

***Mayor Williams and colleagues:***

**I am Josephine Baker, chair of the DC Public Charter School Board, and I am joined at the witness table by the Board's executive director, Nelson Smith. We appreciate having this opportunity to discuss the Fiscal 2001 budget for public charter schools.**

**When the DC School Reform Act became law in 1996, no one could have predicted the immense popularity of public charter schools in the District. Less than four years later, there are 27 charter schools operating at 30 campuses. Just under 7000 students are enrolled, about 10 percent of all public school students in DC.**

**Funding for charter schools comes down to a simple calculation: the number of students times the Council's per-pupil student formula. We currently expect nearly 7,900 students to attend schools chartered by this Board next year. Taking into account the "add-ons" provided in the formula for special education, residential students, facilities, and other items, we project that this will require an appropriation of about \$63.6 million in FY2000.**

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**That is just for our schools. If you include schools chartered by the Board of Education, the total need for DC's public charter schools in FY2001 is about \$98.9 million. This may seem like a large figure, but it reflects the share of public school enrollment that we anticipate.**

**Now, here is the part that makes budget officials uncomfortable: We cannot say with absolute certainty, in February, how many students will actually attend charter schools in September. Parental decisions are influenced by many factors. If charter schools do exceptionally well on the spring Stanford-9 tests, we will get more students. If on the other hand, DCPS shows strong gains on the spring assessments, the demand for charters may lessen.**

**So we build the projection in two parts, which at this point are roughly equal in size.**

**First, of our 12 operating schools, eight will be adding grades or increasing enrollment according to the terms of their charters. This growth is planned and essentially predictable. As students move to higher grades, their spaces are filled by incoming students.**

**The second slice of growth comes from newly-approved charters. The Board has approved six new schools next year. Four of these new schools face important facilities**

**challenges that could have an impact on enrollment. We are working with a contractor to review their plans. By the time the Council is ready to act on the FY2001 budget, we will provide a revised estimate as reliable as that provided last spring.**

**Approximately \$4.1 million of our current estimate is in doubt, and should not be. That is the per-pupil formula multiplied by the 725 students who should be attending Paul Jr. High Public Charter School next September.**

**Our Board approved Paul's application for a charter more than five months ago. Since then, DCPS has gone to unprecedented lengths to thwart the charter law and deny Paul its facility. First it tried to evict the charter school by denying a lease. Then it tried to shoehorn into the Paul building its own program that largely duplicates the charter initiative. Now it is once again claiming the building outright, and ignoring the wishes of hundreds of parents who have already preregistered their children for the charter school.**

**Mr. Mayor, this is a budget issue because several million dollars in per-pupil funds are at stake. But it is also a clear contravention of the law, and an unconscionable attack on public charter schools and on the authority of this Mayorally-appointed board. The matter demands your immediate and personal attention.**

**Now, as you know, charter schools have experienced terrible difficulties this year as a consequence of last year's faulty budget process. In a moment, I will ask Mr. Smith to discuss the discouraging indications that we may be headed for the same kind of debacle again this year.**

**In closing, I suggest three steps that will improve the process for the coming year.**

**First, we should agree that there has to be enough in the budget to provide for *all* public school students. This year, for the first time since 1970, public school enrollment in the District grew by a substantial amount. This growth occurred entirely within charter schools. The public education budget should be large enough to accommodate real needs, and not force us into another nasty fight over how to slice the pie.**

**Second, once the budget is approved, funds should be disbursed promptly. We heard a great deal this fall about Mrs. Ackerman's uncertainty over 5 percent of a \$600 million budget. But individual charter schools are still reeling from hits on half their budgets. They've literally had to beg and borrow to meet payrolls and pay vendors.**

**In FY2001, we must fully fund charter schools according to current-year enrollment -- not according to a set of**

**rationalizations adopted in mid-year by the Control Board and CFO. The legally-required enrollment audit must not be used to delay critical payments.**

**Third, and perhaps most important, we join with Mrs. Ackerman in saying that he schools' fiscal year should be aligned with the academic calendar. Starting the fiscal year in July 1, as is done in most jurisdictions, would not only provide DCPS more certainty, but would also provide charter schools with startup funds when they are most needed.**

**Current law does not sufficiently recognize the financial impact of student mobility. Nor does it take into account the fact that students whose handicaps are identified in mid-year may generate enormous, uncompensated costs. We believe that funds should be disbursed quarterly, on the basis of a rolling enrollment count.. This will truly allow the dollars to follow children, and will also give charter authorizers an important new tool for improving financial accountability.**

**Mr. Mayor, we appreciate your leadership on educational issues, and in particular your strong support of the public charter school movement. We pledge to work with you and your staff in the weeks to come to provide a sound and realistic budget that will meet the needs of all children and youth in the nation's capital.**

**Thank you, and now I will ask our executive director to say a few words about the current budget plan.**