Private Equity in Public Schools

OUTSOURCING IN K-12 EDUCATION

PRIVATE EQUITY STAKEHOLDER PROJECT

JUNE 2025

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INTRODUCTION

With the Trump Administration's recent executive order to dismantle the Department of Education, public education in the United States faces a host of challenges. Though the fight to preserve public education has entered a new phase, advocates have been fighting against privatization for decades. For some students, a public school is the only reliable source of necessities such as food and medical care. Protecting public schools is not just about protecting education, but protecting children as vulnerable members of our society.

Public school teachers, support staff, and administrators work tirelessly to educate, support, and protect students in some of their most formative years. School boards continue to outsource key staff roles inside and outside of the classroom, weakening teachers' and government unions and leaving staff with fewer protections and benefits. While outsourcing is often presented as a solution to staffing shortages, staffing agencies and management companies do not create new jobs or address the root causes of staffing crises. In fact, the weakened public school system that allows private contractors to flourish is the problem – without enough funding to pay staff what they deserve, working in public schools has become a less sustainable long-term career option.

Beyond teaching itself, critical positions in healthcare, transportation, food service, data management, and more are being outsourced. Private equity firms and the companies they own promise to deliver better services than the district could provide in-house, but there is no conclusive data showing that school funding is better spent at private-equity owned companies than staying within the district. The following sections explore some of the ways private equity profits from outsourcing at K-12 schools. To learn more about how private equity invests in child care, charter schools, curriculum development, and test administration, see our March 2025 report.

In the Public Interest, a research and policy nonprofit dedicated to the study of public goods and services, released a report about outsourcing school support services in 2023. The report found that

In fact, the weakened public school system that allows private contractors to flourish is the problem – without enough funding to pay staff what they deserve, working in public schools has become a less sustainable long-term career option.

privatizing auxiliary services led to a host of issues for school districts: "loss of public control over school services, lower quality services, loss of the school's ability to respond to emergencies, loss of accountability and transparency, loss of institutional expertise, and ultimately, a change in school culture."

Direct, permanent school district employees tend to live in the communities that they work in, meaning that students may get to interact with trusted adults both at school and in other places in their community – as of 2017, approximately 75 percent of educational support professionals lived in the school district in which they worked. Contractors, such as virtual teachers, may not even live in the same state if the services are provided remotely.

School districts should do everything in their power to keep critical teaching and support services within the district. Staffing agencies may offer higher salaries or a signing bonus, but provide less in benefits and job stability. In some cases, agencies require employees to sign noncompete agreements, preventing employees from working at a school district for a certain amount of time after they stop working at the company — if a district wants to hire a contracted worker directly, they would have to wait.[1] These practices not only negatively impact workers and their families, but weaken the public school as a safe space for children run by and for the community, not for profit.

PRIVATE EQUITY IN K-12 EDUCATION

According to a recent study, 34 million public sector employees are invested in private equity through pension contributions. Drawn to the promise of high returns, pension funds around the country allocate billions in commitments to private equity firms each year. To generate returns for investors, firms aim to make the company more profitable by increasing efficiency (eliminating "unnecessary" positions), lowering costs (using cheaper products or labor), or reducing competition (consolidating the market through acquiring smaller companies). Economists and financial analysts recognize the strategy as high risk, high reward for investors, but the labor movement and investors are beginning to realize it may be high risk, low reward for workers.

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Private equity-owned companies have demonstrated a pattern of problematic labor practices that hurt workers. Private equity firms typically hold companies for an average of five years before trying to find a buyer. In attempting to extract as much value as possible in a short period, firms notoriously pursue cost-cutting measures that negatively affect workers, including poor management and training, dangerous working conditions, lower wages, reduced working hours, and widespread layoffs. Private equity firms generally prioritize short-term profits over long-term stability, which can be seen in their tendency to implement such cost-cutting measures.

