

**Testimony of Thomas P. Loughlin
Vice Chair
District of Columbia Public Charter School Board
Before the
Committee on Education, Libraries, and Recreation
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Good afternoon. I am Tom Loughlin, Vice-Chair of the DC Public Charter School Board, and in my day job, a partner with KPMG Consulting. As Ms. Baker indicated, I would like to lay out a framework for thinking about the legislative proposal for a state education office.

We should begin by asking why a "state" agency might be needed.

The most compelling answer is that the District now resembles a number of states that have a single large school system and many small local education agencies. The growth of public charter school requires a fresh look at how we govern all public schools.

Charter schools are different not just in number but in nature. Each school has to have the freedom to do its job, without intrusive and burdensome regulation. That's why our board has adopted the kind of oversight scheme Jo Baker has described. It protects the public interest with strong, measured steps -- it also provides support and gives the schools room to breathe.

With this structure in place, how could the role of a new state agency be clearly defined, so that it would add value rather than creating more bureaucracy?

We see three potential functions of particular interest to the charter school community:

First, mediating academic standards issues. Our Board reviews schools' proposed academic standards as part of the application process; they must meet or exceed those of the DC Public Schools. Schools are required by law to administer "Districtwide assessments"-- which for now means the Stanford 9 test -- and these assessments provide the public with information on whether students are meeting the prescribed standards.

But as charter schools adopt more diverse teaching strategies, and as DCPS expands districtwide testing into content areas beyond reading and math, it's easy to envision serious disputes about how and when to measure mastery of academic content. A state agency could play useful role here -- not by writing its own standards, but by acting as expert mediator when such issues arise.

Second, oversight of federal funds. Our schools have actually had quite a positive experience with DCPS in terms of disbursing formula grants such as Title I and the federal planning grants for charter schools. But there is a potential for conflict when DCPS must administer grants for which charters are in direct competition, and an impartial state agency could remove that potential.

Third, a state agency could also help ensure that various parts of the public education community meet their obligations to each other. As students move between DCPS and charter schools, for example, cumulative files and information about special needs must also be transferred. Enrollment funding follows the students. Currently, oversight in these matters is hit-and-miss; a state agency could ensure more coherence and cooperation among systems.

The current draft proposal for a State Education Office correctly emphasizes monitoring and oversight function, and steers clear of service delivery.

But it goes too far, creates too many disparate functions, and ignores existing authorities. It would create something akin to an Educational Control Board with broad powers and an ambiguous mission, instead of an agency focused on improving quality and resolving disputes.

Let me offer some examples:

- Throughout, there is imprecision in language that suggests uncertainty about mission. Phrases like "technical support" could imply anything from a few consultants to a permanent staff of 500. What does it mean to "monitor content standards" -- what would be the outcome of that process.
- The draft ignores some crucial aspects of public charter schools. For example, there is no need to "provide oversight on teacher certification to the public charter schools," as the draft says, because teachers in charter schools are not required to obtain DC certification.
- More care is also needed in referring to "oversight." The DC School Reform Act, which in 1996 allowed the creation of public charter schools, gave the two chartering authorities clear responsibility for oversight of the

schools we authorize. If a "state" office wants to hold our Board accountable for performance, just as it would DCPS, that's fine. But our Board has been vested with a single mission of creating and overseeing successful public charter schools -- and that's where "oversight" belongs.

Finally, much of the new draft outlines the role of a new Chief Auditor. It's unclear from the writing what the rationale is for this new office, and who it would be empowered to investigate. But we would remind you that each charter school is already required to undergo an annual financial audit. Our schools already provide us with monthly financial statements that are examined by a CPA on contract to the Board; our comprehensive Implementation Review also includes rigorous inspection of financial controls at each school by another CPA firm.

There is no need to create an inspectorate like this -- especially one that assumes widespread fraud in the agencies it will investigate.

So, while we applaud the Council for exploring whether additional "state" -- level powers are needed in the District, the current proposal would impose a substantial new bureaucracy. We would recommend that you ask the kind of question I asked earlier; what limited set of functions could truly add value here? How could a state agency help schools and agencies do their job better, without burying them under paperwork or hounding them with investigators?

If you look at the question of a state education agency through that kind of lens, you will come up with a different proposal than that one before us today. With respect to charter schools, we would recommend a focus on academic standards, federal funding issues, and better coordination among existing agencies as more appropriate roles for an SEO in the District.

Thank you again for this opportunity