

Testimony on the FY2008 District of Columbia Education Budget  
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The proposed budget before you for the over 50,000 students in the DCPS schools is neither adequate nor equitable. As my colleagues will focus primarily on its adequacy, I will address the inequity of this budget.

Both DCPS and public charter schools are funded based on a UPSFF. But this is where the equity ends. There are major differences in responsibilities between DCPS and public charter schools that create structural inequities and are biased against DCPS. They are:

- 1) municipal responsibilities of DCPS
- 2) legacy building inventory
- 3) special education
- 4) facilities allowance

**Municipal Responsibilities:** As a major public municipal entity with over 9,000 employees and a budget of close to \$1 billion in operating funds and over \$200 million for capital, the Board of Education has responsibilities for labor and contracts that exceed that of any public charter school. This was more than clear, when the Board of Education proposed that it needed flexibility with its union agreements and procurement regulations, as all public charter schools have. But rather than this administration indicating this was a reasonable part of parity between DCPS and public charter schools, which are not subject to ANY collective bargaining requirements and only minimal procurement constraints, it was ignored by this council and Mayor and decried by many—including myself. We expect our public agencies to offer their employees the opportunity to organize and negotiate on their behalf and that these agreements be honored and that contracts be procured with constraints due to the high level of responsibility for the use of public funds.

**Legacy Inventory:** DCPS has responsibility for the building inventory from the 1900s, 20s, 30s, 50s, 1960s and 1970s. It must pay utilities, clean, mow, shovel snow, maintain, and make improvements to these public buildings even as its enrollment declines. For a

generation, buildings have lost the battle to other budget pressures—for teacher raises, new textbooks, and technology, among other important investments. And while many see the panacea to DCPS budget constraints in major shrinkage of building space, the implementation of such shrinkage is difficult and costly and has never generated the kind of savings projected.

In fact, DCPS is funded for fixed costs as though they were already utilizing their buildings at full efficiency. The UPSFF estimates the fixed cost for facilities not by using actual space costs or use, but by establishing a square foot amount for fixed costs and then multiplying it by the number of square feet DCPS SHOULD be using. This amounts under-funding current operating costs for DCPS—leaving DCPS in the position of funding these costs out of other educational or maintenance budgets.

And while public charter schools struggle to find enough space, and have many challenges associated with this, the portion of the UPSFF allocated for fixed costs is likely to be overstated and so they are funded in excess of their actual utility costs.

**Special Education:** Public charter schools can opt to limit their responsibilities for children with disabilities by not being a local education agency for the purposes of special education. So for example, Howard Road Academy Public Charter School, compared to its neighboring Birney Elementary and Savoy Elementary Schools, has approximately 13% special education students, whereas Birney has 23% and Savoy has 24%.

The services required are spelled out in Individual Education Plans and although there are funds added for students at various levels through a weighting system in the UPSFF, these weights do not cover the actual cost of services delivered IN and BY DCPS. As a result, DCPS limits important programs, personnel and services that affect all students in such areas as maintenance, counselors, athletics, electives, librarians and central office operations and support.

**Facilities Allowance:** The budget before you proposes a 4% increase in the base UPSFF for public education, even as the State Education Office recommended 8%. The 4% increase brings UPSFF to \$8,322 per student. However public charter schools also receive an additional \$3,109 per student. It is calculated from DCPS capital budget allocations, and was meant to be used for only acquisition and capital improvements—although the Budget Support Act says it is an allowance to “maintain their facilities.” (D-38). However, this “facility allowance” can be used for whatever the charter school chooses—programs, personnel, and/or facilities. For DCPS, the cost of custodians, utilities and maintenance are all a part of their operating budget and included in the UPSFF and cannot be paid for from the capital budget—although it may be that some deferred maintenance will be paid from the modernization funding.

Another major difference, beside the flexibility, is that the facilities allowance can also be leveraged. The leveraged value of the charter school facility allowance increases its value from thousands to millions. On the one hand, the public charter schools can and do use the revenue stream from the facilities allowance, to finance building acquisitions and improvements. This is a good thing and has enabled the public charter schools to quickly and efficiently both renovate and build school facilities.

On the other hand, the \$100 million in the capital budget for DCPS is already borrowed as part of the District’s GO bond financing and the modernization funds are paygo, but cannot be leveraged, as DCPS has no borrowing authority.

If DCPS were treated the same as the public charter schools, I guarantee there would be no complaint, just as the charter schools are not complaining. DCPS would take a portion of the per pupil funding allowance to use for programs, personnel and services and leverage the rest to make improvements on their buildings. They would have the flexibility to make changes to invest in new schools and programs—like expanded bilingual education; Eastern Latin; return art and music and retain their small schools, just like many of the public charter schools.

I am not saying the public charter schools should not have an added \$3,100 per student, or that they should not be able to utilize DCPS for special education services and programs, or that their teachers and staff should have to be a part of collective bargaining. Neither am I saying that DCPS does not need to do a better job of consolidating within its buildings and making space available to other charter schools or agencies and non-profits. What I am doing is asking the Council to take the time to understand the structural differences between the systems and the higher level of responsibility being placed on DCPS and fund it adequately and then understand the biases against DCPS in the funding formulas and fund them equitably.