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Testimony Before the Council of the District of Columbia

For the October 2, 2019 Hearing on:

B23-0199, the "Public School Transparency Amendment Act of 2019"

I. Introduction

Equity in education has been and remains a central demand of the civil rights movement. The race of a child and the neighborhood in which she resides far too often determines the educational opportunities available to her. The District of Columbia has embarked on a charter school experiment to create more options for parents, in part, to address this inequality. Twenty-three years after introducing charter schools in DC, little has changed for students of color. Black and Brown students in historically disinvested neighborhoods are still dramatically more likely to go to schools that are greater than 97% of color and to have significantly different educational outcomes. According to 2018-2019 PARCC test results, only 27.8% of Black students, 7.9% of students with disabilities, and 21% of at-risk students are proficient in English and Language Arts, compared with 85% of white students. Proficiency rates in math are similarly abysmal. Students of color, students with disabilities, and at-risk students are also significantly less likely to graduate.

This experiment has failed, in part, because charter schools largely operate beyond scrutiny and without meaningful supervision and oversight. Despite the mantra of "parent choice" and the theory that the "marketplace" will control, charter schools are permitted to conceal critical information and are protected from the same public oversight to which other institutions performing critical public functions are subject.

The ability of charter schools to shield information from parents and the public harms low-income parents of color. First, it renders the idea of choice meaningless. Parents must rely on the sanitized information produced by charter schools and not real data. Second, the fragmentation of the system and the lack of access to information undermines the capacity of parents to organize and to exercise their power to influence education policy. Third, it conceals potential civil rights violations that could, and should, be remedied through administrative and judicial proceedings.

Transparency alone will not address or repair the truly profound and persistent legacy of racial discrimination in education. It is, however, an important tool if we as a community are serious about creating equitable opportunities for all District residents.

The Public School Transparency Amendment Act will achieve better transparency for stakeholders and policymakers to evaluate schools and the quality and equity of educational experiences that those schools provide. It will provide opportunities for communities to monitor their schools and provide

input at key junctures. Ensuring broad public access to the same types of information across all of our public schools is key in understanding, assessing, and closing the persistent achievement and opportunity gaps among students, particularly with respect to students of color, our At-Risk student populations, students with disabilities, and English Language Learners.

Making charter LEAs subject to the same Open Government and Freedom of Information Act ("FOIA") requirements that DCPS is subject to is critical, as it will increase transparency and accountability to school communities and build trust. The National Research Council's 2015 *Evaluation of the Public Schools of the District of Columbia* repeatedly emphasized this point.¹

FOIA and Open Meetings Can Expose Civil Rights Violations Earlier, or Even Prevent Them

Open information and community input is a critical component of ensuring that DCPS and the public charter school LEAs are accountable to the students and parents that they serve. DC's FOIA and Open Meetings requirements turn parents, students, teachers, journalists and education advocates into a powerful frontline of oversight that can expose civil rights violations, physical and mental abuse, or waste and fraud, often earlier than formal government action can. Free access to meetings and information by these school communities and other advocates strengthens the District's schools and improves the quality of our public education policy and its implementation in the schools.

On the other hand, the civil rights work of the Committee is hindered when individual charter school LEAS lack open meetings and records of them and when they do not have to comply with DC's FOIA law. Information about charter LEAs is filtered through the Public Charter School Board and OSSE – the public can only gain access to the data that they collect, and often only in the format in which those organizations want to release it. The information collected by these agencies charged with charter school oversight is limited. For example, in learning about a charter school campus that barred a parent from entering the campus with her young children *for five years*, we could not investigate the school through FOIA to determine how often other parents or guardians have been banned from the school

Page 3-20: Public access to comprehensive data across DCPS and all the charter LEAs in the city would support tracking and analysis of key information about schools and students, particularly with respect to students with disabilities and English-language learners.

Page 3-27; Conclusion 3-3: Accountability to the public requires that information about administrative operations be transparent and easily accessible and that mechanisms be available for DC residents to express their preferences and concerns.

Pages 7-13 to 7-14; Recommendation 3: the primary objective of the District of Columbia for its public schools should be to address the serious and persistent disparities in learning opportunities and academic progress across student groups and wards by attending to [a]ccessible, useful, and transparent data about D.C. public schools that are tailored to the diverse groups with a stake in the system.

