



Connecticut Education

Association

Mark Waxenberg

Connecticut Education Association

Before the Education Committee

Re: SB 943 AAC Charter School Modernization And Reform

February 25, 2015

Governance

Sheila Cohen, President

Jeff Leake, Vice President

Pat Jordan, Secretary

Thomas Nicholas, Treasurer

John Horrigan, NEA Director

Gary Peluchette, NEA Director

Good afternoon Senator Slossberg, Representative Fleischmann, and members of the Education Committee. My name is Mark Waxenberg, Executive Director of the Connecticut Education Association. CEA represents 43,000 active and retired teachers across the state.

Executive Office

Mark Waxenberg

Executive Director

We testify today in support of SB943 AAC Charter School Modernization and Reform, provided that key provisions are added to strengthen the final bill.

We continue to support the goal of charter schools envisioned in 1996 when Connecticut's law was first passed: to serve as educational laboratories (limited in number and scale) that could develop and share new best practices with the traditional public school sector. We are proud that CEA represents teachers in three of the state's first charter schools that began operation in 1997: The Inter-district School for Arts and Communication ("ISAAC" in New London), New Beginnings Charter School (Bridgeport), and Integrated Day Charter School (Norwich), which was planned and developed by CEA.

Policy, Research & Reform

Dr. Linette Branham, Director

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Nearly twenty years have passed since the initial legislation and much has changed. The original law included a cap of two schools per district, 250 students per school, and no more 1,000 students statewide. Today, enrollments are approaching 10% of the student population in Bridgeport and New Haven. And unforeseen in the original legislation was the growth of unaccountable Charter Management Organizations (CMOs). In one example, a single management organization oversees close to 3,000 students, making it larger than school districts like Tolland and Bloomfield. With only minimal growth, its enrollment will soon be larger than that of the Berlin and Windham school districts. Meanwhile, other CMOs are moving their operations into the state.

As a result, Connecticut citizens have a right to expect charter school and CMO laws to, among other things:

- Protect traditional neighborhood schools from losing funding and other resources, resulting in greater inequities in districts where charter schools operate.
- Require local school boards to hold a vote determining whether to permit a state charter school be allowed to operate in the district.
- Include anti-fraud, conflict of interest, and anti-nepotism protections.
- Ensure charters employ highly-qualified teachers who hold state teacher certification.
- Require strong, transparent independent audits for better oversight of public dollars.
- Extend Freedom of Information laws to require open proceedings and public disclosure of financial practices to CMOs that operate schools in the state.
- Require charters to serve high-needs students at the same levels as traditional neighborhood public schools and address excessive charter school student expulsions.

Growing concerns of the expanding charter school industry recently prompted the Annenberg Institute for School Reform to issue a report, [Public Accountability for Charter Schools: Standards and Policy Recommendations for Effective Oversight](#). We believe that the standards included in this report offer sound guidance to Connecticut legislators as they tighten-up gaps and loopholes in charter school laws.

For your convenience, attached to our testimony is a checklist that includes many charter school standards recommended in the Annenberg report. The checklist also includes other key Connecticut-specific provisions that we believe would strengthen the final bill. For your reference, the provisions of SB943 are also shown on the checklist.

Currently, the state sends more than \$100 million to charter schools for annual operating expenses. It is also spending tens of millions of bonding dollars on charter school construction and technology enhancements. In some cases, these state funds are sent directly to CMOs. Additionally, districts where charter schools operate are severely impacted. For example, a recent estimate of the local financial impact of charter schools shows a \$2.9 million cost to the Bridgeport Public Schools (see analysis attached). The overall impact of charters and CMOs simply requires greater scrutiny.

We believe that enacting the attached standards would strengthen public oversight of the charter industry, while allowing charter schools to continue their mission and traditional public schools to succeed in theirs.

Thank you.

Please see checklist on next page

Key Charter School Accountability and Transparency Measures		Page 1
A. Impact on students, local schools, and quality		SB943
Annenberg	State to consider fiscal impact of any new charter school on local district	Not included
Annenberg	State to annually assess impact of charters on local school districts.	Not included
	Require local approval of state charter schools	Not included
	Require Charter School Applications to address racial isolation	Not included
	SBE consideration of fiscal impact of any new charter school on local district	Not included
	Require charter school applications to include student performance benchmarks	Not included
	Base application on state effort to close achievement gaps	Included
	Apply state board performance goals to charter schools	Included
	Base renewal on establishment of communication with local board	Included
	Base renewal on compliance with terms of charter	Included
	Require all teachers to be state certified and highly qualified	Not included
	Prohibit virtual online charter schools	Not included
B. Governance, Transparency, and Oversight		SB943
Annenberg	Charter School boards should be at least 50% parents and have a residency requirement like local school boards	Not included
Annenberg	Require Charter school board members to submit financial disclosures and Conflicts	Not included
Annenberg	Require Charter school board members to disclose conflicts of interest	Included
Annenberg	Make charter board meetings more accessible, with information and minutes posted conspicuously	Not included
	Require CMOs to be subject to Freedom of Information Act	Not included
	Shift random charter school audits from SDE to Auditors	Not included
	Background checks for all staff and Board of Directors of charters and CMOs	Optional in SB943
	Ethics training for all staff and Board of Directors of charters and CMOs	Not included
	Governance training for all staff and Board of Directors of charters and CMOs	Optional in SB943
	Require Charter Schools to adopt conflict of interest and anti-nepotism polices	Optional in SB943
C. Management Contracts		SB943
Annenberg	Make management contracts publicly available	Included
Annenberg	CMO financial disclosure of revenues and expenditures, by school	Not included
Annenberg	Ban charter staff or board members from having a financial relation with CMO	Not included
Annenberg	Ban charters and CMOs using the same attorney	Not included
	State Approval of CMO contracts	Included
	Prohibit CMOs from obtaining state grants for school districts	Not included
	Require charter school to directly compensate their attorney	Included
	Clarify union selection process to include notice to state board	Not included

