

Testimony for Basic Education Funding Commission

Jeremy Resnick

Executive Director

Propel Schools Foundation

jresnick@propelschools.org

January 29, 2015

Hello. Members of the Commission and others, thank you for the opportunity to speak with you today. My name is Jeremy Resnick. I am a cofounder and leader at Propel Schools. Propel is a non-profit organization with a mission of transforming public education in Western Pennsylvania. We want our region to be one in which every family, regardless of where they live, has access to a quality public school that meets the needs of their children. For many families this is already the case, but for many others—particularly those who happen to be poor or are black or brown—this is not the case. Our goal has been to do something about that.

We opened our first school, in the Mon Valley, in 2003. We now operate 10 public charter schools in Allegheny County, serving 3,500 children. Three-quarters are economically disadvantaged, 2/3 are African-American, and 15% have a disability that requires specialized instruction.

We are very proud of our student outcomes. Our students are 30% more likely to be achieving at grade level than their peers in district-run schools. For students in historically underperforming subgroups, the advantage of attending Propel is even greater. We have more than 3,000 families on waiting lists for our schools, and our commitment to them is to grow until a Propel school is accessible to all families who need it and want it.

Since our organization operates charter schools, I feel it is necessary to address some of the noise that many hear about the impact of charter schools. Critics of charter schools are quick to complain that charters are receiving too much funding—even though, by law, they are receiving *less* revenue per pupil than the districts. They also cite charter schools as the main culprit behind school district budget shortfalls.

Why do I call this noise? Because it puts money at the center of the conversation rather than educational opportunity. Taxpayers do not pay their school taxes so that adults can get a paycheck. They pay their taxes so that the next generation of Pennsylvanians will have the opportunity to get a great education. A conversation on public education that is centered on money is a conversation about adults rather than children.

I am not saying that money is irrelevant. Whenever we see some children failing to receive a quality public education, we need to make sure that we are doing all we can to ensure that funding disparities are not the cause of the problem. However, we must look beyond funding if we are serious about every child receiving a first-class education. There are cases of schools serving demographically similar student bodies, operating with very similar resources, but achieving very different results. Similarly, there are huge disparities in spending among schools that are getting comparable outcomes with demographically similar students.

When the conversation is focused on educational opportunity, brick-and-mortar charter schools are clearly a net positive for the Commonwealth. I know you have already heard about the positive performance of charters relative to district schools in Philadelphia. In Pittsburgh and Allegheny County we also see charter schools outperforming. This chart shows School Performance Profile numbers for all schools in Allegheny County serving a population where more than 60% of students are eligible for free and reduced-price lunches. As you can see, charter schools are clearly clustered toward the top.

We've all seen reports that claim to disparage Pennsylvania charter school performance. But these are not apples-to-apples comparisons. They frequently lump cyberschools together with brick-and-mortar charters, and they gloss over the significant demographic differences that distinguish Pennsylvania's charter school students from Pennsylvania students at large, as charters tend to serve a much more disadvantaged student population.

It is worth noting the two lowest charter school bars on the Allegheny County chart. One of them serves adjudicated youth; the other was closed this year because of low performance. In contrast to failing district schools that continue to suck in public funds year after year, when a charter school's performance is unsatisfactory, there is a clear path to closure.

Why are most charter schools doing well? It is not because they are charter schools; it is because they have the freedom to do things that children from resource-poor communities need AND because these schools are using that freedom effectively. We are investing more in training teachers. We are extending the length of the school day and the school year. We are partnering with community-based organizations. And, of course, we have real accountability. Unlike district schools, we face the real threat of closure if we do not perform.

Against this backdrop, here are some thoughts on basic education funding:

- 1) Put all available dollars into the basic education budget. It is tempting to think that creating special, restricted funding programs will help the General Assembly to ensure that state funds are used effectively. But there is no way for the state legislature to earmark special funds in a way that meets the needs of every district. It would be better to give districts as much flexibility as possible, challenge them to be good stewards of

their precious resources, and hold them accountable for the results. Where schools are not performing acceptably despite the investment of state funds—which is certainly the case for many public schools—the state should take decisive action, as I will discuss further in a few minutes. But the funding formula itself can't be a tool for accountability.

- 2) The formula should be student-based to the maximum extent possible, and money should follow the student. Pennsylvanians pay their taxes to educate the next generation, not to fund schools. Funds allocated should be driven by the needs and number of students wherever possible.
- 3) Some districts are complaining about their inability to adjust spending to address declining enrollment their schools. In some cases, districts have experienced a steep decline because of charter schools. While districts in this situation should be able to right-size their operations over a period of several years, they cannot do so instantly. It may make sense to provide temporary aid to districts that experience significant increases in charter school enrollment, perhaps by weighting charter students at a higher rate. This could mitigate some of the pain that districts are feeling.

I mentioned above that the funding formula itself can't be the state's accountability tool. It wouldn't make sense to withhold funding from schools with performance issues. That would just further penalize the students who are attending these schools.

But neither does it make sense to continue to pour resources into chronically low-performing schools. Mark Gleason noted in his testimony to you that Pennsylvania spends \$1.6 billion a year operating 150 schools that are in the lowest-performing 5% of all schools. These schools have long histories of low performance—some of them over decades—and fewer than 30% of students in them are achieving at grade level. Mark Gleason called these schools “almost life sentences to poverty for the students enrolled in them.” Not only do we owe it to the families whose children attend these schools to do better, we also owe it to the taxpayers whose money is being frittered away at these schools.

The state must be more aggressive in dealing with these schools. A consulting team is not going to fix these schools; neither is an extra infusion of cash that might pay for after-school programming, another teacher, or new computers. The state must use more radical tools to ensure accountability. Historically low-performing schools must be closed, and they must be replaced with new schools under new management.

Here is a thought experiment. Imagine that each year, Pennsylvania shuttered the very worst of its schools—the bottom 2%. These are schools where every one of us would be in agreement that we would never send one of our own children there. Let us further imagine that each year those schools were replaced with new schools, managed by organizations that have a track record of success in educating the children attending those schools. Let us

imagine that, year after year, we did this. Of course not every new school will be a wild success, but we would certainly be in a very different and better place 20 years from now than we are now.

We may be moving toward a consensus on reshaping our school finance system so that money will follow the student and will be allocated on the basis of student need. These would be positive steps. But to make our public school investment productive, we must also ensure that students are not allowed to remain in schools where they are almost certain to fail.

This is an historic opportunity for our Commonwealth. We have the chance to put the conversation about money and funding into its appropriate context, which is the need for full educational opportunity for every child in the Commonwealth.

Thank you.

Allegheny County Schools with 60%+ Economically Disadvantaged Students

Black Bars represent Allegheny County Charter Schools
Blue Bars represent District Schools