¹The National Research Council and National Academies Press. *An Evaluation of the Public Schools of the District of Columbia: Reform in a Changing Landscape* (2015), available at <u>http://sites.nationalacademies.org/dbasse/BOTA/Evaluation of the Public Schools of the District of Columbia/index.htm</u>

and for what reasons. We cannot get information about charter teacher salaries at particular schools. We cannot find out how often schools are using restraint and seclusion to respond to student behavior. Unless individual schools voluntarily report particular incidences to the PCSB and OSSE, we have not been able to use FOIA to review charter school disciplinary records and practices to ascertain if they are complying with the Student Fair Access to Schools Act or if the disciplinary records indicate discriminatory practices on the basis of race or disability.

Recent DC history has shown us that transparency is key to exposing troubling practices in our public schools. Investigations into school operations demonstrate the value of subjecting all of DC's public schools to open meetings and public records requirements. We learned, for example, from the press, teachers and advocates that DCPS attendance and graduation rates at Ballou and other schools were actually far below what they were initially reported to be, exposing deep inequities in the quality of education that some students were receiving. Conversely, at Chavez Prep Public Charter school, which is not currently subject to open meeting laws, teachers, parents and students were kept in the dark about school finances, the plans to consolidate schools, and then the ultimate decision to close Chavez Prep. The community had little opportunity for input or recourse.

<u>The Public School Transparency Amendment Act Will Provide Better, More Reliable Information for</u> Parents, Students, Teachers and Other School Employees

Public transparency is valuable because it allows parents and students to make informed decisions about their school choice. Currently, charter schools have almost complete control over information about them in the public sphere: charter schools control what information gets shared, how the information gets shared, and what message they attach to that information. Charter schools are often sanitizing information with the goal of recruiting families (and the student funding that attaches), rather than providing a true picture of the educational experience. Without robust public transparency laws, parents are denied the opportunity to make the best choices for their families.

Transparency also enables parents to organize and act collectively to influence school and city-based policies. Parents are already disenfranchised in DC as a result of the school reform movement: our school board of education has limited power over the public schools and charters are run by a board of directors who are not elected by or accountable to the families they serve. Parents are disempowered by the lack of transparency: when they are unable to access school-based budgets, parents cannot advocate for schools to spend their money differently. When they are unable to obtain school disciplinary data demonstrating disparities based on race and disability, they cannot push their schools to comply with city law and adopt best practices. When they cannot attend board meetings (or obtain minutes from those meetings), they cannot influence policy and staffing decisions. In DC, where some charter schools have replaced neighborhood public schools in low-income neighborhoods of color, this disenfranchisement and disempowerment disproportionately devalues the voices of Black and Brown families.

The lack of information also affects teacher and staff decisions. For example, Councilmember Allen's bill requires that charter LEAs publish all charter teacher salaries, as DCPS is required to do. This allows teachers to have reliable compensation information to drive their choices about where to work and so that parents, students and education advocates will be able to compare each year how much schools

and LEAs are spending on teachers versus administrators and other expenses.² At the very minimum, charter schools should disclose 1st year salaries, 5th year, 10th year salaries and average teacher salaries.

Open budgets will ensure that the public can compare expenditures by LEA and by school in a clear manner and give informed input into those spending choices. This is already done in several large school districts around the country, such as L.A Unified School District, which publishes the entire budget of every school (more than 500 schools) that advocates and school communities can compare and digest. ³ A national study found charter schools on average spend \$774 more per pupil per year on administration and \$1141 less on instruction than traditional public schools.⁴ In New Orleans, where all schools converted to charters, administrative spending increased by 66 percent while instructional spending dropped by 10 percent.⁵ Allowing DC advocates to compare "apples to apples" among LEA budgets may help drive parents and student to choose the schools that best align with their values.

FOIA and Open Meetings Promote Better Budget Accountability That Ensures Taxpayer Dollars Are Going Towards Creating Quality Educational Opportunities & Addressing Inequalities.

Open meetings and transparency into the operations of publicly funded schools and how they make decisions about budgeting and planning allows community members to provide meaningful input in a timely manner, and helps schools direct their resources to best serve their communities.

