



Public Hearing Testimony Speaker:
John Yrchik

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***Testimony of John Yrchik
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On

***Raised Bill No. 1408
An Act Concerning Charter Schools***

Before the

Joint Committee on Education

March 12, 2007

Good afternoon Senator Gaffey, Representative Fleischman, members of the Education Committee. I'm John Yrchik, Executive Director of the Connecticut Education Association and I'm here to speak in opposition to *Raised Bill No. 1408, An Act Concerning Charter Schools*.

As written, the bill carries a hefty price tag and would signal an unmistakable alteration in the approach Connecticut has historically taken to charter schools.

The bill calls for a cumulative increase in enrollment of 1250 students among over the next two fiscal years (a 32% increase over next year's projected total enrollment of 4000 students). Second, it calls for a dramatic expansion of the number of schools authorized by the State Board of Education (with up to five charter sites granted to existing charter school operators alone). Third, it calls for roughly a 43% increase in per pupil reimbursements for charter schools.

The request for such an extraordinary increase in per pupil grants called for in this bill would privilege charter schools above all other schools.¹ CEA believes that some increase in charter school grants is warranted. However, any increase should be related to net current expenditures in public schools minus special education costs (because charter schools are not required to pay for any special education costs).

¹ Some legislators who supported the original legislation believed that charter schools would operate for less money than local public schools. As Representative Staples said in the legislative record, "What information from other states has demonstrated is, charter schools typically can operate at a lower cost than an average public school. The reason for that perhaps is lower overhead, they tend not to have a whole school system to manage, they just operate one school."

This would actually be a relatively generous measure because charters (as small, independent schools) do not pay for the administrative overhead required to run an entire school system.

While there is no fiscal note attached to the bill, if we merely assume that two K-8 schools are added in each of the next two years, the total cost of the proposals in this bill call for an additional \$46 million in charter school spending, or a 165% increase. This is a staggering sum at a time when the Connecticut General Assembly is considering needed repairs to the school funding formula for local public schools.

I would be happy to provide the Committee with the documentation for these claims. Beyond the high price tag, however, the bill really does bring Connecticut much closer to creating a parallel system of public schools that would compete with local public schools for scarce resources and students.

This, I believe, is also contrary to the spirit of the original law in which legislators believed they were creating a new kind of school that would seed local public schools with ideas and innovations. This was a pervasive sentiment at the time and one that has to date borne little fruit.

If the purpose of spending state funds is to encourage innovation in local public schools, we believe there are more direct and effective ways to do this than to expand charter schools. Over 99% of Connecticut students are not in charter schools. It makes sense to use what additional state funding exists to provide opportunities and assistance to local schools to foster systemic change as another piece of legislation as *Raised Bill No. 1405* does.

Before my remarks depart from the actual text of the *Raised Bill No. 1408*, I want to state for the record that I find it objectionable in yet another way. It seeks to remake Connecticut's system of public school accountability in ways that are complex, arbitrary, and could very well run afoul of federal law. CEA's Director of Policy and Professional Practice will speak more specifically to this issue later.

I would like to use my remaining time to recommend changes to the charter school law that I believe are warranted. The State of Connecticut and local school districts spend a great deal of money on charter schools and this demands greater transparency and accountability than the law currently provides.

CEA is recommending that that the Education Committee amend Sec. 10-66bb(d) to read as follows:

(d) Applications pursuant to this section shall include a description of : (1)The mission, purpose and any specialized focus of the proposed charter school; (2) the interest in the community for the establishment of a charter school; (3) the school governance and procedures for the establishment of a governing council that (A) includes teachers, the local school superintendent or his/her designee and parents and guardians of students enrolled in the school ...

The rationale for this proposal is straightforward. A primary intention of the charter school legislation was the sharing of ideas with local public school systems. This has been occurring on a very limited basis or not at all. Involving a local superintendent on a charter school governing council could build a bridge between the local school district and the charter school without disrupting charter school operations.

Another reason for having superintendents on charter school governing councils is that local public schools provide special education and transportation services to charter schools.

CEA is also recommending that the Education Committee amend Sec. 10-66cc(b) to read as follows:

The governing council of each charter school shall submit annually, to the Commissioner of Education, **a budget consistent with the budget submission date of the local board of education of the municipality in which the state charter school is located and** at such time and in such manner as the commissioner prescribes, and in the case of a local charter school, to the local or regional board of education for the school district in which the school is located, a report on the condition of the school, including (1) the educational progress of students in the schools, (2) the financial condition of the school, including a certified audit statement of all revenues, **including the amount and nature of in-kind services and contributions from any source, and the amount and nature of in-kind services and contributions to any source** and expenditures, (3) accomplishment of the mission, purpose and any specialized focus of the charter school, (4) the racial and ethnic composition of the student body and efforts taken to increase the racial and ethnic diversity of the student body, and (5) best practices employed by the school that contribute significantly to the academic success of students.

The first change proposed in this section would require charter schools to submit annual budgets in a timely fashion. Presently, charter schools are the only public school districts (they are considered independent districts by statute) not required to submit a budget.

Regarding the annual budget of Amistad Academy, James O'Connell, CPA, Amistad Academy's accountant states:

The school is not legally required to adopt a budget. As disclosed in Note 1, an annual budget is approved by the Governing Board as a management tool. *Since an annual budget is not legally required, and since a management budget is subject to ongoing review and potential change, these financial statements do not include comparisons of an adopted budget with actual data on a budgetary basis.* (emphasis added)

In other words, Amistad Academy adopts a budget to guide its operations, but it isn't required to spend its funds in accordance with its budget nor is it required to report on any discrepancy between its budget and the expenditure of funds.

The second change proposed above would require a certified audit of the amount and nature of in-kind services and contributions made to charter schools. We have tried to secure this kind of information from the Achievement First schools and our request has not been met. CEA has filed a Freedom of Information complaint on this matter and it is pending.

If the state of Connecticut is going to continue to spend large sums of money to support charter schools, the details of charter school operations should be transparent to any citizen that requests information on them. It is the only way the state can have reasonable assurance that public funds are being spent as they were intended to be spent. All other public schools can provide this reassurance. Charter schools should also be required to do so.

Thank you for the opportunity to speak with you. I look forward to any questions you might have.