A REVIEW AND ASSESSMENT OF THE USE, IMPACT, AND ACCOMPLISHMENTS OF FEDERAL APPROPRIATIONS PROVIDED TO IMPROVE THE EDUCATION OF CHILDREN IN THE DISTRICT OF COLUMBIA

HEARINGS
BEFORE A
SUBCOMMITTEE OF THE
COMMITTEE ON APPROPRIATIONS
UNITED STATES SENATE
ONE HUNDRED ELEVENTH CONGRESS
FIRST SESSION

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A REVIEW AND ASSESSMENT OF THE USE, IMPACT, AND ACCOMPLISHMENTS OF FEDERAL APPROPRIATIONS PROVIDED TO IMPROVE THE EDUCATION OF CHILDREN IN THE DISTRICT OF COLUMBIA

WEDNESDAY, SEPTEMBER 16, 2009

U.S. SENATE,
SUBCOMMITTEE ON FINANCIAL SERVICES AND GENERAL GOVERNMENT,
COMMITTEE ON APPROPRIATIONS,
Washington, DC.

The subcommittee met at 10:05 a.m., in room SD-192, Dirksen Senate Office Building, Hon. Richard J. Durbin (chairman) presiding.
Present: Senators Durbin, Landrieu, Alexander, and Collins.

OPENING STATEMENT OF SENATOR RICHARD J. DURBIN

Senator Durbin. Good morning, I'm pleased to convene this hearing before the Senate Appropriations Subcommittee on Financial Services and General Government, which includes the District of Columbia. The subcommittee's jurisdiction spans an array of responsibilities in Federal departments and agencies, as well as the Federal payments to the District of Columbia. We're here today to review the use and impact of Federal appropriations provided to improve the education of children in the Nation's capital.

I welcome my distinguished ranking member, Senator Susan Collins, Senator Alexander, and other colleagues who will join us during the course of this hearing.

While past hearings in this subcommittee and other committees have focused on various other aspects of Federal funds for the District, this may be the first time in the last 6 years that the Senate has brought together in one forum the key officials of the various education fund recipients and entities, such as the public schools, public charter schools, and the private school Opportunity Scholarship Program (OSP). My objective in this hearing is simple: review and take stock of whether there's a reliable accountability for the use of Federal funds, and if the investment of those funds has succeeded in accomplishing the stated congressional intent, "to improve the quality of education and students' educational achievement, as demonstrated by measurable outcomes of initiatives and programs."
Now that Congress has invested close to $350 million in special Federal payments to support education of District of Columbia children over the past 6 years, over and above the Federal grant funds available to the District, it’s time for an honest appraisal. What difference have these resources made? How do we measure any difference? What progress has been made, in terms of the educational achievement of the children in the District of Columbia? What results can clearly be pointed to? What’s on the horizon?

For decades, the D.C. school system has been plagued with persistent problems, from lagging student academic performance to the condition of school facilities to dysfunctional management. These are not problems unique to the District of Columbia. We find them across America, in many of the cities I represent in Illinois. Sadly, this system has failed many of the children in the District of Columbia, as other systems fail as well.

Public school students in the District chronically perform well below national average. By the time they reach the eighth grade, only 12 percent of D.C. students are proficient in reading, and 8 percent—at 8 percent—are proficient in math, according to the National Assessment of Educational Progress. Only 9 percent of D.C. students go on to graduate from college within 5 years. That’s why Congress got involved, to try to lend some help to these children.

Beginning with the fiscal year 2004 appropriation, Congress has provided a stream of funding for a three-sector approach to school improvement. Congress has provided a total amount of $272.5 million through fiscal year 2009, in directly appropriated Federal funds designated for school improvement in the District of Columbia. These funds are apportioned among public schools, public charter schools, and for the voucher program.

For fiscal year 2010, another $73.4 million is included in the Senate bill approved from this committee in early July. Of the proposed funding, $42.8 million is for public schools, $20 million is specified for charter schools, and $13.2 million is for the voucher schools. Of this latter amount, $1 million is for administration, and another $1 million is provided to cover costs of administering the DC-1014 test to voucher students. These appropriated funds are separate from, and in addition to, Federal funds provided to the District’s State Education Office.

I believe that Mayor Fenty’s decision to assume control of the District public schools, 2 years ago, was the right decision. I have confidence that Chancellor Michelle Rhee is capable of accomplishing significant gains. She has an exciting agenda, and her goal is to make the District the highest performing urban school district by 2014. Over the last 2 years, progress has been made to streamline bureaucracy, recruit more principals, and raise test scores, but there’s still a long way to go.

I also strongly support high-quality charter schools that provide parents and students with another option outside the neighborhood schools. There are currently 57 public charter schools operating on 98 campuses in the District, enrolling more than 28,000. That’s over 35 percent of all District students. Many of these schools are exemplary. The KIPP Academies in the District perform consistently at a higher level than the average D.C. public school. But there are also some charter schools that are not doing well. Any charter schools that are not performing at least as well as the average public school should be improved or closed. Federal funding for charter schools should support the expansion of high quality charter schools in the District, and the improvement of schools that are capable of doing better.

Now let me address the D.C. Opportunity Scholarship Program. Congress established this program as a 5-year pilot in the year 2005. The purpose was to give parents expanded opportunities for sending their children in higher performing schools. I’m not opposed to the concept, but I want to make sure that children receiving vouchers are enrolled in schools that are safe, taught by teachers who are qualified, and receive a better education than is available in public schools.

The Department of Education studied the voucher program, and I didn’t find the results that encouraging. There were no gains for students in the voucher program in math, no statistically significant gains for boys, students who come from failing schools, or for those who started off scoring poorly on the test. Only modest gains for students in reading; 3 months of reading gains over 3 years of the program.

Now, most parents would not give those results high marks. Students in the District need and deserve better. I think it’s time to ask whether investing $13 or $14 million a year for the program that provides only minimal academic progress for its 1,700 students is the best use of funds. The President and Secretary Duncan have proposed allowing current students to remain in the program. I agree with that approach, but have asked for a higher level of accountability.

I’ve suggested that voucher students take the same test as public school students and charter school students, so we can compare their progress. This was hotly debated in the Senate Appropriations Committee. There are three other voucher programs in America—in Cleveland, in Milwaukee, and in New Orleans. As of this year, every one of those voucher programs has their students taking the same test as the students in public schools. This is not a radical idea. It’s one that’s been embraced in all of the other communities that have voucher-type programs.

I’ve also suggested that the schools be subject to review to make sure that the buildings are safe. Is that too much to ask? When I offered that amendment initially, it was rejected by the Senate Appropriations Committee. Now it’s part of our appropriation.

And the third request that the teachers in the voucher schools have—at least in critical subjects—have college degrees. That was another amendment I offered that was rejected when the voucher program was created. It is now part of the law.

And all of those things I’ve just outlined are part of the voucher programs in all three of these other communities. Why would the District of Columbia be any different? It shouldn’t be. We should hold them to that same high standard.

I’ve also suggested the Secretary of Education report to Congress on the quality of participating schools, so that we can be sure students are truly receiving a superior education. It is unacceptable for my staff to contact the agency of the D.C. government and ask for a general report of the names and addresses of voucher schools,
and the number of students—not their names—but the number of students in each school, and what the tuition is at each school, and whether each school has teachers with college degrees, whether the buildings have been inspected to be safe, and to be told by the District of Columbia, "This is confidential information, we’re not going to share it with you."

Well, our staff has gone to work on this, and they’ve gone out looking for these schools. We sent letters directly to these voucher schools, and said, "Tell us this information that the District of Columbia government won’t tell us." We had responses from all five schools. That thing that’s curious is, for the last school year there are 389 missing students. After the schools reported all the students—the voucher schools reported all the students—it doesn’t reach the number 1,700. That’s about $3 million worth of D.C. opportunity scholarships unaccounted for. Are we to guess that there are 389 more students in the five schools that didn’t report?

I think there has to be accountability here. There is in every other State and city where there’s a voucher program. Why wouldn’t we have it in the Nation’s capital?

We continue to send our staff out to take photographs of some of these so-called schools. I have to tell you, I hope there’s inspection going on by the District of Columbia, because in some of these schools the reported number of students in these storefronts is way beyond what appears to be the capacity of the building.

These are fundamental and basic questions we shouldn’t be asking. And thus, this hearing is hopefully going to get into them. Federal funding has helped improve education in the District of Columbia. The funding has helped leverage important reforms and provided many options for parents, but all of these systems need to have sustained improvement, and that’s what we talked about.

As for the voucher program, I believe the Department of Education study makes it clear that there’s still significant unresolved issues about the effectiveness of the program, and questions about its administration, which we’ll discuss.

Before turning to Senator Collins for opening remarks, I note the statement she has written. This statement has been submitted to the committee. I am unanimous consent that these statements be part of the record. Without objection, they will be.

[The statements follow.]

PREPARED STATEMENT OF SENATOR FRANK R. LAUTENBERG

As members of the Senate Appropriations Committee, we have a responsibility to ensure that the programs we fund are open, effective, and accountable. Unfortunately, the DC Opportunity Scholarship program has not met any of these standards. Since its implementation in 2004, the DC voucher program has been unable to prove any significant increase in academic achievement by voucher students. Reports conducted by the U.S. Department of Education have repeatedly found that the program is particularly ineffective for students that come from a “school in need of improvement.” These voucher students, whom the program is targeted to help, have shown a statistically insignificant gain in both math or reading achievement when compared to students in public schools. Furthermore, a 2007 GAO report detailed several serious problems in some of the participating Opportunity Scholarship schools, including unsuitable learning environments, teachers without bachelor’s degrees, and a lack of occupancy permits.

The 2007 GAO report also discussed an alarming lack of accountability in this program. In fact, in the 2007 GAO report not accountable to Congress or the taxpayers, it isn’t even accountable to the parents of the students. Although the Washington Scholarship Fund compiles an annual directory to help parents select schools, it did not collect, disseminated, or correctly reported information that would have helped parents evaluate the quality of these schools, such as the percentage of teachers who held a bachelor’s degree. Even more disturbing, the 2007 GAO report found that Federal tax dollars were spent on private schools that do not even charge tuition.

This type of mismanagement is unacceptable. We cannot justify spending millions of dollars away from the children’s education. The DC public schools have to do without—in order to fund this ineffective program.

At a time when budgets are tight, our first priority must be improving and strengthening public schools, which educate the overwhelming majority of students.

The DC public school system, and its leader Michelle Rhee, has a tough task ahead of them. The continuance of the DC voucher program is doing nothing to improve education in the District of Columbia, and very well may be harming it in the long run.