In the education sector, private equity firms invest in hundreds of companies that contract with school districts to provide tools and services that were previously managed in-house. For a list of private equity-owned companies operating in each sector covered in this report, see Appendices A-F. As schools struggle to manage services in the midst of staffing crises and other issues, private equity firms see an opportunity to profit. Unfortunately, outsourcing roles to private companies weakens the school environment, introducing profit motives to spaces that should prioritize student wellbeing over all else. Students thrive on stability rather than efficiency – in pursuit of profit, private equity firms tend to increase turnover. We have long known how turnover impacts student achievement; a 2013 study found that:

> *"on average, it is harmful. This indicates that schools would benefit from policies aimed at keeping grade level teams in tact over time. One possibility might be to introduce incentive structures to retain teachers that might leave otherwise. Implementing such policies may be especially important in schools with large populations of low performing and black students, where turnover has the strongest negative effect on student achievement."*

The impact of turnover likely extends beyond teaching staff to other school employees such as custodians, counselors, and food service workers. Students deserve a school staff that is dedicated to establishing long-term relationships in the community rather than a constant churn of new faces.

PESP analysis shows that numerous pension funds that invest public school employees' deferred wages are investing in the very same private equity firms that own companies used to outsource and privatize jobs in public education. Pension funds, especially those that invest on behalf of the very workers whose pensions are threatened by outsourcing, should consider the risks of investing with anti-worker private equity firms not only for their current members, but for their future members as well. ■

TEACHER STAFFING

In the 2022-2023 school year, 53 percent of public schools reported feeling understaffed. Though that number dropped to 45 percent in 2023-2024, the crisis remains. As a solution, many school districts have turned to staffing agencies that promise to deliver qualified educators for temporary or permanent positions. While having a teacher from a private staffing agency is certainly preferable to having no teacher in the classroom at all, this solution has the potential to build a dependence on private agencies, rather than expanding a district's self-sufficiency. These services are typically not needed in highly-resourced, well-staffed schools. Education writer Alyson Klein finds that education staffing companies serve schools that face the worst of the shortages, those "in urban and rural schools serving a high proportion of kids in poverty who are often already academically behind their peers."

Education Solutions Services (ESS) is one of the largest teacher staffing agencies in the country. With more than 100,000 employees, ESS staffs 15,000 schools in more than 900 school districts. In 2022, private equity firm The Vistria Group acquired the company, leaving previous majority investor Nautic Partners with a minority stake. ESS staffs daily, long-term, and building-based substitutes, as well as permanent employees. This includes classroom teachers, aides, and support staff. ESS subsidiary Proximity Learning provides school districts with virtual teachers for core subjects, foreign languages, and other classes.

Since 2018, Memphis-Shelby County Schools in Tennessee has relied on Proximity Learning to provide educators for "hard-to-staff subjects and grades." The district's 2024 analysis of its relationship with the company revealed that 18 percent of students took at least one course staffed by a Proximity Learning teacher. In the 2023-2024 school year, Proximity Learning teachers gave students higher grades for their work, student standardized testing performance declined. Students in Proximity Learning sections "performed significantly lower" than their peers in English, Algebra I, Geometry, and Biology. Furthermore, students had "less positive attitudes" about their virtual teachers and classes than traditional classrooms. Despite this, in late 2024

the district approved a $4.6 million contract for another 100 teachers for six months, likely because they concluded that "without the contract, middle and high schools with hard to staff subjects and grades will not have a certified teacher to provide continuous instruction to students in tested subjects and grades."

Still, some school district administrators are cautious about relying on private staffing companies. In advocating for the six-month contract, Memphis-Shelby Superintendent Marie Feagins said she "would not bring us a recommendation for a multiyear contract in this moment." With a longer contract, the district may not be incentivized to find a better solution to teacher vacancies than outsourcing. Rachael Spriggs, a former teacher in Memphis-Shelby schools, alleged that Proximity Learning "has challenges recruiting teachers just like brick-and-mortar schools."

Teacher aides, also known as paraprofessionals or paraeducators, play a crucial role in supporting children in schools. In addition to sharing classroom management tasks with teachers, paraeducators often provide individualized support for students facing academic, behavioral, or physical challenges. For these students, stable relationships with paraprofessionals is key. Parents who have developed relationships with classroom aides supporting their child can be skeptical about the district's chances of finding qualified replacements who would care as much or put as much time in as the present-day district-employed aides.[2] In the outsourcing process, students, teachers, and aides are the ones who usually lose.

With high turnover rates, students may lose relationships with trusted professionals who find work in other districts. Even when teachers and aides are let go from the district but rehired through a staffing agency, they may lose benefits like health care and pensions that often come with public sector jobs. While staffing companies promise better salaries than local districts, private sector employees in the industry are typically not represented by a union or professional association.

