

HURON VALLEY SCHOOLS

Inspiring and building futures...
one student at a time.

November 2, 2011

House Education Committee Testimony on Charter Schools

Members of the Committee,

Members of the committee, my name is Jackie Johnston and I am superintendent of Huron Valley Schools. I want to thank you for allowing me a few minutes to provide you with some insight as a superintendent of one of the 28 Oakland County community governed school districts.

We believe that your motivation for the many changes that you are considering are pure, you want to ensure all students receive a high quality education and they graduate with the skills necessary to thrive in a global economy. We share that goal with you and in fact have dedicated our careers to this goal.

But clearly this is not an easy goal. Never before was it required for all students to graduate high school with high level skills to find a secure future. Previously there were high paying factory jobs for lower skilled graduates and for our non-graduates. Of course that is no longer true and we embrace with you the challenge of helping 100% of our students gain high level skills. But remember this is a relatively new phenomenon and there is no cookie cutter, one size fits all solution to educating students who may come from a family background that we can barely fathom.

For most community governed districts in Michigan, we are well on our way to success. Our students are achieving at high levels and we are implementing interventions to close the gap with our struggling students. I know that results will look different when new cut scores are released, but watch how quickly we rise to the new standards. We support high standards.

I ask you to consider for the many community governed districts whose students are achieving at high levels, who are financially stable and closing the gap with struggling students, and any other criteria you want to include, hold us harmless. We are succeeding. Are you sure that the fixes you are contemplating will help rather than hurt our high achieving districts?

In districts where your criteria are not being met I urge you to consider what Malcolm Gladwell calls the tipping point. We all know of communities where perhaps an event happens, some stable, high achieving families leave the district, the tipping point occurs and suddenly everyone who can, exits the district. Only those families who cannot get out due to; lack of transportation, apathy, or from a host of social issues, remain in the school.

The exodus may or may not improve opportunities for the students who left, but it is worse for those that remain. Rather than providing an opportunity for only some to leave, why not improve the quality of the existing school for all students to benefit? Over the past several months you have given us some tools through cost controls and staff quality requirements that will make us better. Give us time to implement these with fidelity and watch our community governed schools thrive for all students, particularly when research shows charter schools will outperform the demographically similar population in a community governed school only 17% of the time and will under perform the similar population 37% of the time. These are terrible odds and we are gambling our children's futures.

We know there are limited dollars available for education. Community governed schools put more resources per pupil in the classroom than charter schools.

- Charter schools spend only 44.5% of funds on direct instruction, nearly 10% less than community governed schools. The largest percentage of their funds do not go to direct pupil instruction. Why support the proliferation of a less efficient system?
- Excluding pension and special education spending, charter schools spend \$729 per pupil more than community governed schools, but less on direct instruction while again often experiencing the same or even lower student achievement.

Community governed schools expend more per pupil than charter schools in large part due to the cost advantage the laws have provided to charter schools and charter schools desire to serve only a segment of the population. Should charter schools receive the same per pupil funding as community governed schools when their pupil costs are substantially less?

I know you have heard that charter schools provide special education. However;

- Community governed schools spend 14.3% of all expenditures on special education while charter schools spend only 4.1%. When looking at this, I caution you to look at more than just the special education head count, many special education students may need very limited, low cost services. Instead, look at the total cost incurred for special education. The significantly higher costs of special education in community governed schools demonstrates that we are educating students with significantly greater special education needs.
- In fact, in Huron Valley Schools we spend approximately \$11 million dollars per year on special education. This is a serious issue and becoming even more significant given special education funding from state and federal grants and local property taxes cover only 60% to 70% of our costs.
- *Expansion of charter schools, given this avoidance of special education costs, increases the concentration of high cost special education students on districts whose enrollment and resources are declining.*

Community governed schools spend 3.7% of all expenditures on student transportation while charter schools spend less than 1%. Huron Valley Schools' free and reduced population increased from 17% to 27% in four years. How do those struggling families who perhaps work two jobs or do not own a car get their students to school if transportation is not provided?

Community governed schools provide comprehensive programming which comes at a significant cost at the high school level. These programs are keeping kids engaged in learning and preparing them for a global economy. Charter schools which primarily serve only the K-8 populations have significantly less average cost per pupil than a community governed school which serves comprehensive K-12 programming. Those charters that serve grades 9 and above do not provide comprehensive high schools with a full offering of programs and many are alternative schools which are relatively low cost.

Community governed schools spend nearly 9% of all expenditures on pension costs while charter schools spend less than a half of one percent as they are not required by law to participate in MPSERS.

Given the above discrepancies in costs, charter schools should not receive the same per pupil funding as community governed schools when their per pupil costs are substantially less.

We also recognize the importance of transparency when spending taxpayer dollars. In light of the transparency requirements put in place in recent years for community governed districts, we urge you to consider requiring charter schools and all public schools to adhere to the same transparency and accountability requirements including posting their facility lease agreements and facility costs on their websites. This would allow the public to compare the facility and administrative costs of charter schools with community governed schools. We would also encourage you to require disclosure of the entity leasing any buildings and whether or not there is any relationship between the two. If there is a potential conflict of interest, the taxpayers should be made aware.

We would also ask that you consider requiring both charter and community governed schools to report students who leave a school after count date. We have concerns that students are encouraged to leave or are being removed from a school after the student count day. This reporting would provide information as to the extent it is occurring and assist in determining the cause, such as discipline issues, the cost to educate the child or some other reason. This information would be helpful for the Legislature before making important policy decisions.

To summarize, I would encourage you to vote "no" on Senate Bill 618 for Charter Expansion.

If you vote "yes", I encourage you to amend this legislation to:

- 1) Allow expansion of charter schools only when coupled with proven academic achievement. Do not allow public school funding to be diluted by adding additional low performing schools.*
- 2) Provide per pupil funding for charter schools at lower rates to reflect the lower costs incurred based on the differences in law and practice in comparison to community governed schools.*
- 3) Require equal transparency and accountability for charter schools as required for community governed schools.*
- 4) Reinstate the geographic requirements for community colleges. The bill dilutes local College Board oversight by removing the authorizing boundaries. Additionally, it is unneeded as universities already have statewide authority.*
- 5) Reinstate the prohibition on co-mingling of funds that was removed in the Senate-passed version. Current law allows 3% oversight activities fee but prohibits the co-mingling of those dollars with other university funds. Removal of this language shifts the focus toward profit, provides less transparency and weakens monitoring and oversight.*

Thank you again for this opportunity to share our concerns and recommendations with you today. We look forward to working with you to provide all students in Michigan a high quality K-12 public education.

Sincerely,



Jackie Johnston,
Superintendent,
Huron Valley Schools