Thank you Mr. Chairman.

PREPARED STATEMENT OF SENATOR JOE LIBBRERMAN

Thank you, Mr. Chairman and Senator Collins for giving me this opportunity to testify on this morning on the subject of Federal appropriations to improve the education of children in the District of Columbia. As Chairmen of the Senate House of Education and Governmental Affairs Committee—which has jurisdiction over the District of Columbia—I am deeply invested in Federal efforts to improve educational opportunities for all children in our Nation’s Capital. In this regard, I am particularly interested in the Opportunity Scholarship Program (OSP) and hope to work with this Subcommittee to enact a 5-year reauthorization that will allow current and new students to continue to benefit from the program. I also hope we can reinstate the 216 children who were promised a scholarship and had that promise revoked.

Mr. Chairman, for the past several years, this Subcommittee has supported a reasonable, non-partisan, first step under the leadership of Senator Lieberman, to fund education reform in the District of Columbia. Pursuant to this initiative, beginning in 2004 Congress appropriated, in equal amounts, new funds for DC public schools, DC public charter schools, and the Opportunity Scholarship Program (OSP), to aid low-income students who attend a charter school. The OSP is a program that offers disadvantaged students in the District the opportunity to attend a public high school. Starting last year, fewer dollars were appropriated to OS Program than to DC public schools or charter schools.

I believe that this is money well spent—on all three groups. For years the DC public school system has been beset with problems. Though the District has amongst the highest per pupil expenditure in the Nation, students attending public schools score at the bottom on national proficiency tests. DC Chancellor Michelle Rhee, with the backing of Mayor Adrian Fenty, has moved aggressively to turn around schools in the District. She is getting her way, but it is faltering.

Though our schools face many challenges, we have a very strong public school charter school system in the District. Around 18 percent of students in DC public schools are attending public charter schools—but this fact speaks to the success we see in the movement in the District. As a strong and longtime proponent of charter schools, I continue to support the District’s charter schools.

Let me be clear: Each dollar appropriated to the OSP program is a dollar well spent. I strongly urge this Subcommittee to provide funds for the program so that it may continue to flourish. I’d like to submit for the record an article written by Dr. Patrick Wolf, the principal investigator for the Department of Education’s study in the OSP program, which was published in a recent issue of Education Next. Dr. Wolf reports that the OSP program resulted in statistically significant improvements in reading. In fact, when compared to other similar, similarly studied education innovations, I quote, “the reading impact of the DC voucher program is the largest achievement impact ever reported.” Again I quote from Dr. Wolf: “the DC voucher program has proven to be the most effective education program ever shown by the Federal Government’s official education research arm so far.” Dr. Wolf’s study, conducted with the auspices of the Department of Education’s National Center for Education Sciences, also found a high level of student satisfaction with the OSP program.

Mr. Chairman, to date, there is no education program that has yet to result when studied under these rigorous methods. In the OSP authorizing statute
Congress specifically mandated that an evaluation be conducted "using the strongest possible research design for determining the effectiveness of the programs funded." Let me repeat, we asked for the strongest research design possible, and that is what we got in the IES study by Dr. Wolf. We ought to pay attention to that, and not discredit the results of that congressionally mandated study.

I am confident to support the reform efforts of Chancellor Rhee, and have every confidence that she will continue to bring about change to improve the performance of DC public schools. But this is a slow, multi-year process. In the meantime, District schools are still failing our most disadvantaged children. We should use every opportunity at our disposal to provide the best education possible to all children, and the OSP program has clearly been successful in helping to fulfill that goal.

Mr. Chairman, and Senator Collins, this subcommittee has included language in this year's and last year's appropriations bill, accompanying funding for the OSP program, to require that any participating schools have a valid certificate of occupancy, and that core subject matter teachers hold 4-year bachelor's degrees. I support these provisions and I included them in the reauthorization bill I recently introduced with Senators Collins, Feinstein, Byrd, Voinovich, Ensign and Alexander. Our bill, S. 1852, the SOAR Act, also continues the requirement that the program be evaluated using the strongest possible research design, and requires that all participating students be given a nationally norm-referenced test.

On the subject of testing, the Chairman has insisted that OSP students take the same test as students in DC public schools. I note that when the program was first authorized, the District of Columbia public schools were using the same nationally norm-referenced test, the SAT-9 test, as was administered to students in the OSP program. Subsequently, DC public schools changed to use a curriculum-based test, the DC-CAS test. I know Chairman Durbin still has some concerns on this issue. In addition, although we have a congressionally mandated ongoing evaluation of the OSP program, I understand Senator Durbin would also like to evaluate individual schools participating in the OSP program, in which we can work together to address the Chairman's concerns in a way that does not discourage some schools to cherry pick the best students, and does not discourage other schools from participating in the OSP program. Should Congress continue the OSP program, as I hope we do, we want to ensure that we don't make provisions that would cause some of the best students to drop out of the program, or that would result in unintended incentives for schools to drop away from these students who most need it.

Finally, I would like to work with this subcommittee on the matter of the 216 children who were initially promised a voucher to attend private school this year, and whom had that offer withdrawn. Though the school year has already started, I know that many of these families still hold out hope that decision will be reversed so they may seek the educational opportunities their children need. I would note that 50 percent of the 216 students are now assigned to attend a DC school, that is designated as in need of improvement, concentration, or restructuring under No Child Left Behind. They are assigned to schools where the average only 36 percent of the students are proficient in reading or math. These students had their offer of a voucher revoked at a time when many of the charter schools had closed their application process and when the out-of-boundary process was also closed. Here, their options for educational choice were even more limited than they would have been had they never applied for the voucher. We must redress this situation.

In sum, I firmly believe this subcommittee should continue to fund the full District of Columbia Opportunity Scholarship Program, including the OSP program. Furthermore, the OSP program should continue to be open to new students as permitted. Thank you, Mr. Chairman, for this opportunity to testify.

Columbia Opportunity Scholarship Program, funding their vouchers through high school graduation, but denying entry to additional children. Both program supporters and opponents cite evidence from an ongoing congressionally mandated Institute of Education Sciences (IES) evaluation of the program, for which I am principal investigator, to buttress their positions, rendering the evaluation a horse race test of one's ideological position on this fiercely debated issue.

School vouchers provide funds in parents to enable them to enroll their children in private schools and, as a result, are one of the most controversial education reforms in the United States. Among the many points of contention is whether voucher programs in fact improve student achievement. Most evaluations of such programs have found at least some positive achievement effects, but not always for all types of participants and not always in both reading and math. This pattern of results has so far failed to generate a scholarly consensus regarding the beneficial effects of school vouchers on student achievement. The policy and academic communities seek more definitive guidance.

The IES released the third-year impact evaluation of the Opportunity Scholarship Program (OSP) in April 2009. The results showed that students who participated in the program performed at significantly higher levels in reading than the students in an experimental control group. Here are the study findings and my own interpretation of what they mean.

Opportunity Scholarships

Currently, 13 directly funded voucher programs operate in four U.S. cities and six states, serving approximately 65,000 students. Another seven programs indirectly fund private K-12 scholarship organizations through government tax credits to individuals or corporations. About 100,000 students receive school vouchers funded through tax credits. All of the directly funded voucher programs are targeted to students with some educational disadvantage, such as low family income, disability, or status as a foster child.

Nineteen of the 20 school voucher programs in the United States are funded by state and local governments. The OSP is the only federal voucher initiative. Established in 2004 as part of compromise legislation that also included new spending on charter and traditional public schools in the District of Columbia, the OSP is a means-tested program. Initial eligibility is limited to K-12 students in D.C. with family incomes at or below 180 percent of the poverty line. Congress has appropriated $24 million annually to the program, enough to support about 1,700 students at the maximum voucher amount of $7,000. The voucher covers most or all of the cost of tuition, up to the maximum provided. In the 2006-07 school year, 2,631 eligible students had applied for the limited number of Opportunity Scholarships. Recipients are selected by lottery, with priority given to students applying to the program from public schools deemed in need of improvement (SIN) under No Child Left Behind. Scholars and policymakers have since questioned the extent to which SINI designations accurately signal school quality because they are based on levels of achievement instead of the more informative measure of achievement gain over time.

The third-year impact evaluation tracked the experiences of two cohorts of students. All of the students were attending public schools or were rising kindergartners at the time of application to the program. Cohort 1 consisted of 492 students entering grades K-2 in 2004. Cohort 2 consisted of 1,816 students entering grades K-12 in 2006. The 2,308 students in the study make it the largest school voucher evaluation in the United States to employ the "gold standard" method of random assignment.
Methodology Notes

If one's purpose is to evaluate the effects of a specific public policy, such as the District of Columbia Opportunity Scholarship Program (OSP), then the comparison of the average outcomes of the treatment and control groups, regardless of what proportion attended which types of school, is inappropriate. A school voucher program cannot force scholarship recipients to use a private school if they prefer to attend a public school. A voucher, nor can it prevent control group students from attending private school at their own expense. A voucher program can only offer students scholarships that they subsequently may or may not use. Nevertheless, the more offers of a scholarship, in and of itself clearly has no impact on the educational outcomes of students. A scholarship could only change the future of a student if it were actually used. Fortunately, statistical techniques are available that produce reliable estimates of the average effect of using a voucher compared to not being offered one and the average effect of attending private school in year 3 of the study with or without a voucher compared to not attending private school. All three effects estimates—treatment vs. control, effect of voucher use, and impact of private schooling—are provided in the longer version of this article (see "Summary of the OSP Evaluation" at www.edwardsnm.com). Individuals with access to these outcomes are most relevant to their considerations.

I have presented mainly the impacts of scholarship use in this essay. These impacts are computed using the average difference between the outcomes of the entire treatment and control groups—the pure experimental impact—and adjusting for the fact that some treatment students never used an Opportunity Scholarship. Since outcomes could not have been affected by the voucher, the impact of scholarship use can be computed easily by dividing the pure experimental impact by the proportion of treatment students who used their scholarships, effectively removing the impact across scholarship use instead of all treatment students including nonusers. I focus here on scholarship usage because that specific measure of program impact is easily understood, is relevant to policymakers, and preserves the control group as the natural representation of what would have happened to the treatment group absent the program, including the fact that some of them would have attended private school on their own.

