



**Testimony of Rick Cruz
DC Public Charter School Board
FY20 Budget Oversight Hearing
Committee on Education
April 4, 2019**

Good morning Chairman Grosso and education committee members. Thank you for the opportunity to testify at today's budget hearing. My name is Rick Cruz and I am Chairman of the DC Public Charter School Board. With me today are Deputy Executive Director Naomi Rubin DeVeaux and Chief Operating Officer Lenora Robinson Mills.

I would like to begin by thanking Mayor Bowser for her continued support of students in DC. The 2.2% increase in both the UPSFF and facilities allowance will help our schools maintain their steady progress. Over the past few years our city has been making a real investment in education that will pay dividends for decades.

As you know, the DC Public Charter School Board is funded through an authorizer fee charged to the schools. Years ago, the fee was set in the law at half of a percent, supplemented with an annual council appropriation. With the help of this Council, the fee cap was raised in 2014 to one percent of school revenue to ensure that DC PCSB could properly support a growing sector. We now rely solely on this fee, and require no council funding. Indeed, thanks to tight controls over our own expenses, we now bill schools

just 0.9% of revenues, saving schools close to \$1mm every year that they can apply to their own programs. These self-imposed reductions have not hampered our work and have allowed us to build healthy emergency reserves in the event we need to infuse a school with funding during closure. In fact, if you compare us with authorizers in other parts of the country, DC PCSB charges less than most and gives the District government far more value in terms of its size relative to the student population served. Many authorizers in other states charge 3% or more.

Our small but healthy budget also allows us to provide more support to schools than typical in other parts of the country. Over the past year we have held multiple professional development sessions for schools, covering topics like preventing sexual abuse, assisting English language learners, and supporting special education students. These convenings of schools are opportunities to share best practices and facilitate the generation of ideas in tackling the toughest issues facing our schools.

While our budget is largely sufficient, there is one area where this year's budget fell short and we are unable to cover costs. As you know, DC government has been trying to diligently address the issue of lead in drinking water at schools. At the beginning of the process the Mayor announced a new policy requiring lead filters to be placed on all drinking sources. We managed the installation of filters at every drinking source in every school, and were reimbursed by the city for this work. However these filters have

cartridges that must be replaced every year, which costs about \$900,000 each year. No money was appropriated this year and no money is in next year's budget either. We're hoping for a reprogramming this year to allow us to begin replacing these cartridges, but feel strongly that such a vital health issue should be addressed through a regular budget allocation.

Turning to school budgets, we are pleased to see the investment Mayor Bowser made in school-based mental health services. The \$6 million-dollar figure is consistent with the recommendation of the Coordinating Council on School Mental Health, which we're pleased to serve on. By expanding access to services to 67 new public and public charter schools, we hope to see more meaningful academic progress for our most troubled students. This investment is a great next step in ensuring the emotional needs of our students are addressed.

Before I conclude, there is one other matter I'd like to bring to the committee's attention. For the past few years, St. Coletta has received a supplemental payment from OSSE to cover a funding gap between UPSFF dollars and the school's operating costs. That gap exists due to the school's staffing costs and their fixed potential revenue. The large staffing costs are due to specifications in IEP's and federal requirements surrounding Medicaid as well as the unique high needs of the school's children. The gap was as high as \$6 million and is currently around \$1.8 million. OSSE informed St. Coletta that the funding has come to an end, arguing that the UPSFF is sufficient,

leaving the school to raise the money through philanthropy or simply go without. Without funding to cover the gap, St. Coletta's operations will be in jeopardy. The school has bond and IEP obligations to fulfill and the deficit could force the school into taking drastic measures. We believe a solution to this problem is to increase the Special Education Schools foundation weight. By increasing the weight from 1.17 to 1.9, the school will be spared from taking draconian cuts, with the added benefit of helping DCPS' River Terrace Education Campus. I ask that you consider righting this wrong in your consideration of the FY20 budget.

To conclude, DC students are making progress. Our budgeting has become more accurate and fairer across sectors over the past few years. I would again like to thank the Mayor for making that a reality. And thank you, Chairman Mendelson, Chairman Grosso, for your commitment to the students of this city. Your continued support of generous education funding, school choice, and fairness across sectors has increased educational opportunities for DC students. Together, with the right investments, we can continue the progress and ensure DC has a first-class public education system. Thank you for the opportunity to testify and we are happy to answer any questions you may have.