The current lack of transparency often breeds scandal. DC journalists using FOIA and other investigative techniques uncovered some of the largest DC charter school financial scandals of the past decade. These scandals resulted from poor oversight of charter school finances, and revealed that the Public Charter School Board has limited oversight power. For-profit management companies that many charters delegate school management argue they are not required to disclose their salaries, budget or other information to the public, and without FOIA the public cannot compel them to disclose this important information. When charter schools in DC misuse their resources, vulnerable student populations are harmed. Money intended for educational services, curriculum development, materials, technology, socio-emotional support, and teacher and staff training is instead funneled into the pockets of nefarious school leaders.

² Rachel Cohen, *D.C. Charter Administrators Have Some of the Highest School Salaries in Town; Their Teachers, Some of the Lowest,* WASHINGTON CITY PAPER, (January 30, 2019),

https://www.washingtoncitypaper.com/news/city-desk/article/21045319/dc-charter-administratorshave-some-of-the-highest-school-salaries-in-town-their-teachers-some-of-the-lowest

- ³ See <u>http://projects.scpr.org/applications/lausd-2014-2015-school-by-school-budgets/</u> and <u>https://achieve.lausd.net/cms/lib/CA01000043/Centricity/Domain/123/25_2019-</u>
- 20%20Superintendents%20Final%20Budget%20Online%20Combined_nopg.pdf

⁴David Arsen and Yongmei Ni, *Is Administration Leaner in Charter Schools? Resource allocation in charter and traditional public schools,* Education Policy Analysis Archives (2012), https://epaa.asu.edu/ojs/article/view/1016

⁵ Education Research Alliance for New Orleans, *Does School Reform = Spending Reform? The Effect of the New Orleans School Reforms on the Use and Level of School Expenditures* (January 17, 2017), <u>https://educationresearchalliancenola.org/files/publications/011717-Buerger-Harris-Does-School-</u> <u>Reform-Equal-Spending-Reform.pdf</u>

For example, Options Public Charter School was meant to serve students with significant disabilities, so it received over \$41,000 per pupil—the highest amount of all public charter schools. However, it paid millions to a for-profit management company for services (including ten times what they had paid for transportation the year before). The CFO of the PCSB, after approving the two for-profit management company running Options. School officials' behavior prompted a lawsuit alleging that the chief executive officer of the school took home at least \$425,000 in salary and bonuses for a year's work.⁶ By comparison, the DC Schools Chancellor had a base salary of \$275,000 to run an entire school system of 45,000 pupils.⁷ All told, former managers were accused of diverting at least \$3 million to enrich themselves with exorbitant salaries and to engage in a "pattern of self-dealing," including buying million dollar properties in Florida and Virginia.⁸

Similarly, Dorothy I. Height Community Academy Public Charter Schools distributed \$14 million (\$2m/year) to a for-profit management company owned by Kent Amos since 2004.⁹ In 2013, Amos made \$1.38 million, including \$103,000 paid to his wife.¹⁰ Citing fiscal mismanagement, the DC Public Charter School Board revoked the school's charter in February 2015.¹¹ Amos' conduct drew a lawsuit that he diverted taxpayer funds for personal gain; he settled it for \$3 million.¹²

One more example is Lawrence Riccio, who was chief executive officer at the School for Arts in Learning (SAIL) Public Charter School. Using SAIL funds, Riccio frequently visited and bought an apartment in Scotland, frequently visited and bought an apartment in France, and SAIL footed the bill for renovations, food, wine, plane tickets and entertainment. Meanwhile, school rent went unpaid and teachers at times were not even allowed to purchase paper. The school at one point was forced to seek payday loans, despite having hundreds of thousands of dollars in grants. Throughout this time, an independent audit firm did not report the problems to the school's trustees. The charter school board's director of business oversight at the time said that he did not have enough resources to police spending at charter schools.¹³

Open government laws also expose when charter LEAs may be spending resources in ways that are not necessarily illegal, but support lobbying efforts rather than educational opportunities. Most recently,

¹² Id.