Voucher Effects

Researchers over the past decade have focused on evaluating voucher programs using experimental research designs called randomized control trials (RCTs). Such experimental designs are widely used to evaluate the efficacy of medical drugs prior to making such treatments available to the public. With an RCT design, a group of students who all qualify for a voucher program and whose parents are equally motivated to exercise private school choice, participate in a lottery. The students who win the lottery become the "treatment" group. The students who lose the lottery become the "control" group. Since only a voucher offer and mere chance distinguish the treatment students from their control group counterparts, any significant difference in student outcomes for the treatment students is attributable to the program. Although not all students offered a voucher will use it to enroll in a private school, the data from an RCT can also be used to generate a separate estimate of the effect of voucher use (see Methodology Notes).

Using an RCT research design, the ongoing IES evaluation found no impacts on student math performance but a statistically significant positive impact of the scholarship program on student reading performance, as measured by the Stanford Achievement Test (SAT 9). The estimated impact of using a scholarship to attend a private school for any length of time during the 3-year evaluation period was a gain of 5.3 scale points in reading. That estimate provides the impact on average to scholarship students, whether for 1 month, 3 years, or any length of time in between (see Figure 1). Consequently, the estimate should be interpreted as a lower-bound estimate of the 3-year impact of attending a private school, because many students who used a scholarship during the 3-year period did not reenroll in private school throughout the entire period. The data indicate that members of the treatment group who were attending private schools in the third year of the evaluation gained an average of 7.1 scale score points in reading from the program.

Hard Evidence (Figure 1)

The impact of the program on the reading scores of those students who used the scholarship to attend a private school for any period of time grew each year of the program, reaching a statistically significant level by year 3. In math, however, no statistically significant program impacts were detected.

What do these gains mean for students? They mean that the students in the control group would need to remain in school an extra 3 months on average to catch up to the level of reading achievement attained by those who used the scholarship for 1 month, 3 years, or any length of time in between (see Figure 1). Consequently, the estimate should be interpreted as a lower-bound estimate of the 3-year impact of attending a private school. Because many students who used a scholarship during the 3-year period did not reenroll in private school throughout the entire period. The data indicate that members of the treatment group who were attending private schools in the third year of the evaluation gained an average of 7.1 scale score points in reading from the program.
in reading performance relative to their peers in the control group the larger they make use of the scholarship. No trend in program impacts is evident in math.

What explains the fact that positive impacts have been observed as a result of the OSP in reading but not in math? Paul Peterson and Elena Lluch of Harvard University, in a noneperimental analysis of the effects of school sector on student achievement, suggest that private schools may boost reading scores more than math scores for a number of reasons, including a greater content emphasis on reading, the use of phonics instead of whole-language instruction, and the greater availability of well-trained education content specialists in reading than in math. Any one of these explanations for a voucher advantage in reading but not in math are plausible and could be behind the patterns of results observed for the D.C. Opportunity Scholarships. The experimental design of the D.C. evaluation, while a methodological strength in many ways, makes it difficult to connect the context of students' educational experiences with specific outcomes in any reliable way. As a result, one can only speculate as to why voucher gains are clear in reading but not observed in math.

**Student Characteristics**

The OSP serves a highly disadvantaged group of D.C. students. Descriptive information from the first two annual reports indicates that more than 40 percent of students are African American and 9 percent are Hispanic. Their family incomes averaged less than $20,000 in the year in which they applied for the scholarship.

Overall, participating students were performing well below national norms in reading and math when they applied to the program. For example, the Cohort 1 students had initial reading scores on the SAT-9 that averaged below the 54th National Percentile Rank, meaning that 76 percent of students in their respective grades nationally were performing higher than Cohort 1 in reading. In this way, these descriptive data show how means tests and other provisions to target school voucher programs to disadvantaged students serve to minimize the extent of cream-skimming. The OSP reached a population of highly disadvantaged students because it was designed by policymakers to do so.

**Did Only Some Students Benefit?**

Several commentators have sought to minimize the positive findings of the OSP evaluation by suggesting that only certain subgroups of participants benefited from the program. Martin Carnoy states that “the treated students in Cohort 1 were concentrated in middle schools and the effect on their reading score was significantly higher than treated students in Cohort 2.” Henry Levin likewise asserts that “the evaluators found that receiving a voucher resulted in no advantage in math or reading test scores for either low achievers or students from SNII schools.”

The actual results of the evaluation provide no scientific basis for claims that some subgroups of students benefited more in reading from the voucher program than other subgroups. The impact of the program on the reading achievement of Cohort 1 students did not differ by a statistically significant amount from the impact of the program on the reading achievement of Cohort 2 students. Carnoy’s claim notwithstanding, Nor did students with low initial levels of achievement and applicants from SNII schools experience significantly different reading gains from the program than high achievers and non-SNII applicants. The mere fact that statistically significant impacts were observed for a particular subgroup does not mean that impacts for that group are significantly different from those not in the subgroup. For example, Group A and Group B may have experienced roughly similar impacts, but the impact for Group A might have been just large enough for it to be significantly different from zero (or no impact at all), while Group B’s quite similar means fell just below that threshold.

From a scientific standpoint, three conclusions are valid about the achievement results in reading from the year 3 impact evaluation of the OSP:

1. The program improved the reading achievement of the treatment group students overall.
2. Overall reading gains from the program were not significantly different across the various subgroups examined.
3. Three distinct subgroups of students—those who were not from SNII schools, students scheduled to enter grades 6-8 in the fall after application to the program, and students in the higher two-thirds of the performance distribution (whose average reading test scores at baseline were at the 37th percentile nationally)—experienced statistically significant reading impacts from the program when their performance was examined separately. Female students and students in Cohort 1 saw reading gains that were statistically significant with reservations due to the possibility of obtaining false positive results when making comparisons across numerous subgroups.

**Why examine and report achievement impacts at the subgroup level, if the evidence indicates only an overall reading gain for the entire sample?** The reasons are that Congress mandated an analysis of subgroup impacts, at least for SNII and non-SNII students, and because analyses at the subgroup level might yield more conclusive information about disproportionate impacts for certain types of students.

**Expanding Choice**

The OSP facilitates the enrollment of low-income D.C. students in private schools of their parents’ choosing. It does not guarantee enrollment in a private school, but the $7,300 voucher should make such enrollments relatively common among the students who won the scholarship lottery. The eligible students who lost the scholarship lottery and were assigned to the control group still might attend a private school but would have to do so by drawing on resources outside of the OSP. At the same time, students in both groups have access to a large number of public charter schools.

The implication is that, for this evaluation of the OSP, winning the lottery does not necessarily mean private schooling, and losing the lottery does not necessarily mean education in a traditional public school. Members of both groups attended all three types of schools—private, public charter, and traditional public—in year 3 of the voucher experiment, although the proportions that attended each type differed markedly based on whether or not they won the scholarship lottery (see Figure 2). In total, about 81 percent of parents placed their child in a private or public school of choice three years after winning the scholarship lottery, as did 46 percent of those who lost the lottery. The desire for an alternative to a neighborhood public school was strong for the families who applied to the OSP in 2004 and 2005.
Making the Best of It (Figure 2)

Nearly half the students who lost in the scholarship lottery nonetheless attended schools of choice.

![Graph showing enrollment data]

These enrollment patterns highlight the fact that the effects of voucher use reported above do not amount to a comparison between “school choice” and “no school choice.” Rather, voucher users are exercising private school choice, while control group members are exercising a small amount of public school choice and a substantial amount of public school choice. The positive impacts on reading achievement observed for voucher users therefore reflect the incremental effect of adding private school choice through the OSP to the existing schooling options for low-income D.C. families.

Parent Statification

Another key measure of school reform initiatives is the perception among parents, who see firsthand the effects of changes in their child’s educational environment. Whenever school choice researchers have asked parents about their satisfaction with schools, those who have been given the chance to select their child’s school have reported much higher levels of satisfaction. The OSP study findings fit this pattern. The proportion of parents who assigned a high grade of A or B to their child’s school was 11 percentile points higher if they were offered a voucher, 12 percentile points higher if their child actually used a scholarship, and 21 points higher if their child was attending a private school in year 3, regardless of whether they were in the treatment group. Parents whose children used an Opportunity Scholarship expressed greater confidence in their children’s safety in school than parents in the control group.

Additional evidence of parental satisfaction with the OSP comes from the series of focus groups conducted independently of the congressionally mandated evaluations. One parent emphasized the expanded freedom inherent to the program:

“The OSP gives me the choice to, freedom to attend other schools than D.C. public schools ... I just didn’t feel that I wanted to put him in D.C. public school and I had the opportunity to take one of the scholarships, so, therefore, I can afford it and I’m glad that I did do that.” (Cohort 1 Elementary School Parent, Spring 2008)

Another parent with two children in the OSP may have hinted at a reason achievement impacts were observed specifically in reading:

“They really excel at this program, ‘cause I know for a fact they would never have received this kind of education at a public school ... I listen to them when they talk, and what they are saying, and they articulate better than I do, and I know it’s because of the school, and I like that about them, and I’m proud of them.” (Cohort 1 Elementary School Parent, Spring 2008)

These parents of OSP students clearly see their families as having benefited from this program.

Previous Voucher Research

The IES evaluation of the DC OSP adds to a growing body of research on means-tested school voucher programs in urban districts across the nation. Experimental evaluations of the achievement impacts of publicly funded voucher and privately funded K-12 scholarship programs have been conducted in Milwaukee, New York City, the District of Columbia, Charlotte, North Carolina, and Dayton, Ohio. Different research teams analyzed the data from New York City (three different teams), Milwaukee (two teams), and Charlotte (two teams). The four studies of Milwaukee’s and Charlotte’s programs reported statistically significant achievement gains overall for the members of the treatment group. The individual studies of the privately funded K-12 scholarship programs in the District of Columbia and Dayton reported overall achievement gains only for the large subgroup of African American students in the program. The three different evaluations of the New York City privately funded scholarship program were split in their assessment of achievement impacts: One research team reported no overall test-score effects, but did report achievement gains for African American students, the third team claimed there were statistically significant test-score impacts overall for any subgroup of participants.

The specific patterns of achievement impacts vary across these studies, with some gains emerging quickly, while others, like those in the OSP evaluation, taking at least three years to reach a standard level of statistical significance. Earlier experimental evaluations of voucher programs were somewhat more likely to report achievement gains from the programs in math than in reading—the opposite of what was observed for the OSP. Despite these differences, the bulk of the available, high-quality evidence on school voucher programs suggests that they do yield positive achievement effects for participating students.

CONCLUSIONS

School voucher initiatives such as the District of Columbia Opportunity Scholarship Program will remain politically controversial in spite of rigorous evaluations such as this one, showing that parents and students benefited in some ways from the program. Critics will continue to point to the fact that impact of the program have been observed in math, or that applicants from SII students, who were a service priority, have not demonstrated statistically significant achievement gains at the subgroup level, as reasons to characterize these findings as disappointing. Certainly the results would have been even more encouraging if the high-priority SII students had shown significant reading gains as a distinct subgroup. Still, in my opinion, the bottom line is that the OSP lottery paid off for those students who won it. On average, participating low-income students are performing better in reading because the federal government decided to launch an experimental school choice program in our nation’s capital.

