

**Senate Education Committee**  
**Public Hearing on Charter School Funding**  
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**Written Testimony of**  
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Good Afternoon Chairman Langerholc, Chairman Dinniman, and Honorable Members of the Senate Education Committee. My name is Lawrence F. Jones, Jr. I am the CEO and founding member of the Richard Allen Preparatory Charter School, a charter school serving approximately 500 students in grades 5 through 8 in Southwest Philadelphia. I also serve as Vice-President of the Pennsylvania Coalition of Public Charter Schools, which is the only statewide organization of charter schools advocating for choice, quality, and accountability in all forms of public education.

Today there are more than 135,000 children in the 180 charter schools in Pennsylvania with an additional 40,000 children on waiting lists to get in. Charter schools draw from every district in the state and are the most honest manifestation of the eclectic demographics of the children in Pennsylvania – urban, rural, suburban, affluent, economically disadvantaged, stricken, gifted, challenged, and every conceivable nationality and native language. Every joy and challenge of public education is manifested in our public charter schools.

Originally, charter schools were intended to be laboratories for innovative ideas that could be implemented in the districts, but two things got in the way of that aspiration. First, is a funding system that, from the beginning, pitted districts and charters in conflict over money. Second, are parents who saw charters filling a much more fundamental need to get their children better and more appropriate educational options. In other words, choice trumped innovation.

Neither of these were a problem at first, but as more parents chose the charter option, and districts felt increasing financial pressures, it has evolved into a situation where districts and charters view each other as adversarial competitors rather than partners, both spending precious resources debating who gets the money rather than what is best for the children. We must replace conflict in public education with creativity, collaboration and choice.

The fact is that charter schools are here to stay. Charter schools in Pennsylvania educate children in urban, suburban and rural areas, and serve students of varying demographics. Additionally, in some of the most challenging educational environments, charters are exhibiting excellent achievement, growth and/or social/emotional results with fewer taxpayer dollars.

Students across the Commonwealth are receiving substantially less education funding simply for choosing to attend a public charter school rather than their zoned district school.

According to the CREDO report released this past June, Pennsylvania's charter schools are educating: a higher percentage of students in poverty compared to traditional public schools (66

percent compared to 43 percent); a higher percentage of special education students than district schools (16 percent compared to 15 percent); and a significantly higher percentage of black students compared to traditional public schools (43 percent compared to 12 percent).

The CREDO report reinforces what we already know about the successes that our brick-and-mortar charter schools are producing, especially for minority students in urban communities. The report clearly shows that Pennsylvania's brick-and-mortar charter schools are going toe-to-toe with traditional public schools and are coming out on top.

Let's not forget to also take into account parental satisfaction. Last year alone in Philadelphia, nearly 30,000 students submitted more than 120,000 applications for Philadelphia charter schools through a new website, [Apply Philly Charter](#), that allowed families to apply to multiple city charter schools at once, which reinforces the fact that there is a lot of demand for quality school options.

In Philadelphia the data shows that brick-and-mortar charters are outpacing the School District of Philadelphia (SDP) on every level. On SDP's own rating system for schools, the School Progress Report (SPR), charters are performing better than the district in every category:

- Average Overall score: 43.8 for charters and 33.6 for SDP (30.9 for SDP excluding magnets)
- Average Achievement score: 18.8 for charters and 18 for SDP (14.4 for SDP excluding magnets)
- Average Progress score: 52.7 for charters and 42 for SDP (41 for SDP excluding magnets)
- Average Climate score: 58.9 for charters and 39.9 for SDP (35.9 for SDP excluding magnets)

The data also shows that Philadelphia charters are doing a better job at educating the City's youngest students. Last year, 50 percent of Philadelphia's 3rd grade students attending charter schools were able to demonstrate grade level proficiency on the 3rd Grade ELA PSSA. By comparison, just 35 percent of 3rd graders in SDP schools were able to demonstrate the same grade-level skills.

We are also producing better results for our oldest students. Last year the graduation rate for the City's district schools was 69 percent, but charters were graduating students at a rate of 83 percent. Additionally, after graduation 55 percent of charter school students went on to pursue higher education, while only 51 percent of students from a district school did the same.

The point is that charter schools are a different model in public education and they are delivering an effective education to our children for less money. Charters are a fundamental element of public education and are, in fact, helping public education move into a new era of educational service delivery.

Please consider that most of us in this room were educated in a manner similar to our parents and their parents. Teacher lectures, textbook assignments, quizzes and tests were familiar school

experiences. Today, our students are being educated in a world of blogs, social media and ever-changing instructional delivery systems. Unfortunately, as the educational landscape has changed and evolved, public education funding in Pennsylvania has failed to keep up and is not adequately providing equitable resources for a 21st century educational system. This funding gap is more keenly seen in the charter sector.

To look at this issue in an overly simplistic manner, we need to consider what constitutes a basic education, in today's world. Books, paper, writing instruments, office supplies, cleaning materials and a safe structure are reasonable expectations. Access to clean and modern facilities, access to technology, air conditioning, health/physical education equipment and nursing services may also be on the short list. Unfortunately, in Pennsylvania, some of the things we would consider basic components of education are missing or considered luxuries for some children.

