,000 in lost funding.

City Council Member-at-Large Ron Gibson says closing the school was not a popular decision. Gibson arranged meetings at the Flanner Center with state legislators and city officials at which the mayor and his supporters made their case to close the school. “Open and honest dialogue” made a big difference, says Gibson, though it was clearly a rough inning for the home team. Moses Gray, president of the charter school’s board, blamed the mayor’s charter school office for not properly supervising the school. “I respect Moses greatly,” says Gibson, “but total responsibility rested with that board.”

The Flanner Center’s doors were open for little more than two years. Its closing sent an unmistakable message that the mayor was serious about quality. Today, Peterson mentions the episode proudly, saying the Flanner Center’s failure did not prove that running a school for dropouts was “an impossible job.” But closing a school with such problems was, he says, a kind of victory for the city.

lunch in the Goodwill cafeteria, where one might run into any number of people from the charitable organization. Both schools focus on their students’ professional prospects by helping them find yearlong internships that form a key part of the curriculum, which the Big Picture Company in Providence, Rhode Island, supplies.

One student was doing an internship at a drug counseling center. On a visit to the center, accompanied by the school’s internship coordinator and a representative from the mayor’s office, I arrived to find the student hadn’t shown up that day. We were nevertheless able to sit down with the student’s mentor, Nate Rush, executive director of the Bethlehem House. He told us the student was involved in the counseling he’d been giving to a father-son pair suffering from addictions that exacerbated their already difficult relationship, which was fraught with personal, racial, and financial issues. The student, with the permission of the patients, had actually sat in on their counseling sessions. In addition, she was working on a research project interviewing the families of AIDS victims. When asked what he hoped the student would learn from her work at the center, Rush spoke movingly about the student’s ambition to become a child psychologist and the value of empathy and how it must be tempered by rational, disinterested thinking.

This high-school intern certainly was getting a taste of the adult world—too much, perhaps. One has to wonder how often the ambition of some of the more high-concept charter schools is undercut by the age and maturity of the students. And yet, it is characteristic of the city’s transparent accountability system that they’ve already reported difficulties with the school’s internship program: “key areas for attention” noted by the school’s annual expert site-visit team include matching students with and preparing them for internships, and making sure that such outside work contributes directly to the student’s progress.

The mayor’s charter schools, in addition to the norm-referenced testing and annual expert site visits (two a year...
in a school's first and second years), undergo a more extensive site visit every four years at a cost of about $15,000 per school. While not all of Indianapolis’s charter schools are great, as a group they have far outperformed Indianapolis Public Schools (IPS) schools—and none of them is in a position to keep shortcomings a secret (see Figure 2). All of the visits provide fodder for the annual report. And every school must reapply for its charter every seven years.

The success of the mayor’s charter school system is reverberating inside and outside Marion County’s 11 school districts. IPS is the largest. The 10 other districts serve the townships of Beech Grove, Decatur, Franklin, Lawrence, Perry, Pike, Speedway, Warren, Washington, and Wayne, and each has its own superintendent. The mayor can grant charters throughout the county. Decatur Township sought a charter from the mayor’s office to open Decatur Discovery Academy, an Expeditionary Learning Outward Bound school, in order to improve its urban graduation rate. Decatur Discovery currently has 124 students and its curriculum emphasizes character development, hands-on research, and an integrated curriculum. If the class is studying river development, students may pursue marine biology topics in science, while in economics the students may study river-related issues of economics and politics.

Another example of the mayor’s office and the local establishment making nice over charter schools can be seen in KIPP (Knowledge Is Power Program) Indianapolis. While superintendent of the Washington Township, Eugene White had visited the original KIPP school in New York City and was impressed. When KIPP began looking to set up shop in Indianapolis, it ran into delays as the nonprofit searched for a principal and contemplated a $2 million construction job to build facilities. In 2005, White became the superintendent of Indianapolis Public Schools, and he invited KIPP to share quarters in an IPS building; the other tenants are two KIPP-style IPS single-sex academies. Their principals attended KIPP’s principal-training program. IPS had won concessions from the union to allow their teachers to devote the additional time in school demanded by the KIPP model.