In recent years, staffing companies such as Insight Global and EduStaff have been accused of wage and hour violations from former employees, leading the companies to pay penalties or settle. In recent years, staffing companies such as Insight Global and EduStaff have been accused of violations of federal labor law by former employees, leading the companies to pay penalties or settle. Insight Global settled a National Labor Relations Board unfair labor practice case in Georgia in which it was accused of retaliation against concerted activities, coercive statements, and the issuance of coercive rules, claims it denied. The Wage and Hour Division of the US Department of Labor has also taken several enforcement actions against Insight Global after finding the company violated labor law.[3] In the case of Edustaff, a former Michigan public school teacher alleged in a lawsuit that the company refused to pay him and other workers for overtime under the Fair Labor Standards Act. The lawsuit was filed in March of 2024, and the company settled in July 2024.

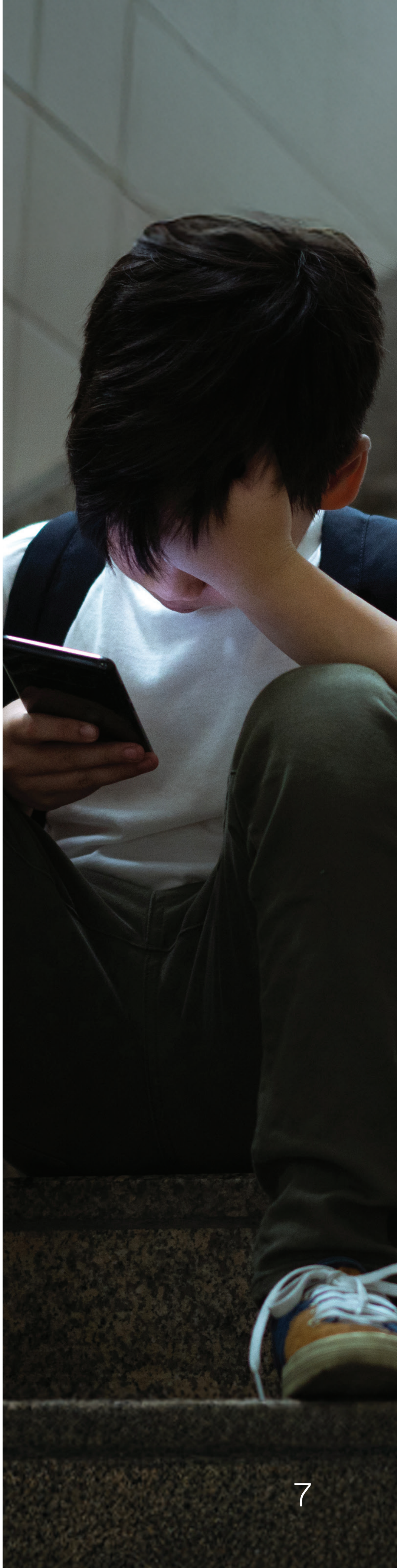
HEALTH SERVICES

As with classrooms staffed by teachers and paraprofessionals, school health systems also face widespread shortages. Private equity firms have long invested in healthcare, often with disastrous results for patients. The private equity business model, which focuses on outsized returns over short time horizons, may prioritize profit over the health and well-being of children.

Private equity firms are increasingly investing in behavioral services for children and adolescents, including services for youth with intellectual and developmental disabilities. Private equity has a troubling track record in the youth behavioral services industry. In addition to residential programs such as those profiled in PESP's 2022 report on youth behavioral health facilities, many companies provide services to school districts. States are required to provide a robust education to students with disabilities under the Individuals with Disabilities Education Act (IDEA).

The IDEA Act requires districts to provide the least restrictive learning environment for students with disabilities — when such an environment is not available in-house, districts outsource those students' educations, sending them to separate facilities managed by private companies. Connecticut sends[4] the most students per capita of all states to these separate schools. One such chain in the state is High Road Schools, owned by Special Education Services Inc (SESI). American Securities acquired SESI through its parent company FullBloom in 2021.