D. Discipline Policies		SB943
Annenberg	Ensure policies avoid discrimination and are consistent with fed law	Not included
Annenberg	Require discipline policies to be available to public online;	Not included
Annenberg	Require due process, hearings, and parental appeals	Not included
Annenberg	Require reports on disciplinary actions, suspensions and expulsions, by subgroups	Not included
Annenberg	Adopt standards for discipline, include inappropriate disciplinary actions	Not included
E. Enrollment and Retention		SB943
Annenberg	Prohibit charter schools from excluding/discouraging enrollment	Not included
Annenberg	Require Enrollment information posted in multiple languages	Not included
Annenberg	State to annually monitor charter school enrollment & retention trends by subgroups	Not included
Annenberg	Charter schools to report student attrition data; nature, reason, by subgroups	Not included
Annenberg	Attestation by parent and teacher of "voluntary" nature of student withdrawal	Not included
Annenberg	Recapture per pupil funding for attrition/mobility throughout year	Not included
Annenberg	Moratorium on new charter schools until adequate oversight is in place	Not included
	Limit charter school enrollments statewide to 8,000	Not included
	Cap growth of CMOs to less than 10% of a school district	Not included
	Opt-out lottery inclusive of all students in catchment area	Not included
F. Facility equity		SB943
Annenberg	Co-location of charter school in a public school only with consultation with community	Not included
Annenberg	Strong guidelines for co-location of charter schools with other schools	Not included
Annenberg	Annual impact reports on colocations, with community input	Not included
G. Protecting Tax Dollars		SB943
Annenberg	Require charter schools to post financial documents online, including contracts and marketing expenses	Not included
Annenberg	Require disclosure of private property used by charter school, including rent paid and to whom	Not included
Annenberg	Require posting of all large vendor contracts	Not included
Annenberg	Extend Whistleblower protections to charter schools and CMOs	Not included
	Prohibit charter school/CMO from using public funds for marketing or lobbying.	Not included
	Limit compensation of charter school and CMO executives	Not included
	Audit charter schools that have excessive admin fees >120% of local district	Not included

CHARTER SCHOOLS - FISCAL ANALYSIS
2014-15 SCHOOL YEAR

Schools	Total # Bus Routes	# Bus Routes Added 2014-15	# School Days	Transp NOTES	TRANSP COST	SPED TR FTE at Charter School	Special Ed Teachers (annual cost billed by the Charter School to BPS)	Social Worker Service	Psychologist Service	Speech Language Service	Value of Services Provided by BPS-employed staff				GRAND TOTAL
											FTE	Psychologist	Speech Language	Social Worker	
Bridge Academy	6	0	182 D	Tiered-50%	198,351	2	223,330	0.00	0.20	0.10	0	22,333	11,167	455,180	
New Beginnings	6	0	182 D	Tiered-50%	198,351	2	223,330	0.50	0.20	0.30	55,833	22,333	33,500	533,346	
Park City Prep	6	1	182 D	Tiered-50%	198,351	2	178,664	0.50	0.20	0.20	55,833	22,333	22,333	477,513	
Achievement First	12	3	191 D	Partial Tier - 182D	435,936	3	334,995	1.00	0.40	0.80	111,665	44,666	89,332	1,016,594	
Great Oak	2	2	200 D	No Tier=100%	145,312	1	111,665	0.00	0.20	0.00	0	22,333	0	279,310	
Stanford Academy					0		0	0.50	0.20	0.00	55,833	22,333	0	78,166	
Slide by slide					0		0	0.00	0.00	0.50	0	0	55,833	55,833	
Total	32	6			1,176,301	10	1,071,984	2.50	1.40	1.90	279,163	156,331	212,164	2,895,942	
											647,657				

NOTE:
Transportation for Achievement First was calculated at 182 days (BOE) plus 9 additional days.
Transportation for Great Oak was calculated for 200 days.

Cost Factor	2014-15	Res TR	SW	Psy	Sp Lang
Salary	71,000	80,000	79,000	71,000	
Benefits	21,836	21,836	21,836	21,836	21,836
Total	111,665	111,665	111,665	111,665	111,665