

TESTIMONY BEFORE THE BASIC EDUCATION FUNDING COMMISSION

Greenville, PA / January 29, 2015

Michael P. Gentile, CEO

James T. Gentile, Director of Finances

Good morning. I would like to thank the Commission and Representative Longietti for the opportunity to testify today. I would also like to thank you for inviting Charter Schools to be a part of this hearing. My name is Mike Gentile, CEO of the Keystone Education Center Charter School, where I have been the CEO for the past 17 years. With me today is our Director of Finances, James T. Gentile.

HISTORY

With the passing of Act 22, Keystone Education Center became the first Charter School in this Commonwealth in 1997. In that year, there were only six Charter Schools in Pennsylvania. Currently, there are 174 Charter Schools educating over 128,000 students.

MISSION

The Keystone Education Center Charter School was established to provide educational alternatives that address the needs of a wide-variety of students who have difficulty functioning in the traditional school environment. As per the mission of the school, students must meet the criteria for enrollment that encompasses academic concern, truancy, and behavioral concerns. The intent of the school is to afford students the opportunity to gain positive educational experiences, to earn a high school diploma, to develop marketable skills, and to develop the necessary work ethic needed for post-high school success.

STUDENT DEMOGRAPHICS/POPULATION

Keystone Education Center Charter School is a brick and mortar school operating out of two buildings; a middle school for students in grades seven and eight and a high school for grades nine through twelve. Our current enrollment is 252 students. These students come to us from over 40 school districts and 13 counties in western Pennsylvania.

- 100% At-Risk (failing, drop-out risk, behind academically, suspended or expelled, truant, dysfunctional home lives)
- 95% Low Income Status (free and/or reduced lunches)
- 42% Special Education
- 40% Court Involvement
- 32% of 12th Graders Reported Gang Involvement (2013 Pennsylvania Youth Survey)

The court involvement segment of our population has been adjudicated either delinquent or dependent by the county courts, either through Children and Youth Services or Juvenile Probation.

As a Charter School for at-risk students that are not experiencing success in the traditional school environment, a daily focus is maintained on improving behavioral patterns which interfere with learning and lack of student motivation. This focus ensures that students will have the opportunity to experience success in the classroom and the community. I am pleased to say that in the past 17 years, Keystone Charter School has graduated 729 students that, by their own accord, would most likely not have graduated if Keystone did not exist. In fact, many of these students were the first among their family to receive a high school diploma. While dropping out was a reality for these students, Keystone became their second chance.

GOVERNANCE STRUCTURE

The Governance Structure of the Keystone Education Center Charter School is unique. The founding coalition of the Charter School was the Keystone Adolescent Center, the Greenville Area School District, and the Reynolds School District. The Charter School Board of Directors is a five member board that consists of the Superintendent of the Greenville Area School District, the Superintendent of the Reynolds School District, the Assistant Director of the Keystone Adolescent Center, a Community Representative, and a Parent Representative. This founding coalition has provided tremendous support for the School over the years.

The Keystone Education Center Charter School provides a needed service to our local school districts, while maintaining a good working relationship. Our goal is not to be in competition with area school districts, but to be in a partnership working together to do what is in the best interest of children.

FINANCE

Unfortunately, at times, the view of some is competition and less of a partnership because of the funding system currently in place. The funding system from the beginning of our existence created opposition to Charter Schools. The manner in which the funding flows has created and continues to create conflict over money between districts and charters.

Transportation reimbursement is an issue that also provides a lack of equality. As a Charter School that is located in a rural setting that also has students attending from all over Mercer County, student transportation has always been a concern. The total cost for student transportation during the 2013-2014 school year was \$157,000. Keystone receives no reimbursement for this amount.

In 2007, the state cut funding for the Alternative Education for Disruptive Youth (AEDY) and this was in excess of \$250,000 to Keystone Charter School.

Our most recent hardship was after the 2014-15 budget was prepared and adopted by our school board, we were notified that the PSERS reimbursement would be ending. This amount signifies over \$315,000 of already budgeted funds that we lost. With all of these funding cuts, Keystone Charter School is experiencing severe issues regarding the financial stability of our future.

The past two years have been a struggle financially for the Charter School. We have worked diligently to manage all aspects of the budget. Due to funding cuts, declining enrollment and increasing costs, we had to lay off 6 employees last June. Even with this measure and reduction in staff, we cannot continue without jeopardizing the quality program that we have established. Charter Schools cannot increase millage or raise taxes to make up our funding differences. Charter School funding cannot continue to operate with fewer dollars per child and whether that is 75% or 80%, it is still less per child than district schools receive for educating that same child.

We will not give up and will continue our mission as Pennsylvania's First Charter School. This "Do Not Give Up" attitude is exactly what we try to teach each of our students. I am confident that you will do the same as you develop a funding formula for this Commonwealth. Whatever funding system is decided upon, it should value EVERY child in public schools, including Charter Schools. Students should not receive fewer resources simply because of the type of public school they have chosen to attend.

Thank you again for this opportunity.