High Road Schools has six independent locations across the state of Connecticut, along with two in-district classrooms. A 2024 joint investigation from The Connecticut Office of the Child Advocate (OCA) and Disability Rights Connecticut (DRCT) found that the schools "grossly underserved" many of its students. While school districts can outsource services, they cannot outsource liability—school districts remain responsible for IDEA violations, even if carried out by a third party. The OCA/DRCT investigation found a host of IDEA Act violations, revealing "a persistent and widespread problem of student disengagement and absenteeism, lack of adequate assessments and evaluations to determine students' needs, lack of an individualized approach to student education,



uneven related service delivery, and perhaps most alarmingly, significant deficiencies in the number of certified special education teachers and other credentialed educational staff along with widespread failures to document legally required background checking for staff working with children." Though High Road Schools and the Connecticut State Department of Education denied many of the allegations made in the report, OCA and DRCT filed a complaint with the Department of Justice for Americans with Disabilities Act (ADA) and IDEA Act violations in June 2024. That complaint is pending.

Some firms are using the same traditional private equity practice of market consolidation in the school behavioral health sector. Since 2014, The Stepping Stones Group has acquired 22 smaller companies in the special education and behavioral health sector (see appendix). Backed by Leonard Green and Partners, Stepping Stones has partnered with nearly 1,400 school districts to provide therapeutic services, special education teachers, paraprofessional staffing, licensed behavioral health workers, and school nurses.

Soliant Health, a major school health staffing company acquired by Audax Private Equity and Olympus Partners for $2.5 billion in 2024, lists more than 60,000 job openings across all 50 states and Washington D.C. As of March 2025, Soliant had more than 13,000 job openings in California alone. Though Soliant Health offers many positions working with students with disabilities, in January 2025, the company settled a lawsuit in which a former employee accused the company of denying her accommodations.

Many of the open Soliant Health roles are for psychologists. A 2019 study found that 16.5 percent of children 6 or older in the United States had at least one mental health disorder. To address the needs of these students, school districts provide counselors, psychologists, and other medical professionals. As with other staff, these positions are often outsourced. The National Association of School Psychologists (NASP), a professional organization representing mental health professionals in K-12 settings, argues that psychologists employed directly by the school district provide better outcomes than contractors. School-employed psychologists have greater context of the overall school environment and are more invested in and accountable to the district than contractors. NASP recommends a ratio of one psychologist to every 500 students.

Beyond the shortage of school behavioral and mental health professionals, public schools are struggling to keep nurse positions filled. In 2021, only 66 percent of schools in the U.S. had access to a full-time nurse according to a study from the National Association of School Nurses. For students who only have access to medical care at school, having a school nurse is critical. Some districts feel forced to turn to private staffing agencies, especially in times of crisis.

In New York City, the Department of Education (DOE) rushed to add more school nurses in the first few months of the COVID-19 pandemic, which likely exacerbated an already-existing school nurse shortage that is impacting schools across the country. The DOE already had contracts with several health care staffing companies, and requested additional staff from private equity-backed United Staffing Solutions (USS). Retroactively, as the staffing increases occurred due to an emergency, the NY DOE requested $529,200 per month for 44 extra USS nurses from March to June 2020.[7]

USS, owned by DW Healthcare Partners through portfolio company Aequor Healthcare Services, has nurse staffing opportunities available in a variety of settings across the country. Though the website says that USS offers positions for "thousands of candidates in NY, NJ, PA and CT for over 4,000 job categories every year," the company has job postings in Georgia, Arizona, Colorado, and more. This may suggest that USS is looking to expand its relationships with school districts to more locations. DW Healthcare Partners first invested in Aequor Healthcare Services in 2018 and acquired USS in 2019. ■

CASE: LEONARD GREEN'S STEPPING STONES & HARTFORD, CONNECTICUT'S BOARD OF EDUCATION

The Hartford Board of Education (HBOE) established a contract with Stepping Stones to fill vacant positions during the post-pandemic "emergency" shortage of paraprofessionals. Despite improved labor market conditions, HBOE continues to contract with more than 40 Stepping Stones employees, filling positions that should be held by board-employed paraprofessionals who are well trained and earn fair wages, pensions, and health coverage.

For HBOE, filling key public school jobs with outside contractors is an expensive strategy in the long run, particularly because the contract forbids[5] HBOE from hiring directly these contracted workers for two years, promoting a revolving door that keeps standards low while siphoning taxpayer dollars to a private vendor with no real stake in the success of the public school.