⁶ Emma Brown, *Options Public Charter School Officials Diverted Millions, Lawsuit Alleges,* WASHINGTON POST (Oct. 1, 2013), https://www.washingtonpost.com/local/education/charter-school-officials-diverted-millions-lawsuit-alleges/2013/10/01/05fdc4f2-2aae-11e3-b139-029811dbb57f_story.html?tid=a_inl.

⁷ Id.

⁸ Id.

⁹ Michael Allison Chandler, *Charter School Founder, Company Agree to Pay \$3 Million to Settle Lawsuit*, WASHINGTON POST (May 4, 2015), https://www.washingtonpost.com/local/education/charter-school-founder-company-agree-to-pay-3-million-to-settle-lawsuit/2015/05/04/ccdd6ddc-f269-11e4-84a6-6d7c67c50db0_story.html.

¹⁰ Id.

¹¹ Id.

¹³ Jeffrey Anderson, *Charter School Pioneer Gets FBI Scrutiny*, WASHINGTON TIMES (May 5, 2010), http://www.washingtontimes.com/news/2010/may/5/charter-school-pioneer-gets-fbi-scrutiny/.

journalist Rachel Cohen at the Washington City Paper, through FOIA requests and interviews, discovered one of the most striking revelations – that hundreds of thousands of DC taxpayer dollars meant to fund students in schools each year are being diverted to fund lobbying campaigns by FOCUS and the DC Association of Chartered Public Schools. Among other things, that money is paying for advocacy to defeat the transparency and accountability measures in this Act:

"This coordinated pushback [to charter oversight] didn't come out of thin air. In fact, D.C. taxpayers might be surprised to learn they helped fund the lobbying themselves. Every year D.C. charter schools collectively funnel hundreds of thousands of dollars from their budgets to private organizations that then lobby government agencies against efforts to regulate the schools. Between 2011 and 2017, for example, local charters paid the DC Association of Chartered Public Schools, which calls itself "the collective voice of DC's Chartered Public School Leaders," more than \$1.2 million in membership dues for its advocacy services, at a rate of \$8 per student annually."

"While most D.C. charters contribute to the Association, nearly all also pay \$8 per student annually to a second group called Friends of Choice in Urban Schools, better known as FOCUS. Last year all but three charters kicked over FOCUS' "voluntary student payments," totaling more than \$340,000."¹⁴

FOIA and open meeting laws will help empower parents and community members to ensure that schools are using their taxpayer dollars appropriately and in pursuit of equity.

National Charter School Organizations Agree that Open Meetings and FOIA are Best Practices

DC's exemption of charter schools from public accountability laws like FOIA is out of step with national norms. National charter school organizations endorse compliance with public records requests as a best practice.¹⁵ Moreover, representatives of the National Alliance for Public Charter Schools told the *Washington Post* that DC's charter sector was unusual in not being subject to public records requests as compared to the rest of the country.¹⁶

In fact, 39 states require all schools to comply with public records requests. Research by *In the Public Interest* found that this vast majority of states, including both Maryland and Virginia, require operators or schools to hold open board meetings or post minutes of board meetings, and to respond to requests

content/uploads/2016/10/2016ModelCharterSchoolLaw.pdf and

https://www.publiccharters.org/sites/default/files/migrated/wp-

content/uploads/2014/01/ModelLaw_P7-wCVR_20110402T222341.pdf

¹⁴ Rachel Cohen, *How Charter Schools Won D.C. Politics,* WASHINGTON CITY PAPER (September 5, 2019), https://www.washingtoncitypaper.com/news/article/21085439/how-charter-schools-won-dc-politics

¹⁵ See Recommendations and Model Laws by the National Association of Charter School Authorizers available at <u>https://www.qualitycharters.org/wp-content/uploads/2018/10/NACSA-Principles-and-</u><u>Standards-2018-Edition.pdf</u> and by the National Alliance of Public Charter Schools, available at <u>http://www.publiccharters.org/sites/default/files/migrated/wp-</u>

¹⁶ Perry Stein, *Should D.C. charter schools follow the same rules as traditional campuses?*, WASHINGTON POST (February 4, 2019) <u>https://www.washingtonpost.com/local/education/should-dc-charter-schools-follow-the-same-rules-as-traditional-campuses/2019/02/04/544cfb36-2644-11e9-81fd-b7b05d5bed90_story.html?noredirect=on&utm_term=.6ee9b1ee6afb.</u>

for public records.¹⁷ Most recently, California adopted this year a measure that would subject all of California's 1,300 charter schools to open meetings laws *and* public records requests.¹⁸ DC should provide the same level of transparency and oversight over all of its public schools.