There are children attending schools where funding for basic staffing and supplies are in question, while a few short miles away there are children in schools where the visiting football team's locker room rivals that of a professional team. For charter schools, this same inequity exists and is exacerbated by a flawed statewide funding formula and a charter funding formula that falls short in many ways. While the inequities in educational funding is at crisis levels, many in the education community perpetuate the rhetoric that the charter funding formula is problematic only because of harm believed to be caused to traditional districts. This thinking devalues charter schools, their employees and, most importantly, the children/families that have chosen these schools. Our funding methodology is woefully inequitable and, in many cases, ineffective. In short, it's broken.

### **Non-Reimbursed Items**

Charter schools are either not funded or funded at insufficient levels. Most notably, brick-and-mortar charter school facilities funding is limited to a small per pupil-based lease reimbursement. Facilities debt service, utilities, snow/trash removal, maintenance contracts, custodial services and building upgrades are not funded in Pennsylvania's funding formula.

Unlike traditional public schools, charter schools are not included in reimbursement programs for construction of school buildings and do not receive the same guarantees from the state on loans taken out to fund such projects. Charters are sometimes reimbursed for rental costs if they choose not to purchase land and build a property, but that is not always the ideal situation for every school.

Chartering school districts exercise oversight over charter schools in their district and, as such, can implement certain measures that may affect funding for the charter. For example, if a school district implements an enrollment cap and the charter school exceeds that cap, funding can be withheld for each kid over the cap. Since charters are primarily funded on a per-pupil basis, this can definitely impact the ability for a charter school to provide high-quality educational programs for students. As traditional charter schools continue to be excluded from these funds, it translates into charters being underfunded and receiving only a fraction of what traditional public schools receive.

## **Special Education**

Each Pennsylvania charter school is a Local Education Agency (LEA) per charter school law. Accordingly, charter schools may not deny any student based upon physical, intellectual or emotional disability, and charters are mandated to provide services to meet each student's needs. There has been much discussion related to charter school special education funding. However, a few items have been left out of the discussion. First, many of the special education costs borne by charters are either not captured or difficult to quantify. Services provided by staff with multiple responsibilities due to alternative staff models are a perfect example of this. Capturing and tracking this time would be difficult, if not impossible for charters (especially smaller charters).

Another concern related to special education funding is that for many charter schools, their Intermediate Unit is not required to provide services to charters or charter students upon request of charter and cyber schools. This often requires that charters contract with private providers to meet the related service needs of their students.

Also, many charters do not receive adequate support or training from their Intermediate Unit. While there are some charters that receive the full and intended services, and support from their Intermediate Unit the uneven and insufficient service levels is a significant cost for charters and impacts the most vulnerable students served by the schools. It should be noted that despite this gap in services, Intermediate Unit are funded in part based upon a formula that is driven by the average daily membership (ADM) of each district. Presumably, charter school children factor into this formula, but are not a factor when services and resources are distributed.

## **Inconsistent and Uncertain Funding**

Pennsylvania's flawed funding formula disproportionately negatively impacts children who are most vulnerable and in need of resources. Inadequately funded schools, whether district or charter, become ill equipped to help children escape cycles of generational poverty and futures with limited potential.

When districts provide charter schools with estimated budget allotments in May or June, it becomes difficult for the charter school to construct an accurate budget. This uncertainty impacts student services, staffing and programming. Charters have dealt with district estimates and calculations that equate in many instances to pinning the tail on a proverbial fiscal donkey. When districts are impacted by state budget cuts and impasses, the effect on charters has an exponential impact. The lack of certainty in charter funding has been an issue since the law's inception. A thoughtful, balanced and comprehensive look at funding models is the only fair way to address this and other charter funding issues.

Treat **every** child in this state **fairly** regardless of the type of public education delivery system they have chosen.

This means a per-student allocation that is weighted by individual considerations, such as English language learners, poverty, homelessness, and other factors which necessitate additional resources to help those children succeed.

**A fundamental question you must address is: Are taxpayers paying their tax dollars to educate children or to support a specific system?**

**While adequate and fair funding is necessary, it is only one aspect of effective education.**

**So long as we as educators and legislators investigate the wrong problems, ask the wrong questions, and focus on the symptoms rather than the causes, we will never get the right solution.**

**So far, we are doing all of the wrong things. It's time for this conflict over money between districts and charters to stop so that we can all focus on educating our children.**

**It's time for all of us to set aside our entrenched self-interests and place the best interests of our children at the apex of our priorities.** Until, and unless, we do so, the promise of our children will never be fulfilled and they will fail because we have failed.

The time has come for the General Assembly to take an in-depth look at the funding inequalities of public schools in the Commonwealth by enacting a fair and balanced commission to study the issue of charter school funding. This is a very complex issue that deserves a serious discussion where all key stakeholders are able to come to the table to provide factual data. Then and only then can we finally resolve a grave issue that is keeping the focus away from the most important task at hand -- ensuring that every child receives a quality education no matter where they go to school in the Commonwealth.

Thank you for the opportunity to speak today. I am happy to answer any questions the Committee may have.

*\*\$13,000 is a weighted average of the amount spent to educate non-special and special education students.*

*\*\*Per pupil expenditures are published each year by the PA Department of Education.*