While the Connecticut Retirement Plans and Trust Funds (CRPTF) no longer invests in Leonard Green & Partners,[6] which has a troubled history of operating in the state's hospitals, it does invest in other firms responsible for outsourcing paraprofessional positions in the state, such as the Vistria Group. CRPTF has invested in the Vistria Group several times since 2020, and the Hartford Board of Education contracts with the firm's portfolio company Soliant Health to outsource school psychologist positions. Pension funds generally commit their capital to private equity funds prior to those funds investing in or acquiring companies like Stepping Stones, making it impossible the pension fund to know what companies it will indirectly be supporting. Thus, CRPTF may not have known in advance if it would be, through the actions of a potential portfolio company, supporting the privatization of Connecticut's public schools. To avoid the risks of funding privatization of government services, some public pension funds, such as CalPERS, have adopted policies explicitly to "restrict private equity investments in entities that are likely to outsource U.S. state and local public sector jobs … because of the potential negative impact to the employees and members of CalPERS."

Pension funds concerned about similar problems arising within their own private equity portfolios should adopt a similar policy prior to committing capital and insist on robust enforcement mechanisms after allocation to address privatization in private market investments. ■

TRANSPORTATION

An *NEA Today* article claimed that "a move to privatized busing services decreases accountability, safety, and critical relationship building that regular career bus drivers provide." Some districts with bus driver shortages have outsourced transportation to rideshare companies like EverDriven, acquired by Charlesbank Capital Partners in 2024.

In Denver Public Schools, where the district spends one third of the transportation budget on private services, alternative transportation has "moved from being a supplemental service to being almost part of our primary service," according to the district's executive director of transportation. Fixing the bus driver shortage through additional funding and opportunities for direct employees of the district is not in EverDriven's best interest – while school districts may hope that alternative services are only temporarily necessary, EverDriven wants to grow. The company expanded into 7 new states in 2024, and started 2025 with new business in Minnesota, bringing the total number of states served to 34.

In October 2022, school district officials in Jefferson County, Kentucky signed a contract[8] with EverDriven to provide student transportation through June 2025. The contract stipulated an $80 fee for each trip, which would include 12 miles for up to 5 students. Longer trips incur a $2.50 fee for each additional mile, and the district pays a fee for students that use wheelchairs, car seats, or safety vests. While the school district claims that the rideshare services are necessary, bus driver and Jefferson County Transportation Association president Trevor Byrne argues that there is only a "perceived staffing crisis, a crisis created by low wages, subpar benefits and a lack of proper hiring practices such as advertising jobs at the incorrect pay rates." ■

Fixing the bus driver shortage ... is not in EverDriven's best interest

FOOD SERVICE

In 2004, 70 percent of Pennsylvania school districts operated their own food service programs. By 2019, that number had fallen to 47 percent. A 2023 study using data from Pennsylvania found that outsourcing food services did not save school districts money. Interviews with Pittsburgh Regional Food Service Directors reported that using management companies came with a host of concerns including:

> *"for-profit management companies pocket the profit, rather than reinvest it back into the program like inhouse programs do; first-year guarantees from management companies make contracting out appear more attractive, but then companies can back away from these guarantees after the first year; contractors often tout decreased workload on the district, but nearly half of food service directors' responsibilities remain in place after contracting out"*

After Vermont's Brattleboro Union High School contracted with Fresh Picks Cafe, the school discovered that the companies providing outsourced services do not always have resources beyond that of the district. In November 2023, school officials reported that there was not enough food to feed all of the students, causing staff to use their own money to buy snacks for students. At the time, a district administrator admitted that Fresh Picks "missed a step but we're encouraged that they will get back to the standard that we expect for performing." One year later, district administrators called in the vice president of operations at Fresh Picks to discuss ongoing problems with staffing and food supply.

Whitson's Culinary Group, owned by private equity firm GenNX360 Capital Partners, acquired Fresh Picks Cafe in 2024. Whitson's published an article about how the company could help address labor shortages through using pre-prepared meals: "by choosing Whitson's, you can significantly reduce your school district's labor needs. Our off-site meal preparation and delivery services eliminate the need for extensive on-site staff, allowing your district to operate efficiently without compromising the quality of the meals served." The proposed solution to the labor shortage is to eliminate positions altogether.