The achievement results from the D.C. voucher evaluation are also striking when compared to the results from other experimental evaluations of education vouchers. The National Center for Education Evaluation and Regional Assistance (NCEER) at the IES has sponsored and overseen 11 studies that are RCTs, including the OSP
evaluation. Only 3 of the 11 education interventions tested, when subjected to a rigorous evaluation, have demonstrated statistically significant achievement impact and accounted for over 50 percent of the increased math achievement impact per student reported in an NCRE test. A second program was found to increase reading achievement by about 100 percent reported to have boosted math achievement by less than half the amount of the education impact. Of the remaining eight NCRE-sponsored DC voucher program, six of them found no statistically significant achievement impact over their respective programs. Many of these studies are in their early stages and might report more impressive achievement results in the future. Still, the D.C. voucher program has proven to be the most effective educational policy evaluation by the federal government's official educational research arm so far.

The experimental evaluation of the District of Columbia Opportunity Scholarship Program is continuing into its fourth and final year of studying the impacts on students and parents. The final evidence collected from the District may confirm that the NCRE accumulated in achievement gains in reading and higher levels of parental satisfaction have made little difference to the program that were evident after three years. Or show that those who gathered in Freedom Plaza in May are only guaranteed one final year in their chosen private schools. What will policymakers see as they continue to consider the results of this evaluation? The educational futures of a group of low-income D.C. schoolchildren hinge on an answer.

Senator DURBIN, Senator Collins.

STATEMENT OF SENATOR SUSAN COLLINS

Senator COLLINS. Thank you, Mr. Chairman.

Mr. Chairman, let me first thank you for holding this important oversight hearing. We do need accountability, transparency, and oversight. That is the only way we can begin to determine what the accountability of the Federal investment that we've made is producing. So, I completely support your efforts to get as much data and information as possible. That is absolutely critical.

The key leaders involved in transforming the District of Columbia's education system are here today to discuss the visions and the plans for fixing the city's broken school system. Many of these, like Chancellor Michelle Rhee, are working hard and effectively to transform D.C.'s schools, always with a relentless focus on what is best for the students. And that has to be our concern and our motivation.

There is, as the chairman has indicated, much work to be done. According to the Federal Department of Education, the District's per-pupil expenditures are the third highest in the Nation, but that large investment is bearing little fruit. The Department of Education's National Assessment of Education Progress ranks the District's schools dead last in the Nation. That is a disgrace, that in the capital city of our great Nation we are failing the students who live here.

According to 2007 data, only 14 percent of fourth graders are reading and calculating at a proficient level. For eighth graders, only 11 percent are reading at a proficient level, while 12 percent are proficient in math. D.C.'s students SAT scores are some of the lowest in the Nation. The D.C. graduation rate, as the chairman's indicated, is less than 50 percent, compared to a national average graduation rate of nearly 70 percent. Only 9 percent of D.C. students entering the ninth grade will complete a college degree.

These low standings and poor test scores stand in stark contrast to the amount of per-pupil spending in the District. According to the information I have, the District spent $15,500 per pupil last year. That's far greater than the national average of $9,800. Compared to the rest of the country, the District is spending $6,000 more per child, and getting a fraction of the results.

It's so troubling to me that one-third of the public schools in the District have no art or music education programs. Many school facilities remain open even though they are run down or perhaps even unsafe. And that's why I support the chairman's insistence that, no matter where these students are going to school, there should be inspections to make sure they're in safe facilities.

And we've seen the results of these educational failures. It contributes to the very high adult illiteracy rate in the District.

Mr. Chairman, I've cited these grim statistics, not because I think this is hopeless; I'm not pessimistic about the future, or our ability to change these schools—but because I want this hearing to be a clarion call for action. This dire situation demands our urgent attention, and I know that every one of us here is united toward the common goal, even if we may disagree about how to get here.

I support the Chancellor's ambitious plans. I'm eager to hear more details and what she needs to accomplish her goals.

D.C. charter schools are offering an alternative. It's very telling to me that 28,000 students and parents have chosen charter schools because they're so dissatisfied with their neighborhood schools. I think that's an impressive figure, given that the first charter school was established in the District only about a dozen years ago. But, the chairwoman's right, those schools should be providing us with information. We need more transparency.

And, as the chairwoman indicated, almost 20,000 low-income D.C. schoolchildren are participating in the federally funded program to use scholarships to attend 88 different private schools throughout the city. Now, I don't think that vouchers are a panacea. And in some areas of the country, they're not appropriate at all. But, in this case, they do provide an innovative way to offer children in the District better educational opportunities, and that is why I support them.

I've talked to parents who have told me how the opportunity scholarships have changed the lives of their children and of their families.

We have had the first evaluation. I view it more favorably than does my friend and colleague. I think it is significant that there have been gains in reading, of 3 months. That's a significant change. And unlike the voucher programs in many other cities, we see tangible results. I will also say that it takes awhile, that you don't see these results overnight, that the first year is usually a transition year, where you don't see the gains.

So, I think all of us have the same goals. Let's get there together. When youngsters lose a chance to receive a good education, to receive even a decent education, we are consigning them to a lifetime of limited choices and poor opportunities, and I can't live with that for the capital city of our country. And that's why I support the three-pronged approach. Let's improve our public schools, let's support our charter schools, and let's give the opportunity for D.C.
SCHOLARSHIPS TO PRIVATE SCHOOLS SO THAT WE CAN GIVE A BETTER EDUCATION TO MORE OF THE STUDENTS IN THIS CITY.

THANK YOU, MR. CHAIRMAN.

SENATOR DURBIN. THANK YOU, SENATOR COLLINS.

SENATOR ALEXANDER, DO YOU HAVE AN OPENING STATEMENT?

I'M SORRY, SENATOR LANDRIEU. I DIDN'T SEE YOU COME IN. I APOLOGIZE.

SENATOR LANDRIEU. THAT'S PERFECTLY FINE, AND I DO HAVE JUST A FEW COMMENTS.

STATEMENT OF SENATOR MARY L. LANDRIEU

SENATOR LANDRIEU. FIRST, I WANT TO BEGIN BY THANKING YOU, MR. CHAIRMAN AND THE RANKING MEMBER, FOR YOUR EXCELLENT OPENING STATEMENTS. VERY THoughtFUL, VERY PASSIONATE, AND BOTH VERY, VERY ENCOURAGING.

AND I KNOW IF THERE'S ANY SUBCOMMITTEE THAT CAN TAKE THIS ON AND STRUCTURE IN A WAY THAT CAN UNITE US IN OUR COMMON GOAL TO AS THE—BOTH OF YOU JUST SAID—TO GIVE EVERY CHILD A FIGHTING CHANCE FOR A DECENT EDUCATION AS QUICKLY AS WE CAN POSSIBLY DO IT, THIS SUBCOMMITTEE CAN. AND THE SENATORS—SENATOR—NO ONE HAS TAKEN A GREATER INTEREST OR SPENT MORE TIME. I HAPPEN TO SIT NEXT TO SENATOR DURBIN IN THE APPROPRIATIONS COMMITTEE, SO I AM AN EXPERT ON THIS SUBJECT BECAUSE I HEAR WHAT HE SAYS BOTH ON AND OFF THE RECORD, AND I KNOW THIS IS OF GREAT CONCERN TO HIM, AND I SO ADMIRE HIS LEADERSHIP.

SO, I'M GOING TO SUBMIT THE REST OF MY STATEMENT FOR THE RECORD. BUT, I WOULD LIKE TO SUBMIT FOR THE RECORD THE EXCELLENT DOCUMENTATION PRESENTED ON BEHALF OF THE CHARTER SCHOOLS IN THE DISTRICT OF COLUMBIA THAT HAVE ONLY SECOND IN NUMBER TO THE CITY OF NEW ORLEANS, WHERE WE'RE EXPERIENCING TREMENDOUS GAINS IN OPPORTUNITIES THROUGH CHOICE, SENATOR DURBIN, IN PUBLIC SCHOOL CHOICE, IN TERMS OF OUTSTANDING TEST SCORES, PARENTAL SATISFACTION, THE ABILITY TO REPEL OR TAKE BACK CHARTERS IF THEY'RE NOT WORKING, THE ACCOUNTABILITY THAT YOU SPOKE ABOUT SEEMS TO BE THERE, BUT WE COULD ALSO IMPROVE.

BUT, I AM CONCERNED ABOUT THE BUILDING ISSUE, ALWAYS HAVE BEEN, FOR CHARTER SCHOOLS, THE RESTRICTION ON PUBLIC BUILDINGS FOR CHARTER SCHOOLS, AND THEIR SAFETY AND—AND... SO, I'M NOT GOING TO TAKE MORE TIME, BECAUSE I WANT TO HEAR THE PANEL. I'LL SUBMIT MY STATEMENT TO THE RECORD.

BUT, I JUST WANT TO THANK YOU BOTH FOR YOUR ATTENTION AND YOUR SUPPORT.

SENATOR DURBIN. WITHOUT OBJECTION, YOUR STATEMENT WILL BE INCLUDED. THANK YOU, SENATOR LANDRIEU.

SENATOR ALEXANDER.

STATEMENT OF SENATOR LAMAR ALEXANDER

SENATOR ALEXANDER. THANKS, SENATOR DURBIN.

I, TOO, WANT TO THANK YOU FOR THE HEARING. AND I KNOW YOUR DEEP INTEREST IN THIS, AND STRONG FEELINGS ABOUT IT. AND I THINK THE MORE OVERSIGHT WE HAVE, THE MORE ACCOUNTABILITY WE HAVE, THE MORE LIKELY THESE PROGRAMS ARE TO SUCCEED. SO, I WELCOME THIS. AND I THINK WE SHOULD HAVE THEM REGULARLY. I DON'T KNOW HOW OFTEN THAT IS, BUT I THINK THIS IS A VERY GOOD THING. I THANK YOU FOR IT, AND I THANK YOU FOR THE WAY YOU'RE APPROACHING IT.

AND I THANK SENATOR COLLINS FOR HER STATEMENT. AND I KNOW OF SENATOR LANDRIEU'S PIONEERING WORK IN NEW ORLEANS ON CHARter SCHOOLS.