We cannot rely on the PCSB to be the sole collector and gatekeeper of information from publiclyfunded charter schools. While the PCSB recently made some transparency improvements, they do not go far enough to provide the kind and variety of types of information that parents, school communities and advocates need to create true accountability. Nor do these changes provide the depth and breadth of information that would be available through FOIA requests.¹⁹ In fact, the PCSB admits on its own website that it can only turn over documents that the charter schools voluntarily submit to the PCSB: "Any record in our possession is subject to FOIA, including any documents submitted to us by schools. We are not able to provide documents that are held exclusively by the schools themselves." ²⁰

Responding to FOIA Requests Will Not Be a Significant Time and Cost Burden on Charter LEAs

Responding to FOIA requests should not be a significant financial or time burden for charter LEAs. The DC Public Charter School Board has not been inundated with FOIA requests, and the PCSB admits on its website that some FOIA requests are very simple and can be completed under an hour.²¹

¹⁷ In the Public Interest, *D.C.'s charter school transparency policies fall short of nationwide state-level standards* (March 7, 2019), <u>https://www.inthepublicinterest.org/d-c-s-charter-school-transparency-policies-fall-short-of-nationwide-state-level-standards/</u>.

¹⁸ Sophia Bollag, *Charter schools soon will have open meetings and records. Gavin Newsom says that's just a 'start'*, SACRAMENTO BEE (March 10, 2019), <u>https://www.sacbee.com/news/politics-</u>

government/capitol-alert/article227316349.html and Perry Stein, *Should D.C. charter schools follow the same rules as traditional campuses?*, WASHINGTON POST (February 4, 2019),

https://www.washingtonpost.com/local/education/should-charter-schools-be-subject-to-open-record-laws/2019/10/09/d9ad1a84-e60d-11e9-b403-f738899982d2_story.html.

¹⁹ On March 18, board members voted on the DC Public Charter School Board's new transparency changes, which would require individual schools to publish, among other things, which meetings are open to the public, board meeting minutes, the salaries of the five highest-compensated individuals, employee handbooks, and funding plans for at-risk students. *See* <u>https://www.dcpcsb.org/public-comment/notice-new-policy-school-transparency-policy-reopened-public-comment.</u> Some of the information that the DC Public Charter School Board is proposing that schools publish on their own websites is already available on the DC Public Charter School Board's Transparency Hub, which launched last April. *See* <u>https://www.dcpcsb.org/transparency</u>.

 ²⁰ See Public Charter School Board, available at <u>https://www.dcpcsb.org/blog/freedom-information-action</u> (last accessed by author in June 2019 and is currently no longer available) (emphasis added).
²¹ Id.

Between October 1, 2017, and September 30, 2018, the DC Public Charter School Board received 74 requests for information, with 59 processed within 15 days, and the rest in more than 16 days.²² The total cost for the PCSB to comply with FOIA requests during that year was \$22,600. For smaller charter LEAs who need assistance in responding, the Act correctly directs the PCSB to assist charter LEAs when needed in responding to FOIA requests.

Further, the large national charter chains, such as KIPP, must have procedures, personnel and funding to deal with FOIA requests. KIPP has been responding for years to FOIA requests in at least 31 other states where they are required to do so. KIPP Philadelphia developed a major transparency initiative called the Open Book Program, which included voluntarily publishing meeting minutes, budgets, audits, and employee salaries. KIPP specifically stated that the Open Book Program was designed to restore the public trust so that taxpayers know how their dollars are being used.²³

The local charter LEA networks also have significant support. While Achievement Prep serves approximately 960 students total, as it operates three schools in DC -- a K-3 and a 4-8 school, and it jointly operates with Appletree a pre-K 3 and 4 school²⁴ -- it has 11 central administrators listed in its "Network Office," and a six-person Board of Directors.²⁵ DC Prep is a moderately-sized local chain that operates five schools totaling nearly 2,000 students, and it will be opening a sixth school in 2020. But it has a 22-person Advisory Board,²⁶ a 14-person Board of Directors including representatives of foundations, philanthropists and corporations,²⁷ and a central administration office of nine executive officers and managers.²⁸ In addition to the public money it receives, it already has raised more than \$19 million of a \$25 million campaign to help it expand further.²⁹