In April 2006, White released a statement about the KIPP initiative: “I promised the mayor, the charter schools, the private schools that we would compete against them. This is one of the first steps we’re taking.” He has since called for a moratorium on charter schools in Indianapolis, as IPS has been losing about 1,000 students a year, due to charter schools and, even more so, population decline. In December, IPS announced the closure of four of its 24 schools. And yet White remains a part of Indy’s reforming pro-charter school scene.

This kind of rivalry and cooperation between charter schools and public schools is almost unheard of. But in Indianapolis, it is increasingly common: Lawrence Township in partnership with a local college is also seeking a charter from the mayor’s office.

The Future Is Happening Here
In January, David Harris left the mayor’s office to work on another side of the charter school problem: “stimulating supply,” as he puts it. If Indianapolis is going to continue being a leader in school innovation, it must, Harris reasons, become the place to develop new ideas. So he has built a nonprofit—IPS superintendent White, among others, sits on the board—to fund highly paid fellowships for education entrepreneurs. It is called the Mind Trust, and along with trying to find the next Michael Feinberg (a co-founder of KIPP) or the next Wendy Kopp (founder of Teach For America), Harris will be trying to draw the cream of education reform organizations to establish a presence in Indianapolis. Lighthouse Academies, which opened a charter school in the city in 2005, has selected it as the next place to expand its operations. In February, the Indianapolis Star reported that Teach For America was likely to add the city to its teacher-placement map.

Of course the challenge to keep the city’s current (and growing) group of charter schools performing at a high level is itself a formidable one. The mayor has the power to charter five new schools a year, and if he opens only four one year, he can authorize six the next. The charter school office will surely need to add staff and has plans to do so, which Harris is confident will take care of any problems resulting from accelerated growth.

Not everyone is so sure. More than a couple of the principals seem to think the success of Indy’s charter schools has a lot to do with the smallness of the enterprise. Bryan Hassel, too, thinks some growing pains may be on the way. For one thing,
the annual report, a key tool for exposing and rooting out mediocrity, may become just another government publication, unread and unheeded. The mayor, who is running for reelection this year, will one day leave office. There’s also the threat of the state legislature passing a moratorium on charter schools, as it has considered doing in the past. The political tide has a way of turning, and it can turn against charter schools.

For now, however, Indianapolis is where the action is. The city enjoys a slate of interesting, distinctive charter schools, for the most part run by passionate professionals and supported by enthusiastic parents. Is this what the future of public education looks like?

Mayor Peterson has pioneered a way to help students directly while spurring the system to improve itself. This is a major innovation. In most cities with a failing school system the mayor faces a great dilemma: Do nothing, which is often all a mayor is legally empowered to do, or do everything, meaning mayoral takeover. The former requires the mayor be a great cynic, the latter a great optimist. Peterson’s approach to the problem is the most realistic. It has allowed his education team time to walk before it tried to run. Now, obviously, it has reached the running stage.

Taking on the failure of public schooling “and being really deliberate and serious about it has a big political payoff,” notes Andy Rotherham. In the old days of machine politics, he says, politicians spent their time “playing up to the established interests.” Today, “the smart politicians realize the payoff is in supplying good services for citizens.... You have a fight going on in education between consumers and producers. Smart politicians are realizing the consumers are going to win and that’s the side you want to be on. Standing and defending the producers and protecting them from modernizing is a losing proposition.”

Note to Jack Germond: Call your travel agent.

David Skinner is assistant managing editor at the Weekly Standard and the editor of Doublethink magazine.

The Indianapolis charter school program received the Innovations in American Government Award from the Ash Institute for Democratic Governance and Innovation, Kennedy School of Government, Harvard University. The editors of Education Next served as the review committee in the field of education and recommended that the program be selected as one of the recipients of this award.