I KNOW THE CHARTER SCHOOLS WORK, BECAUSE I'VE SEEN THEM WORK, AND I'VE BEEN IN—I WAS WITH SECRETARY ARNE DUNCAN THE OTHER DAY, WHO I—I DON'T THINK PRESIDENT OBAMA'S MADE A BETTER APPOINTMENT THAN ARNE DUNCAN, THE SECRETARY OF EDUCATION. I WENT WITH HIM TO A CHARTER SCHOOL IN MEMPHIS, WHERE I'D VISITED 5 YEARS AGO, AND THESE WERE KIDS WHO WERE LEAST LIKELY TO SUCCEED. THEY WERE TAKEN FROM FAILING SCHOOLS, ALL MINORITY KIDS. I WENT IN THERE ON THE EASTER HOLIDAYS, AND THEY WERE IN SCHOOL; 8TH GRADERS TAKING 10TH GRADE AP BIOLOGY TESTS. NOBODY ELSE IN THE STATE WAS DOING THAT—TAKING THOSE COURSES DURING EASTER WEEKEND. LAST WEEK, WHEN SECRETARY DUNCAN AND I WERE THERE—THEY'RE ALL GRADUATING THIS YEAR. SO, THEY'RE GREAT SUCCESS STORIES.

SO, THE QUESTION IS, ARE THEY WORKING HERE? THAT'S WHAT WE'RE HERE TO TRY TO FIND OUT—NOT WHETHER THEY'RE GOOD IDEAS OR BAD IDEAS. AND I THINK VOUCHER PROGRAMS CAN WORK, IN APPROPRIATE PLACES.

WE HAVE OUR BIGGEST PILOT PROGRAM—IT'S SOMETHING WE CALL AMERICAN HIGHER EDUCATION. YOU KNOW, WE SPEND $18 OR $20 BILLION A YEAR ON WHAT WE CALL—ON PELL GRANTS, THOSE ARE VOUCHERS—AND WE HAVE $76 BILLION IN STUDENT LOANS, THOSE ARE VOUCHERS, AND THEY FOLLOW STUDENTS TO CATHOLIC UNIVERSITY, AMERICAN UNIVERSITY, BRIGHAM YOUNG, ALL SORTS OF SCHOOLS. AND THEY NOT ONLY PROVIDE OPPORTUNITY, THEY PROVIDE WHAT IS INARIABLELY THE GREATEST SYSTEM OF HIGHER EDUCATION IN THE WORLD. SO, I'VE ALWAYS WONDERED, IF IT WORKS SO WELL IN HIGHER ED, WHY DON'T WE TRY IT MORE OFTEN IN ELEMENTARY AND SECONDARY EDUCATION?

SO, THE QUESTION IS NOT WHETHER VOUCHERS ARE GOOD OR BAD IDEA, BUT WHETHER THE OPPORTUNITY SCHOLARSHIP IS WORKING HERE.

SO, I REALLY DO APPRECIATE, SENATOR DURBIN, YOUR HAVING THE HEARING, AND I'M INTERESTED IN LEARNING AS MUCH AS I CAN TODAY.

I THANK THE WITNESSES FOR COMING.

SENATOR DURBIN. THANK YOU VERY MUCH.

I WELCOME THE FIRST PANEL. AND I WOULD LIKE, AT THIS POINT, TO INTRODUCE MICHELLE Rhee, THE CHANCELLOR OF THE D.C. PUBLIC SCHOOLS. I UNDERSTAND SHE HAS SOME SCHEDULING CHALLENGES, SO WE ARE GOING TO TRY TO MOVE QUICKLY THROUGH THE PANEL AND DIRECT OUR QUESTIONS TO YOU.

CHANCELLOR, PLEASE PROCEED.
STATEMENT OF MICHELLE RHEE, CHANCELLOR, DISTRICT OF CO- LUMBIA PUBLIC SCHOOLS

Ms. Rhee. Good afternoon, Chairman Durbin, Ranking Member Collins, and members of the subcommittee.

I'm honored to testify today about the use of Federal funds to support education reform in the District of Columbia public schools. 

Beginning in June 2007, with less than 15 percent of students on grade level in math and reading, and with 70 percent of our children living in poverty, Mayor Fenty set an ambitious goal for our Nation's capital, to address poverty through the education of the city's children. With a great sense of urgency, and as part of the city's larger plans, DCPS aims to create an entire school dis- trict in which academic achievement matches or exceeds that of the suburbs.

Data indicates that, despite facing sobering statistics of low performance, individual schools in urban districts have accomplished proficiency rates of 90 percent or greater, even in the poorest of neighborhoods and the most challenging of circumstances.

With Federal support, we are moving quickly, but intentionally, to accomplish this goal on a District-wide scale. Our ambition is backed by more than just a belief in justice in education for all children, regardless of race, socioeconomic circumstance, or individual learning needs. It is backed by the researched best practices that have narrowed racial achievement gaps in other cities, and we have begun to do so for the first time in our Nation's capital.

Also understanding that nobody has yet definitively solved the problems of urban education, we are adding targeted innovations in these practices, strategically attacking the most persistent challenges to student achievement from every viable angle.

DCPS ACHIEVEMENTS

Federal funds have been well spent in the last 2 years. For the second year in a row, DCPS students have achieved gains on our annual standardized test, the D.C. Comprehensive Assessment System, or the DC-CAS. Such gains are unusual in the second year of a new administration, especially after significant first-year gains. Thus, we are pleased that in 2009, continuing the trend of District-wide achievement in 2008, our principals and teachers drove growth across all grade levels, and in both reading and mathematics.

In just 2 years, students have narrowed the achievement gap in secondary math by 20 percentage points, from a 70-percent gap to a 50-percent gap. And the gap has also narrowed across all grade levels and subject areas. In fact, virtually every subgroup of students demonstrated proficiency gains this last year, including our students with special education needs, English language learners, and economically disadvantaged students. ELL students, in fact, are outperforming the District as a whole in elementary reading, and we are incorporating that in secondary reading over 2 years.

When Mayor Fenty took over the schools in 2007, only one-third of our students were on grade level in reading and mathematics. That ratio has moved to one-half. Of course, the fact that only one-half of our students are proficient is not cause for celebrat-
schools without counselors, but with oversized—but we had an oversized central office staff.

We addressed these inequities immediately by revising the way school budgets were constructed, adopting a comprehensive staffing model to ensure that all students had access to art, music, and physical education teachers, as well as librarians, counselors, and full-time nurses.

My grandmother had recently moved her academically struggling grandson from a charter school to Plummer Elementary School, which received the full comprehensive school model as a high-need school. Happy about the help her grandson is receiving, she shared her experience with us. From her quote, “The principal got the reading specialist to come to our house, the psychologist came to our house. He got a math tutor. The school makes you feel wanted.”

Federal funds helped to expand this equity throughout the comprehensive school model, and other ways, including theme schools for more parents when their neighborhood school is failing, and increasing instructional time to address the 70 percent achievement gap we discovered in some schools and subject areas.

We are grateful for the Federal funds that have been brought to us at this point, and now, beginning the 2009–2010 school year, we are entering an exciting new phase in which the hard work of the past 2 years is now hitting schools and classroom instruction, where our focus belongs.

I know I’m running out of time, and we want to get to the questions, so I just want to highlight a few things that the 2010 money will be used for.

PROPOSED USE OF REQUESTED FUNDING

First, there’s a lot of discussion these days about how—what the right way to evaluate teachers is. And we really believe in holding teachers accountable, and using student achievement gains and test scores as one part of the way that a teacher should be evaluated. But, it should not be the only lens through which we look at teacher effectiveness. So, we’re putting in place, this year, an incredibly comprehensive and new model for the evaluation of teachers, which will include a value-added assessment of how much gains in academic achievement a certain teacher makes in a given academic year, taking into account where their specific students started when they got them at the beginning of the year, and where they ended up when they left them at the end of the year.

We also are adding what we call master educators to the system, and these will be federally funded, as well. The way that this works is, we had teachers who were coming to us and saying that they didn’t trust the way the principal was evaluating them. They either had personal issues with the principal, or some people would say, “Look, our principal was a high school gym teacher, and I teach pre-K autistic kids.” You know, “My principal isn’t able to evaluate my practice particularly well.”

So, our master educators are 36 educators that we have recruited from across the country. They will be going into every single classroom of every single teacher across the city. There will be grade-level and subject-area experts, who are external from the school, who will be able to do a peer evaluation of the teachers. So, that’s something that we’re really proud of.

DCPS INITIATIVES

A number of the other initiatives in 2010 will be turning around failing schools; using data to drive decisions in instructions; creating innovative incentives for students to excel in school; providing one-on-one support to students who need academic intervention; ensuring equity so that students in all wards have the resources they need; expand and improve early childhood education; and attract and reward strong principals and teachers.

I have put the rest of my testimony on record, so I’m happy to answer any questions.

Senator DURBIN. And it will be part of the permanent record.

Thank you very much.

[The statement follows:]
When Mayor Fenty took over the schools in 2007, only one-third of our students were on grade level in reading and math. Today, this ratio has improved to one-half, but given where we once were, this is evidence of progress and hope.

We would like to highlight just a few priorities that Federal funding has supported in 2009 with $40 million, and that we have requested for 2010 with $43.2 million. We will be happy to answer any questions afterward about the more detailed documents previously submitted.

**USE OF FEDERAL FUNDS IN 2009**

In anticipating district needs for 2009 we were cognizant of the significant front-end support that would be necessary to turn a district from under 15 percent proficiency to over 90 percent proficiency in future years. Projected in 2007 before the thorough assessment of the school system was complete, we are pleased that the majority of the reforms we anticipated for 2009 progressed as planned, even ahead of schedule (see the district by clearing under-enrolled schools). Our 2009 initial request also included additional Federal support to jumpstart the system, and we have actualized these plans in a number of ways:

- **Principal Recruitment and Training.** After a nationwide aggressive principal recruitment campaign and competitive selection process that included community panels of the top candidates, we replaced 66 principals for the 2009–2010 school year and 26 in 2009–2010. We revamped our new principal orientation to better reflect adult learning and launched the Principals Academy to provide regular professional development support as well as the sharing of best practices among principals.

- **New School Programs in High Need Areas.** We added a variety of programs backed by research-based practices in 2008–2009 and 2009–2010. We expanded access to Early Childhood Education adding Reggie Enrich programs (similar to Montessori), added the Schoolwide Applications Model, or SAM, to improve the delivery of special education services. We also used Federal funds to turn around failing schools through partnerships with organizations that have successfully achieved this in other districts.