Not all charters are as large as KIPP or other national or local chains, and others may not have the large central administrative personnel and private fundraising capacity of a DC Prep or of Achievement Prep. In case small charter operators in DC need help, the bill provides that the DC

²² See The District's Annual FOIA Report, available at

https://os.dc.gov/sites/default/files/dc/sites/os/page_content/attachments/FOAI%20FY18%20Annual% 20Report%20updated%202.25.19.pdf.

²³ Marc Manella, *KIPP Open Book: Transparency and Accountability in Schools*, SOCIAL INNOVATIONS JOURNAL, (April 3 2011), <u>https://socialinnovationsjournal.org/editions/issue-6-education-edition/75-disruptive-innovations/644-kipp-open-book-transparency-and-accountability-in-schools</u>.

²⁴ According to Achievement Prep, the K-3 Wahler Place campus has 350 students; the 4-8 Wahler Place Middle School has 450 students, and its Early Learning Center for Pre K 3 and 4 with Appletree has 160 students. *See Achievement Prep*, <u>https://achievementprep.org/our-schools/elementary-carousel-5/</u> and *Achievement Prep*, <u>https://achievementprep.org/our-schools/wahler-middle-campus/</u>.

²⁵See Achievement Prep, <u>https://achievementprep.org/our-board/</u>. The following are the 11 separate positions of administrators listed on Achievement Prep's Network Office website: (1) Founder and Chief Executive Officer; (2) Chief Operating Officer; (3) Chief of Schools; (4) Chief People Officer; (5) Managing Director of People Operations; (6) Managing Director of Curriculum and Instruction; (7) Director of Scholar Support; (8) Director of Recruitment and Outreach; (9) Director of Leadership Development; (10) Director of Family and Community Engagement; and (11) Special Assistant to the CEO.

²⁶ See DC Prep, <u>https://www.dcprep.org/About/Advisory_Board</u>.

²⁷ See DC Prep, <u>https://www.dcprep.org/About/Board_of_Directors</u>.

²⁸ See DC Prep, <u>https://www.dcprep.org/About/Our_Team</u>.

²⁹ See DC Prep, <u>https://www.dcprep.org/power/</u>.

Public Charter School Board would serve as a resource to help individual schools handle requests, and the legislation would also require the PSCB to report to the Council how many FOIA requests were received by individual charter schools, and how much it cost them to comply.

Conclusion

In summary, while I testified at the June 26 Hearing that the Committee supports the general *intent* of Education Committee Chairman Grosso's School Based Budgeting and Transparency Amendment Act, as it intends to increase transparency into the operation of our public charter schools, it does not go far enough on transparency measures, as it only allows for the DC open meetings act to apply to DC's public charter schools.³⁰ The Committee supports the following provisions in B23-0199, the "Public School Transparency Amendment Act of 2019":

- 1. Requiring that individual charter schools and their Boards comply with the Open Meetings Act.
- 2. Requiring that individual charter schools and their Boards comply with the Freedom of Information Act of 1976.
- 3. Requiring the PCSB to deliver an annual report to the Council describing the number and cost of requests for information made pursuant to FOIA.
- 4. Requiring the Office of Open Government to provide training regarding obligations of employees of public charter schools and members of their Boards of Trustees under FOIA and the Open Meetings Act.
- 5. Requiring that public charter schools provide all salaries and all contract information above \$25,000 in their required annual reports.

We strongly recommend Councilmember Allen's Public School Transparency Act, because it is more comprehensive and will provide the public access to crucial information to hold all public schools in DC accountable.

³⁰ We support the intent of many provisions in Education Committee Chairman Grosso's School Based Budgeting and Transparency Amendment Act, as it applies DC's open meetings laws to all public schools. However, we recommend that the law also require each Local Education Agency to comply with the District of Columbia's Freedom of Information Act, just as Councilmember Allen's bill does.