One year later, district administrators called in the vice president of operations at Fresh Picks to discuss ongoing problems with staffing and food supply.

In addition to cutting costs through contracts with national suppliers rather than local vendors, food service management companies will reduce higher-paid, high-skilled cafeteria positions, as preparing fresh food takes more time and skill. Many of these workers already do not make a living wage — a Congressional Research Service analysis found that school food service workers nationally brought home median earnings of $15,300 from 2015-2019, with many relying on public assistance. Whitson's and other private companies benefit from the elimination of food service positions, 93 percent of which are filled by women. ■

DATA MANAGEMENT

Through educational and administrative platforms, companies have access to data on millions of students. The data can be used to track individual student progress and overall trends, or it can live in a management database with information like student attendance, health records, and grades. Depending on the program and use, data collected can range from basic information like a student's name and address to free or reduced lunch status to citizenship status. Educational tools and devices can also track which websites students visit, typing patterns, and search history. Transportation companies such as Everdriven record and store video footage of students, claiming that video surveillance is critical to student safety. Though data managers often promote the need for safety, families and advocates are concerned about private corporations controlling sensitive student data.

In order to protect students, school districts can develop a bill of rights related to data privacy. New York City (NYC) has implemented a Parents' Bill of Rights for Data Privacy and Security. This prohibits the NYC Department of Education (DOE) and any of its contractors from using student data for commercial purposes, and allows parents to review and request changes to their child's education records.

The NYC DOE keeps families updated about data breaches that impact students in the school system. In addition to the Illuminate Education (Francisco Partners) data breach[10] that was featured in PESP's 2022 education report, the NYC Public Schools website also highlights a recent breach of PowerSchool, a student data management company owned by private equity firm Vista Equity. The incident is considered the "largest breach of American children's personal information to date," with one review estimating that 62 million children in 38 states were impacted. While nearly all students have basic information like name and address in the PowerSchool system, up to 25% of affected students may have had their Social Security numbers stolen. An investigation found that the data thief did not have to hack anything – they simply used the password of an employee without two-factor authentication on their account. That this basic safety measure was not enforced

While nearly all students have basic information like name and address in the PowerSchool system, up to 25% of affected students may have had their Social Security numbers stolen.

by one of the country's leading student data management systems points to a larger issue across the edtech sector: lack of regulation.

PowerSchool is a signatory to the Student Privacy Pledge, created in 2014 by The Future of Privacy Forum and the Software & Information Industry Association. The organizations describe the pledge as "a voluntary but legally binding industry pledge to safeguard student privacy regarding the collection, maintenance, and use of student personal information," as the pledge is based on existing privacy law. The 300-plus signatories include companies that focus exclusively on edtech as well as broader tech corporations like Apple, Cisco, and Microsoft. Critics of the Student Privacy Pledge argue that the standards outlined in the pledge are less strict than federal law suggests, and that the pledge offers little by way of enforcement. As of January 2025, PowerSchool's signatory status was under review for "potential violations." ■

CONCLUSION AND POLICY CONSIDERATIONS

The issues with our public school systems are bigger than private companies can remedy – it will take commitment from local, state, and federal governments to rebuild public schools as well-funded, well-respected pillars of our society. School districts and other government agencies should incorporate the following policy considerations as they work to protect public schools.

Ensure staff pay and benefits do not decline when jobs are outsourced. Teachers in states like New Jersey and Pennsylvania faced pay cuts or lost health care benefits when districts decided to outsource jobs to private companies like ESS (The Vistria Group). Furthermore, employees at these companies may not have union protections available to many district employees (according to National Labor Relations Board case data, none of the private equity-backed companies featured in the report have held a union election).

Introduce a strong regulatory framework; lack of regulation can put students at risk. For example, school buses are highly regulated and "designed with kids' safety in mind through compartmentalization – closely spaced seats and high, energy-absorbing seat backs – and are safer than passenger vehicles in preventing crashes and injuries. Additionally, in every state, stop-arm laws exist to protect children from other motorists. Rideshare services such as EverDriven, however, are not subject to the same regulations. Moreover, public school bus drivers not only must be excellent drivers to earn their Commercial Driver's License with Passenger Endorsement, but also must have thorough driving record and police background checks. Private companies should have similar requirements, and districts that choose to privatize transportation should be clear about which district employee will monitor the contractor's employees, even when staff turnover is high.