- **Increased Data Reporting.** After discovering 27 disconnected data systems holding redundant information—systems that did not communicate with one another—we found severe problems with DCPS data integrity, one of the most serious and unnecessary challenges we face. With 2009 Federal funds, as planned, we continued our overhaul of student information systems to upgrade the database that will allow us to engage parents more fully in students’ progress.

- We also began the process of creating a School Scorecard—"report card" which we look forward to releasing in 2010. The Scorecard will contain the school performance data that parents and families prioritize in an extensive engagement process. This is a large step we have taken to increase transparency, accountability, and parent engagement in reforms.

- **Increasing High Achievement.** One of the cornerstones of the reforms we stated in 2008–2009 was (a) to create the highest quality educators to every school. In part this means providing competitive salaries, as well as additional rewards for students in student achievement gains. Our negotiations with the Washington Teachers Union (WTU) in 2009, and we remain hopeful that we will see the gains projected in 2007 regarding teacher compensation. As we do, we can reward our hard-working and successful teachers and exit those from the system who are not.

- The systems that most desperately need our Nation's highest performers often have the most difficulty retaining, attracting and supporting such professionals through compensation that drives results. But with Federal funds in 2009, and we remain hopeful that we will see the projections regarding teacher compensation. As we do, we can reward our hard-working and successful teachers.

- The systems that most desperately need our Nation's highest performers often have the most difficulty retaining, attracting and supporting such professionals through compensation that drives results. But with Federal funds in 2009, and we remain hopeful that we will see the projections regarding teacher compensation. As we do, we can reward our hard-working and successful teachers.

**Increasing Equity in Distribution of Resources in 2009**

Of course, once we conducted an accurate data assessment about the state of the system, we adjusted our spending strategies to advance the priorities we had outlined in our projection while also addressing related post-assessment needs. For example, we found that in low-income neighborhoods, many schools in these neighborhoods did not have PE teachers. Students with mental health challenges were in schools without counselors but with overworked central office staff.

We were previously concerned with these inequities immediately by reducing our school budgets were constructed, adopting a Comprehensive Staffing Model (CSM) to ensure that all students had access to arts, music, and PE teachers, as well as librarians, counselors, and nurses. One grandmother had recently moved her academically struggling grandchildren from their charter school to Plummer Elementary School, which received the full CSM model at a high-need school. Happy about the help they received, they called us to come to our home. The psychologist came to the reading in our home that makes you feel wanted.

Federal funds helped to expand equity through the CSM and other ways, including targeted schools to show parents when their neighborhood school was failing, and increasing instructional time to address the 70 percent achievement gap that is discovered in some schools and subject areas. We are grateful for the Federal funds that have brought us to this point. Now at the beginning of the 2009–2010 school year, we are entering an exciting new phase in which the hard work of the past 2 years is now hitting schools and classroom instruction, where our focus belongs.

**PLANS FOR REQUESTED FEDERAL FUNDS FOR 2010**

As submitted to this body in June of this year, plans for 2010 Federal spending will fund programs and strategies to continue expanding educational equity, tailor the innovative solutions to the most stubborn challenges urban education.

- **Teacher quality support represents the greatest funding request in 2010 of the $43.2 million in 2010.**

**Federal Funds to Improve Teacher Quality**

- **Children have been capable of doing their jobs through decades of systemic failure to educate them according to their rights and capabilities. The data is indisputable. Children from every background and circumstance have faced heartbreaking realities in the District of Columbia, and despite them they have learned to read, write, and do arithmetic. They have not done it, however, without excellent teachers. The most important reforms we can make are those that retain, support and attract the people who move children from potential to achievements. The more teachers we have who are able to achieve these results, the faster DCPS will become a system that excels children services.**

**Without high quality teachers the achievement gap will not close and DCPS children will not be educated according to the rights this Nation provides them. We trust support a cadre of teachers that is singularly focused on student achievement—giving them clear direction about what good teaching looks like, and reward them when we see the gains we are asking them to reach with students.**

**Compensation ($10 Million)**

- The school systems that most desperately need our Nation's highest performers often have the most difficulty retaining, attracting and supporting such professionals through compensation that drives results. But with Federal funds in 2009, and we remain hopeful that we will see the projections regarding teacher compensation. As we do, we can reward our hard-working and successful teachers.

**Master Educators ($2.8 Million)**

- Assessing high-quality teaching effectively is one of the most challenging pursuits in education. We sought input from teachers to create their own assessment system as well as the master educator position. Through this process teachers expressed a need for third party, separate from school politics and other factors, to assess their work.

- The position that the person assessing a teacher's work would have expertise in his or her content area. For example, it is inappropriate for a former PE teacher to be evaluating a special education teacher.

**New Standards for Classroom Practice, rather than assessments based on a single observation, which has occurred in the past.**
We have incorporated these priorities in the master educator role, recruiting content-area experts who have faced and overcome teaching's toughest obstacles. As a result, teachers are beginning to share their confidence that their work will be appreciated through a fair and transparent process.

No public school district has yet accomplished this kind of overhaul in the way it attracts, recognizes and rewards its educators, who are the most powerful hope we have to address poverty through education in this country. With Federal support, our Nation's capital can be the first.

Other 2010 Initiatives

In addition to Federal funding to support local quality in 2010, we have prioritized a number of other critical initiatives to:

- turn around failing schools;
- use data to drive decisions andinstruction;
- create innovative incentives for students to excel in school;
- provide one-on-one student support;
- ensure equity so that students in all wards have the resources they need;
- expand and improve early childhood education; and
- attract and reward strong principals.

VISION MOVING FORWARD

The mayor and I both look back at the past 2 years of reform with gratitude for the hard work from tireless people across the city, work that has resulted in significant growth even before the deepest reforms have hit the system. With the shared effort of students, parents, teachers, principals, counselors, librarians and other school staff, concerned citizens and volunteers, business leaders willing to donate their funds and services, employees of city and Federal Government and agencies and the members of this committee, we have begun to move what had not been moved for decades. We will continue to need this investment, whether of funding or of labor, of this dedicated community of people.

In order to continue on this promising but challenging path in 2010 and beyond, we must continue to believe in the potential of all children in D.C. to achieve at the same levels we expect from students in the suburbs, and we must continue to embrace our shared responsibility as adults to make it happen.

With a renewed respect for our students and what they can achieve, I look forward to continuing on this challenging path with confidence and hope. Thank you for hearing my testimony today. I welcome your questions.

Senator Durbin, Josephine Baker is the executive director with the District of Columbia Public Charter School Board.

Senator Durbin, Josephine Baker is the executive director with the District of Columbia Public Charter School Board.

Ms. Baker, Good morning, Chairman Durbin and members of the subcommittee.

I'm Josephine Baker, executive director of the District of Columbia Public Charter School Board. I'm pleased to come before you today to discuss the use and impact of Federal appropations provided to improve the education of children in the District of Columbia. We appreciate the support of the Federal Government in helping charter schools contribute to the reform of public education in the District of Columbia.

The D.C. Public Charter School Board was created in 1997, and is currently the only authorizer of public charter schools in the District of Columbia. The board began authorizing schools in 1998, and has since developed a comprehensive accountability system and oversight process that has become a model for authorizers throughout the United States. It provides important feedback for schools as they strive to meet the diverse needs of their students, and it informs parents and policymakers about how effectively students are being served in each school.

The Public Charter School Board's performance and accountability standards and measurements are used to ensure high-quality charter schools and eliminate underperforming schools.

Starting this month, we are taking charter school accountability one step further with the implementation of our performance management framework (PMF). The PMF, supported by a newly developed information technology infrastructure, will facilitate the evaluation of charter school performance based on common measures across all schools. The PMF will improve the public charter schools' ability to define high-, medium-, and low-performing and at-risk schools, and to clearly communicate the expectations, rewards, and consequences to schools, families, and communities. The key objective is to drive high-achieving schools to full potential, mediocre schools to high-achieving levels, and to eliminate low-performing schools.

The Public Charter School Board is the first authorizer to implement this model for charter school accountability, and it was developed with funding from the Drell and Gates Foundation. The new developed technology structure is being implemented with funds from the Walton Foundation.

In school year 2009-2010, D.C. public charter schools expect to serve about 30 percent of all public school children in the District of Columbia. Since 2004 we have seen significant growth in the number of charter schools, from 22 schools to 57 schools today, on 90 campuses, offering an array of programs and specialties. During this time, the student population has grown from 10,019 to approximately 28,000 for this current school year. You will see a growth chart in your packet.

[The information follows:]

<table>
<thead>
<tr>
<th>TABULATED GROWTH DATA</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Year</strong></td>
</tr>
<tr>
<td># of Schools</td>
</tr>
<tr>
<td>% of Growth</td>
</tr>
<tr>
<td>Student Population</td>
</tr>
<tr>
<td>% of Growth</td>
</tr>
<tr>
<td># of Employees</td>
</tr>
<tr>
<td>% of Growth</td>
</tr>
<tr>
<td>Student/Emp</td>
</tr>
<tr>
<td>% of Growth</td>
</tr>
<tr>
<td>Sch./Emp/Emp</td>
</tr>
<tr>
<td>% of Growth</td>
</tr>
<tr>
<td>Classroom/Enroll</td>
</tr>
<tr>
<td>% of Growth</td>
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ANNUALIZED PERCENTAGE INCREASE (in percent)

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<thead>
<tr>
<th><strong>Year</strong></th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
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<tbody>
<tr>
<td># of Schools</td>
<td>67</td>
<td>66</td>
<td>68</td>
<td>65</td>
<td>63</td>
<td>57</td>
</tr>
<tr>
<td>% of Growth</td>
<td>94</td>
<td>94</td>
<td>94</td>
<td>94</td>
<td>94</td>
<td>94</td>
</tr>
<tr>
<td># of Employees</td>
<td>8</td>
<td>8</td>
<td>8</td>
<td>8</td>
<td>8</td>
<td>8</td>
</tr>
<tr>
<td>% of Growth</td>
<td>94</td>
<td>94</td>
<td>94</td>
<td>94</td>
<td>94</td>
<td>94</td>
</tr>
<tr>
<td># of Students</td>
<td>10,019</td>
<td>11,435</td>
<td>12,575</td>
<td>14,130</td>
<td>21,005</td>
<td>23,575</td>
</tr>
<tr>
<td>% of Growth</td>
<td>94</td>
<td>94</td>
<td>94</td>
<td>94</td>
<td>94</td>
<td>94</td>
</tr>
<tr>
<td># of Employees</td>
<td>8</td>
<td>8</td>
<td>8</td>
<td>8</td>
<td>8</td>
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</tr>
<tr>
<td>% of Growth</td>
<td>94</td>
<td>94</td>
<td>94</td>
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DC PUBLIC CHARTER SCHOOL BOARD—FISCAL YEAR 2010 FEDERAL PAYMENT FOR PUBLIC CHARTER SCHOOLS PROPOSED SPENDING PLAN

[Spending plan by category]

<table>
<thead>
<tr>
<th>Fund amount</th>
<th>Managing expend-</th>
<th>Fiscal year 2009</th>
<th>Variance</th>
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<tr>
<td>$4,400,000</td>
<td>OSE</td>
<td>$4,400,000</td>
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<tr>
<td>$1,750,000</td>
<td>OSE</td>
<td>$1,750,000</td>
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</tr>
<tr>
<td>$756,000</td>
<td>OSE</td>
<td>$756,000</td>
<td></td>
</tr>
<tr>
<td>$5,000,000</td>
<td>OSE</td>
<td>$5,000,000</td>
<td></td>
</tr>
<tr>
<td>$2,000,000</td>
<td>OSE</td>
<td>$2,000,000</td>
<td></td>
</tr>
<tr>
<td>$14,900,000</td>
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<td>$14,900,000</td>
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</tr>
</tbody>
</table>

Total facilities

Charter school quality

Leverage Support Grants: These funds will support initiatives that will enhance the quality of new and existing schools through innovative human capital initiatives, performance measurement tools, school improvement activities, and improved school governance.

