



**Testimony of
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DC Public Charter School Board (PCSB)
and Chair of PCSB Finance and Operations Committee
FY2015 Budget Oversight Hearing
DC Council Committee on Education
May 2, 2014**

Mr. Chairman and members of the Education Committee, thank you for the opportunity to testify today. I am Don Soifer, a member of the DC Public Charter School Board and the chair of the Board's Finance and Operations Committee. I am joined by Scott Pearson, our Executive Director, and Lin Johnson, our Director of Finance and Operations.

We appreciate the opportunity to speak about our budget. At the charter board, we are committed to creating a sector of outstanding public charter schools. This is so that families in our city can continue to enjoy an ever-increasing diversity of quality choices for their children's education.

As you know, 44% of public school students in Washington, DC now attend charter schools. Despite the important role that charter schools play, funding for

charter students still lags behind funding for DCPS students. We urge the Council and city leaders to address the funding and facilities inequities between charter schools and DCPS.

We are proud to be one of the leading charter authorizers in the nation. Many other charter authorizers and school districts across the country are adopting some of the creative and rigorous oversight strategies that we pioneered.

There are two areas – the oversight fee and our overall improvement –that I would like to discuss with you in additional detail.

Oversight Fee Increase

The proposed change in PCSB's budget from FY14 to FY15 includes a provision in the Budget Support Act that would increase the oversight fee paid to PCSB by individual charter schools from 0.5% to 1.0%, and also eliminate the Council appropriation to PCSB that has historically exceeded \$1 million per year.

While most charter authorizers also have a similar oversight fee, ours is one of the lowest. PCSB's fee is well below that of authorizers in other states, including Maryland, New York, Michigan, Illinois, California, Ohio, Louisiana and Florida. Indeed, according to the National Association of Charter School

Authorizers (NACSA), the average oversight fee nationally is 2.6% -- five times PCSB's current fee and more than double the proposed fee. We want to thank you, Mr. Chairman, for supporting this increase by including it in your proposed package of education legislation.

Because PCSB's oversight fee is so low, we have had to seek funding from other sources, which is inconsistent with NACSA best-practice recommendations. Currently, our oversight fee makes up 55% of our total budget. Increasing the fee to 1% will have the effect of eliminating all other sources of funding, including the Council appropriation. This will free up public money to be applied to other uses. It also includes Federal SOAR Act funding of more than a half a million dollars, making more of this funding available to charter schools themselves. And, our reliance on philanthropic funding to support core functions will end.

While the 1.0% oversight fee will increase the amount that the public charter schools pay from their budgets to PCSB, it will have minimum impact on the schools themselves. This is because the proposed FY15 budget would increase per-pupil funding for each school, at a minimum by 2.5%. This is an additional 0.5% beyond the 2% increase schools have typically received.

Using just the oversight fee to fund our work is a shift that reflects the independence of public charter schools and the philosophy that the schools should be responsible for paying for PCSB's oversight of them.

Major Improvements

In the last two and one-half years, PCSB's oversight has changed a great deal. Through effective management of our budget, we have streamlined and improved our own operations, as we are increasing the number of high quality classroom seats available to families at public charter schools. For example:

- Better Quality/Better Oversight.
 - We continue to strengthen our accountability tools – extending our Performance Management Framework from just tested grades to now cover all grades, from pre-kindergarten to adult education.
 - Moreover, the Board has come a long way in evaluating schools to determine whether their charters should be renewed – especially when contrasted with the standards used previously. This includes systematic, data-driven reviews of every charter school that is supplemented by qualitative site reviews, which provide descriptions of how schools are meeting their goals and realizing their mission. The result of these more rigorous reviews is that charter schools

across the city are raising the bar on their programs, while the lowest quality schools and campuses are closing.

- When we review applicants, PCSB is the only authorizer in the nation to conduct rigorous site visits of each school before deciding on whether to grant them a charter. Much like your visits to public schools in the city, Mr. Chairman, these visits allow us to see in action what the school states on its application as its mission and program.

- Better Data. For too long, PCSB was unable to generate important and basic data -- on attendance, discipline, truancy rates, enrollment, and so forth. Now we have a robust and reliable data system that enables effective oversight -- by both our Board and this Council -- and that can meet the needs of existing laws like South Capitol Street Memorial Act. The data has formed the backbone of our work with the Child and Family Services Agency on truancy reduction. Additionally, with our dedicated data team, we provide data to the Office of the State Superintendent (OSSE) on behalf of schools for federal reporting.

Beyond compliance, the improved data is a powerful tool in improving our schools. For example, in the past two years, PCSB took the step of publishing school-by-school expulsion and suspension rates,

sparkling conversations and prompting schools to reflect on their policies and practices. As a result, expulsions have dropped by more than 50% and suspensions by 25% since 2012.

- Other improvements. We have expanded several other new and critical functions:
 - We oversee the implementation of the ESEA waiver for charter schools, tracking the metrics of schools and meeting the reporting requirements according to the ESEA classification system (reward, rising, etc.). We also post all of our reports to our [website](#).
 - We conscientiously manage the school closure process to reduce the negative impact on students. We do this in several ways. First, we have accelerated the timing of our reviews to enable us to announce closures prior to the close of the common lottery initial deadline. Second, our team of closure specialists works directly with students and families displaced by closures or reductions in grades to help them navigate My School DC and independent lotteries. And finally, we have broken new ground nationally by facilitating the takeover of closing schools. The result is that the adults in the school building change while the students have the choice to remain in the school, minimizing their disruption.

- We have improved our coordination with other important city agencies, such as the Department of Health, Child and Family Services, Metropolitan Police Department and the Dept. of Behavioral Services. And we intend to expand this coordination to the Office of Planning by hiring a Planning Associate this fall to analyze data around student and community demographics to see where are the future need areas for high-quality schools.
- We have greatly expanded our public outreach function by creating the second annual Parent Guide to Performance Reports in both English and Spanish, distributing more than 30,000 across the city, targeting high-need neighborhoods. We expanded the DC Education Festival to include DCPS in order to give families a “one-stop-shop” experience to find a school. We led the effort to produce Equity Reports, which provide an unprecedented level of information about school performance at the student subgroup level. We have embraced the open data movement, publishing more and more information through our new online portal, [OpenPCSB](#). We are in the process of improving our website to provide more information to families. And we have begun televising our board meetings.

- Finally, we have upgraded our financial accountability through our financial oversight efforts, which have led to strengthened charter school finances and an end to schools running out of cash mid-year.

We are proud of these many improvements. But there is more to do in order to strengthen the quality of our oversight, serve DC students and families and provide even greater transparency to the city about public charter schools.

To do that, there is inevitably a public cost, but we work hard to be efficient. Our total budget amounts to a fraction of one percent of total education spending in the city. Given our role as the steward of nearly \$700 million of taxpayer money, and the quality of education that has produced for nearly 40,000 DC students, we believe that is money well spent.

Thank you, and we would be happy to answer any questions.