Increase transparency and protections around student data at all educational levels. Student data should not be collected, stored, or used beyond what is necessary for a student's learning. Information on how data will be used should be made clear to

students and families when a platform is introduced. When data is stored, it should be fully encrypted and well-protected from cyberattack.

Insource operations as much as possible, understanding staffing agencies as temporary supports or enhancements to robust, district-managed services. With this in mind, districts should only agree to annual contracts, and they should never sign with a company that uses non-compete agreements with employees.

Require vendors to include cost comparisons and demonstrate cost savings in their proposals, as required by California, Oregon, and Illinois. These cost savings should be based on something other than simply reducing compensation or benefits for employees. Require vendors to agree they will not fight organizing or collective bargaining if their employees choose to unionize.

Never outsource without a comprehensive cost analysis and the opportunity for stakeholder input including employees, and parents. The cost analysis must include considerations that are difficult to quantify such as the "value" of a staff member who knows students' names or lives in their community.

Develop a bill of rights related to data privacy. New York City has a bill of rights for both students and parents.

Public pension funds should **develop** or **revise** investment policies and belief statements to explicitly reflect their commitment to supporting public sector employment and ensuring the long-term sustainability of their retirement systems. Pension funds risk undermining their own stability if they invest in companies or strategies that contribute to the erosion of public sector jobs that provide the participant base necessary for funding future retiree benefits. A decline in active participants threatens the financial health of these systems. As a model, funds may look to the California Public Employees Retirement System (CalPERS), which has adopted a policy restricting private equity investments in firms that profit from outsourcing public services. ■

APPENDIX A: STEPPING STONES ACQUISITIONS, 2014-2025

Data from Pitchbook

Company Name	Deal Date
Gallagher Pediatric Therapy	3/7/25
MMC Educational Consulting & Staffing	7/8/24
Constellations Behavioral Services	7/1/24
Catalyst Speech Language Pathology	1/17/23
Building Blocks Behavior Consultants	12/2/22
Ed Sped Solutions	10/13/22
Center for Behavioral, Educational & Social Therapies	7/12/22
H.M. Systems	5/31/22
City Sounds Of NY	3/31/22
The Southcoast Autism Center	1/13/22
Behavioral Learning Center	11/15/21
The Futures Health Group	5/5/21
EBS Healthcare	3/15/21
Ardor School Solutions	10/15/20
STAR of CA	12/20/19
New England ABA	9/23/19
StaffRehab	6/18/19
Speech Rehab Services	1/1/19
Cobb Pediatric Therapy Services	2/22/18
Staffing Options & Solutions	8/22/17
AlphaVista Services	6/13/16
Cumberland Therapy Services	5/21/14

APPENDIX B: PE-OWNED TEACHER STAFFING COMPANIES

Company	Subsidiaries and Brands	PE Firm	Year Acquired
Education Solutions Services	Enriched Schools, Proximity Learning	The Vistria Group, Nautic Partners	2022, 2017
Dedicated School Staffing (Rachel Wixey & Associates)		Hoosier Investments	Unknown
Edustaff		Public Pension Capital	2023
Insight Global		Leonard Green & Partners, Harvest Partners	2016, 2010
Weld North Education (Imagine Learning)	Edgenuity, GoPeer, Robotify, Twig Education	Silver Lake, Onex	2018, 2021

APPENDIX C: PE-OWNED BEHAVIORAL AND MENTAL HEALTH STAFFING COMPANIES

Company	PE Firm	Year Acquired
Epic Special Education Staffing	The Pritzker Organization	2022
United Staffing Services (Aequor Health-care Services)	DW Healthcare Partners	2018
Soliant Health	Vistria Group	2024
Stepping Stones	Leonard Green and Partners	2021
Supplemental Health Care	Vistria Group, Apollo Global Management	2021
United Staffing Solutions (Aequor)	DW Healthcare Partners	2019
Ro Health	Lightbay Capital	2025
US Medical Staffing	McCarthy Capital	2021
GHR Healthcare/GHR Education	MidOcean Partners	2021
PresenceLearning	Spectrum Equity, TPG	2022
CHG Healthcare	Leonard Green & Partners	2012
Fortis Healthcare Solutions (formerly Prime Time Healthcare)	One Equity Partners	2022