Financial Workshops: These funds will be used to develop as many or as few financial workshops to address the non-financial management issues outlined in the fiscal year 2009 edition of the PCSB policy handbook. Other additional work would be completed to address specific financial management guidelines and topics. The fiscal workshops would be conducted at no cost to the school districts and would be provided as part of the annual financial planning process.

Financial Systems Support Funds: These funds will be used to support the implementation of new financial management systems and policies. These funds will be provided to schools that have been identified by the charter school board as having significant financial management needs.

Total charter school quality

Unmet needs:

Special Needs/Dual Language: To provide technical assistance and professional development to schools, including but not limited to, complying with local and Federal mandates, managing related services, and providing, development of unique financial service providers, and development of a comprehensive system for current resources for special education and ELL programs.

Staffing Costs: These grants will be provided to support the costs associated with staffing changes in response to changes in the student population of the charter schools.

Charter School Integration: These funds will be used to support the costs associated with the integration of new charter schools into the existing school systems.

Total unmet needs

Program Administration:

OSSE Administration Costs: These funds will be used to provide support to the Office of Public Charter School Financing and Support within OSSE for the costs associated with administering and overseeing the above programs and funds.

PCSB Administration Costs: These funds will be used to provide support to the Office of Public Charter School Financing and Support within OSSE for the costs associated with administering and overseeing the above programs and funds.

Total program administration

Total

20,000,000

20,000,000

$2 million to help ensure facility funding

Public Charter Schools Support: These funds will be provided to cover the costs of maintaining existing public charter schools.

Total facilities

$4,500,000

$4,400,000

$1,750,000

$756,000

$5,000,000

$2,000,000

$4,500,000

$2,000,000

$2,000,000

$14,900,000

$600,000

$600,000

$600,000

$1,750,000

$145,000

$145,000

$145,000

$145,000

$449,000

$449,000

$225,000

$225,000

$555,000

$555,000

$320,000

$320,000

$225,000

$225,000

$1,250,000

$1,250,000

$500,000

$500,000

$125,000

$125,000

$50,000

$50,000

$25,000

$25,000

$250,000

$250,000

$75,000

$75,000

$20,000,000

$20,000,000

$20,000,000

$20,000,000
### Annualized Audited Enrollment Figures PCS

**Annualized audited enrollment figures for PCS (fiscal years 1999-2010)**

<table>
<thead>
<tr>
<th></th>
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<tbody>
<tr>
<td>PCSB</td>
<td>2072</td>
<td>4672</td>
<td>6412</td>
<td>7513</td>
<td>8304</td>
<td>10519</td>
<td>11439</td>
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<td>14609</td>
<td>25956</td>
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<td>OSE</td>
<td>1207</td>
<td>2307</td>
<td>3143</td>
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<td>2960</td>
<td>3579</td>
<td>3382</td>
<td>4824</td>
<td>5082</td>
<td>21856</td>
<td>20413</td>
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<tr>
<td>Total</td>
<td>3280</td>
<td>6980</td>
<td>9555</td>
<td>10393</td>
<td>11264</td>
<td>14187</td>
<td>14821</td>
<td>17739</td>
<td>18940</td>
<td>25810</td>
<td>28656</td>
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<tr>
<td>Annualized growth (up)</td>
<td>3686</td>
<td>2575</td>
<td>916</td>
<td>681</td>
<td>2565</td>
<td>1785</td>
<td>2054</td>
<td>2716</td>
<td>3252</td>
<td>2475</td>
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<tr>
<td>Annualized growth (percent)</td>
<td>95</td>
<td>37</td>
<td>16</td>
<td>6</td>
<td>5</td>
<td>13</td>
<td>13</td>
<td>12</td>
<td>11</td>
<td>17</td>
<td>10</td>
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<tr>
<td>School name</td>
<td>Author</td>
<td>Year closed</td>
<td>Primary reason for closure</td>
<td>Secondary reason for closure</td>
<td></td>
<td></td>
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<tr>
<td>Southeast Academy</td>
<td>PCSB</td>
<td>2005</td>
<td>Poor academics</td>
<td>None</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Smile Bruce</td>
<td>PCSB</td>
<td>2004</td>
<td>Poor finance/operations</td>
<td>None</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>New School</td>
<td>PCSB</td>
<td>2003</td>
<td>Poor academics</td>
<td>None</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>In-Air</td>
<td>PCSB</td>
<td>2004</td>
<td>Poor academics</td>
<td>Poor governance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Tele-Community</td>
<td>DCS</td>
<td>2004</td>
<td>Poor academics</td>
<td>Poor governance</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Hope Academy</td>
<td>PCSB</td>
<td>2008</td>
<td>Poor academics</td>
<td>Poor governance</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Barbara Jette</td>
<td>DCS</td>
<td>2003</td>
<td>Poor academics</td>
<td>Poor governance</td>
<td></td>
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<td></td>
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<tr>
<td>City Lights</td>
<td>DCS</td>
<td>2009</td>
<td>Poor academics</td>
<td>Poor governance</td>
<td></td>
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<td>WJ Futures</td>
<td>PCSB</td>
<td>2009</td>
<td>Poor academics</td>
<td>Poor finance/operations</td>
<td></td>
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<tr>
<td>ABC</td>
<td>PCSB</td>
<td>2009</td>
<td>Poor academics</td>
<td>Poor finance/operations</td>
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</tr>
</tbody>
</table>

60 percent of PCS closed since 2004 when closed for financial reasons (failing to maintain minimum fund balance).
60 percent of PCS closed since 2004 when closed for academic/programmatic reasons.

Ms. Baker: We have seen a remarkable difference in the performance of students who have attended charter schools longer than those who are attending for a shorter period. Charter schools have been able to provide a stable and effective environment for students, leading to improved academic outcomes.

DC Prep Students Outperform Their DC Peers

<table>
<thead>
<tr>
<th>Year</th>
<th>DC Prep</th>
<th>DC Peers</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2008</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2009</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2010</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2011</td>
<td></td>
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</tr>
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</table>

The information reflects that DC Prep students outperform their DC peers in various subjects.
### SUMMARY OF FEDERAL PAYMENT ALLOCATION FOR DC PUBLIC CHARTER SCHOOLS

**(Fiscal years 2004–2006)**

<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td>Direct Loan Fund</td>
<td>$6,086,000</td>
<td>$2,765,000</td>
<td>$3,944,000</td>
<td>$6,000,000</td>
<td>$2,900,000</td>
<td>$3,500,000</td>
<td>$24,710,000</td>
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<td>Credit Enhancement Fund</td>
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<tr>
<td>City Aid</td>
<td>4,716,000</td>
<td>1,880,000</td>
<td>1,880,000</td>
<td>3,500,000</td>
<td>5,000,000</td>
<td>4,000,000</td>
<td>21,520,000</td>
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<td>Charter School Promise Initiative</td>
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<td>Charter School Facilities Fund</td>
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<td>1,880,000</td>
<td>1,880,000</td>
<td>1,880,000</td>
<td>9,400,000</td>
</tr>
<tr>
<td>Co-Location/Package Facilities</td>
<td>1,880,000</td>
<td>1,880,000</td>
<td>1,880,000</td>
<td>1,880,000</td>
<td>1,880,000</td>
<td>1,880,000</td>
<td>9,400,000</td>
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<td>Special Facilities</td>
<td>2,080,000</td>
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<td>2,080,000</td>
<td>2,080,000</td>
<td>2,080,000</td>
<td>2,080,000</td>
<td>12,480,000</td>
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<tr>
<td>Facilities Technical Assistance Program</td>
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<td>2,080,000</td>
<td>2,080,000</td>
<td>2,080,000</td>
<td>2,080,000</td>
<td>2,080,000</td>
<td>12,480,000</td>
</tr>
<tr>
<td>Subtotal Facilities Financing</td>
<td>12,070,000</td>
<td>8,640,000</td>
<td>9,820,000</td>
<td>12,480,000</td>
<td>12,480,000</td>
<td>12,480,000</td>
<td>62,080,000</td>
</tr>
</tbody>
</table>

**Unmet Needs and School Quality**

| College Preparation Program   | 2,000,000       |                 |                 |                 |                 |                 |       |
| College Access                |                 | 200,000         |                 |                 |                 |                 |       |
| Medical Billing               |                 | 200,000         |                 |                 |                 |                 |       |
| Money                         |                 | 200,000         |                 |                 |                 |                 |       |
| Data Collection               |                 | 200,000         |                 |                 |                 |                 |       |
| Family Fund                   |                 | 200,000         |                 |                 |                 |                 |       |
| Special Programs              |                 | 200,000         |                 |                 |                 |                 |       |
| School Improvement            |                 | 200,000         |                 |                 |                 |                 |       |
| Science Integration           |                 | 200,000         |                 |                 |                 |                 |       |
| Revolving Loan Fund           |                 | 200,000         |                 |                 |                 |                 |       |
| DC PSC Association           |                 | 200,000         |                 |                 |                 |                 |       |
| Special Needs Compliance and Services | 200,000 | 200,000 | 200,000 | 200,000 | 200,000 | 200,000 | 1,200,000  |
| Social Support Grants         |                 | 200,000         |                 |                 |                 |                 |       |
| Social Impact Fund            |                 | 200,000         |                 |                 |                 |                 |       |
| Quality Initiative            |                 | 200,000         |                 |                 |                 |                 |       |
| Subtotal Unmet Needs and Quality | 4,100,000 | 4,100,000 | 4,100,000 | 4,100,000 | 4,100,000 | 4,100,000 | 24,600,000 |

**Administration and Recission**

| Administration Expenses | 200,000 | 200,000 | 200,000 | 200,000 | 200,000 | 200,000 | 1,200,000 |

**Total**

| Federal Recission           | 25,500 | 29,500 | 30,000 | 30,000 | 30,000 | 30,000 | 189,500  |
|                            | 25,500 | 29,500 | 30,000 | 30,000 | 30,000 | 30,000 | 189,500  |
|                            | 15,000,000 | 13,000,000 | 13,000,000 | 13,000,000 | 13,000,000 | 13,000,000 | 80,000,000 |
Ms. BAKER. D.C. charter schools have used most of the appropriations on facilities, because the limited funds they have received from the city have been insufficient to allow schools to find affordable buildings in D.C.'s real estate market. Schools have made good use of the broad, needs-based designation of Federal grants for a variety of initiatives, including special-needs compliance, school improvement, college access and college prep programs, truancy, data collection, and technical assistance and professional development to school leaders for compliance with local and Federal mandates.

We've seen significant results over the past 5 years—students' progress on standardized tests, improved student outcomes for graduation rates—85 percent in 2006—and college acceptance of 80 percent in 2009. I would also say that the college attendance rate is extremely high, and—in the 80s, as well.

Improved and improved facilities with state—with the state-of-the-art technologies and green space labs are also part of the improvement.

Improved responsibilities for stewardship of Federal dollars. The oversight process that we use clearly does follow how schools do spend their money. For 2010, Federal charter school funding will be spent in four areas: facilities, charter school quality, unmet needs, and program administration. Again, a spending plan is included in our packet.

As in the past the plan is for a majority of the request to be used by OSSIE to provide facilities financing, including low-interest loans to charter schools with facilities improvements. I see my time is about out. I would just say that we do appreciate your support, with—which indeed helps charter schools in continuing to be innovative, inspiring a collective force in the quality of all public schools so that D.C. students and families will have difficulty choosing between many great school options.

Thank you for the opportunity in sharing this testimony, and I'll be happy to take your questions.

Seminor DURNIN. Thank you, Ms. Baker.

[The statement follows:]

PREPARED STATEMENT OF JOSEPHINE BAKER

Good Morning Chairman Durnin and members of the subcommittee. I am Josephine Baker, executive director of the District of Columbia Public Charter School Board (PCSB). I am pleased to come before you today to discuss the use and impact of Federal appropriations provided to improve the quality of education in the District of Columbia. We appreciate the support of the Federal Government in helping our charter schools contribute to the reform of public education in the District of Columbia.

ROLE OF PCSB AND GROWTH OF CHARTER SCHOOLS

The D.C. Public Charter School Board was created in 1997 and is currently the only authorizer of public charter schools in the District of Columbia. The Board began authorizing schools in 1998, and has since developed a comprehensive accountability system that includes measures for schools throughout the United States. It provides important feedback for schools as they strive to serve the diverse needs of their students and to be responsive to the needs and requirements of parents and the community.

The current accountability system includes:

- School-level data: school program development reviews, school after the first year; special education quality reviews, compliance reviews, and preliminary charter reviews for schools entering the fifth year of operation.
- Standardized test score analysis and NCLB report cards.
- Quarterly charter school leaders' meetings, and communications with school leaders, as needed, on local and Federal policy updates.
- Ongoing review of performance outcomes dictates board actions, which could include approval to expand, to expand, to make revisions leading to charter revocation.

OVERSIGHT AND ACCOUNTABILITY

The Public Charter School Board's performance and accountability standards and measures are used to ensure high quality charter schools and eliminate non-performing schools. Starting this month, we are taking charter schools' one step further, with the implementation of our new Performance Management Framework (PMF). The PMF, supported by newly developed performance technology infrastructure, will help the Board in its evaluation of charter school performance, based on common measures across all schools. These measures include absolute student achievement as well as student growth performance measures and indicators of readiness for high school and college, and non-academic measures, including attendance, compliance with local and Federal laws, and financial management. Additionally, the framework measures achievement of mission-specific goals at each school.

The PMF will improve the PCSB's ability to define high, medium, low-performing, and at-risk schools and to clearly communicate the expectations, rewards, and consequences to schools, families, and communities. This framework will allow the Board to make clear judgments about school performance and better manage the portfolio of public charter school offerings. The key objective is to drive high-achieving schools to full potential, mediocre schools to high-achieving levels, and to eliminate low-performing schools. In addition, the PCSB will provide struggling schools with targeted support and allow high performing schools more freedom. The PCSB's previous accountability system was comprehensive but more focused on individualized evaluations of each charter school's annual report.

Results of this review will be publicly available in fall 2010 and will provide the community with a comprehensive view of public charter schools' academic, fiscal, and governance performance. The Public Charter School Board is the first authorizing entity to implement this model for charter school accountability and was selected for funding with a grant from the D.C. and Gates foundations. The newly developed technology structure is being implemented with funds from the Waite Foundation.

GROWTH OF CHARTER SCHOOLS

D.C. public charter schools expect to serve 38 percent of all public school children in the District of Columbia. Since 2004, we have seen significant growth in the number of charter schools from 22 schools to 57 schools today on 24 campuses offering a full range of educational programs and specializations. During this time, the student population has grown from 10,012 to approximately 28,264 for the current school year. We have audited enrollment figures in January 2010. The attached growth data and audit report enrollment charts—Attachment A and B.

The oldest of the charter schools has completed 12 years of operation. Many have made remarkable progress over time. Schools with unique missions such as Latin, bilingual, public policy, performing arts, and math, science, and technology have experienced changes in their enrollment over time. The schools have different student populations, and some have expanded their programs to serve a wider range of students. Many have grown significantly, and others have remained relatively small. In some cases, the schools have faced challenges in meeting their enrollment goals. However, the schools have remained committed to providing a high-quality education to all students, regardless of race, ethnicity, or socioeconomic status.

The district of Columbia public schools have made remarkable progress over time. Schools with unique missions such as Latin, bilingual, public policy, performing arts, and math, science, and technology have experienced changes in their enrollment over time. The schools have different student populations, and some have expanded their programs to serve a wider range of students. Many have grown significantly, and others have remained relatively small. In some cases, the schools have faced challenges in meeting their enrollment goals. However, the schools have remained committed to providing a high-quality education to all students, regardless of race, ethnicity, or socioeconomic status.

USE OF FEDERAL FUNDS SINCE 2004

The majority of the Federal appropriation is directed to schools through the D.C. Office of the State Superintendent (OSSIE). The PCSB oversees how these funds are spent. The Office of the State Superintendent (OSSIE), D.C. public charter schools use Federal funds for a variety of purposes, including facilities financing, Federal grants designated for unmet needs and school quality and program administration. See the attached chart for a breakdown of the use of Federal funds since 2004.

The OCSB distributes funds to schools based on a formula that takes into account factors such as the number of students served, the percentage of students who are low-income, and the percentage of students who are English language learners. The funds are used to support the schools' operations, including salaries, supplies, and equipment.

The SCSB is responsible for ensuring that the schools use the funds in accordance with Federal law and regulations. The SCSB also monitors the schools' progress in meeting the goals and outcomes specified in their charters. The SCSB has the authority to revoke a school's charter if it is not making adequate progress towards achieving its goals.
market. Schools have made good use of the unmet needs designations of Federal grants for a variety of initiatives including special needs compliance, school improvement, college access and college prep programs, transparency, data collection, and teaching assistant and professional development to school leaders for compliance with local and Federal mandates.

RESULTS

We have seen significant results over the past 5 years:

- Student progress on standardized tests. In 2009-2010, 79 percent of secondary schools showed reading gains of up to 26 points and 71 percent of secondary schools improved math scores by as much as 39 points. Fifty-one percent of elementary schools had reading gains of up to 29 points, while 67 percent of elementary schools had math gains of up to 33 points.

- Improved student outcomes on graduation rates (88 percent in 2008) and college acceptance (50 percent in 2009).

- Expansion of high-performing schools to allow more children to attend.

- Enhanced and improved facilities with state-of-the-art technologies, green space, and lab. A number of schools have built beautiful buildings in the middle of a number of areas targeted for revitalization.

- Improved delivery of special education services.

- Improved responsible stewardship of Federal dollars.

- More effective information management which impacts operations and instructional efficiencies.

- Since 2004, 10 charter schools have closed for either poor academic performance or poor financial management and operations. Fifty percent of these schools closed for financial reasons ranging from mismanagement of funds to insuffi- cient cash balances. The other 40 percent were closed because of low academic performance.

- A total of 20 schools have closed since charter schools were first created in the District of Columbia.

PLANS FOR FISCAL YEAR 2010 FUNDS

In fiscal year 2010, Federal charter school funding will be spent in four areas: facilities, charter school quality, unmet needs, and program administration. (See attached proposed spending plan—Attachment E.) As in the past, the plan is for a majority of the request to be used by OSSE to provide facilities financing including low interest loans to assist schools with facilities acquisition and renovation. A portion of the facilities financing will be spent on a Capital Build Initiative, a joint neighborhood revitalization and education initiative that builds strong communities that will support quality school choices in targeted neighborhoods. Additionally, one third is available to serve underprivileged students and families, and the remaining public facilities owned by public charter schools.

The funds allocated to charter school quality will support enhancement of new and existing schools through teacher quality initiatives and to enhance leadership of school principals. Performance measurement tools, school improvement activities, and improved school governance. Some of the funds will provide competitive grants to schools to adopt or implement an evidence-based model program that will increase student achievement. There are funds set aside for replication of high achieving schools by providing guidance and program start-up grants. In addition, a portion of the funding will be allocated to No Child Left Behind technical assistance to help reduce the number of schools in improvement and increase the capacity of schools to implement school-based management models. The funds set aside for unmet needs will cover special needs compliance and service coordination with local and federal mandates. It will also create a flexible funding grant that will provide small competitive grants based on proposals crafted at the classroom level. These funds will allow for more charter school integration and ensure that the charter school sector is able to access District-funded resources where shortages exist.

Lastly, a small amount is set aside at both the State and the Coordinator level for program administration to oversee and administer these programs.

We appreciate your support which helps charter schools in continuing to be pace setters, inspiring a collective rise in the quality of all public schools, so that D.C. students and families will have difficulty choosing between many great school options. Thank you for the opportunity to share this testimony and I am happy to take your questions.