APPENDIX D: PE-OWNED SCHOOL TRANSPORTATION COMPANIES

Company	PE Firm	Year Acquired
First Student	EQT, Arc Capital Development	2021, 2023[9]
American Student Transportation Partners	Access Holdings	2021
Star Shuttle & Charter	Trivest Partners	2024
Central States Bus Sales	Capital for Business, Patriot Capital	2010, 2024
EverDriven	Charlesbank Capital Partners	2024
Student Transportation of America	Caisse de dépôt et placement du Québec	2018
Beacon Mobility	Audax Private Equity	2018
North America Central School Bus	HIG Capital	2021
Express Medical Transporters	Mosaic Capital Partners	2014
Sunrise Transportation	Atlantic Street Capital, Tenaz Capital Co	2018
Access Transportation	Tenaz Capital Co	Unknown

APPENDIX E: PE-OWNED SCHOOL FOOD SERVICE COMPANIES

Company	PE Firm	Year Acquired
Fresh Picks Café	Churchill Asset Management, GenNx360 Capital Partners	2024
Southwest Foodservice Excellence	Farol Asset Management, Harkness Capital Partners, Ocean Avenue Capital Partners, Stonehenge	2017
Whitsons Culinary Group	Churchill Asset Management, GenNx360 Capital Partners	2021
Metz Culinary Management	Churchill Asset Management	2021
Quest Food Management Services	Sage Capital	2021
Good Source Solutions	Stellus Capital Management	2019
US Medical Staffing	McCarthy Capital	2021
GHR Healthcare/GHR Education	MidOcean Partners	2021
PresenceLearning	Spectrum Equity, TPG	2022
CHG Healthcare	Leonard Green & Partners	2012
Fortis Healthcare Solutions (formerly Prime Time Healthcare)	One Equity Partners	2022

APPENDIX F: PE-OWNED STUDENT DATA MANAGEMENT COMPANIES

Company	Private Equity	Year Acquired
Instructure (Canvas)	Thoma Bravo	2020
PowerSchool	Vistria Group	2022
Anthology (Blackboard)	Veritas Capital, Leeds Equity, Providence Equity	2011
Ellucian	Blackstone, Vista Equity	2021
Edlio	LLR Partners	2018
Finalsite	Veritas Capital	2021
EMS Linq	Welsh, Carson, Anderson & Stowe; Banneker Partners	2021, 2018

ENDNOTES

1. Non-competes are prevalent in charter schools, but have also been reported by employees of staffing agencies that work directly with districts.

2. Cress, Joe. "Public responds to proposed outsourcing of Carlisle school instructional aides." *The Sentinel*, November 13, 2018. https://web.archive.org/web/20181113203824/https://cumberlink.com/news/local/communities/carlisle/public-responds-to-proposed-outsourcing-of-carlisle-school-instructional-aides/article_f703d45d-dda8-5e5a-90d1-a8844540ee7c.html.

3. Search results show labor violations and eight enforcement actions from 2015-2021. https://enforcedata.dol.gov/views/search.php.

4. See page 5. https://portal.ct.gov/-/media/oca/oca-recent-publications/2024-publications/3122024-oca-drct-investigative-report-on-high-road-schools.pdf

5. See page 2. https://drive.google.com/file/d/1_Cn2E4yCg1GBQXOTgXJlEx7L2QJt9zPX/view

6. Data from Pitchbook shows CRPTF invested in Green Equity Investors III.

7. See page 94. https://www.classsizematters.org/wp-content/uploads/2020/04/RA-for-Contracts-PEP-4.22.20.pdf

8. Downloaded here: https://drive.google.com/file/d/1BesQGvM4EADt4EmqcXKiqak4jen0RSHQ/view?usp=sharing

9. Multiple private equity firms may invest in the same company. In that case, the year that each firm invested is listed – for example, EQT invested in First Student in 2021, and Arc Capital Development invested in the company in 2023.

10. Illuminate Education suffered a cyberattack from December 28, 2021 to January 8, 2022. During this time, approximately 3 million current and former student records were affected in hundreds of K-12 schools in New York, Oklahoma, Washington, Connecticut, California, and Colorado. In 2022, Francisco Partners, NB Private Equity Partners, and Private Equity Holding acquired the company from Insight Partners.