

Basic Education Funding Commission -Philadelphia Hearing

Testimony of Scott Gordon, CEO, Mastery Charter Schools

November 19, 2014

Senator Browne, Representative Vereb, and the Basic Funding Commission, thank you for your time and for including the charter school perspective in your deliberations this morning. My name is Scott Gordon and I am the CEO of Mastery Charter Schools. Mastery operates 12 charter schools in Philadelphia serving 10,000 students approximately 5% of all Philadelphia public school students. Mastery has a unique perspective on school funding for two important reasons.

First, 10 of our 12 schools are turnarounds of formerly failing School District of Philadelphia schools - so we have the experience of operating both general lottery charters as well as district neighborhood schools. In fact, because our turnaround schools were formerly the City's most struggling schools, Mastery actually serves a higher percentage of special education students than the School District average. We also operate regional special education programs that serve multiple disabilities/ medically fragile, life skills, autistic, and severely emotionally disabled students. In fact, our regional programs serve primarily students from nearby district schools -- an unusual example of charter-district cooperation.

Despite the fact that our schools were formerly the very lowest performing schools in Philadelphia, in just a few years they have risen to near the top. Seven of our 12 schools score 70 or above on SPP and all score above 60 - including those that are just one or two years into their turnaround. Our students are catching up. The graph gives a snapshot of that growth:

Mastery Charter Renaissance Schools Performance

PSSA - % of Students Proficient/Advanced

<i>School & Year of Turnaround</i>	Math			Reading		
	<i>Pre-Mastery</i>	<i>Mastery 2014</i>	<i>Change</i>	<i>Pre-Mastery</i>	<i>Mastery 2014</i>	<i>Change</i>
Pastorius (FY14)	25%	48%	+23%	24%	33%	+9%
Cleveland (FY13)	27%	54%	+21 %	25%	43%	+18%
Clymer (FY12)	32%	51%	+19%	27%	37%	+10%
<i>Mann (FY11}</i>	49%	77%	+28%	41%	53%	+12%
<i>Smedley (FY11}</i>	31%	51%	+20%	21%	41%	+20%
<i>Harrity (FY11.}</i>	36%	55%	+19%	26%	46%	+20%

The second reason we have a unique perspective on school funding is that we recently opened two schools in Camden New Jersey, so we can compare the funding environment just across the river, a few miles from this room.

Perhaps the biggest lesson we have learned operating in these various environments is that poverty matters. Our turnaround work has been successful because we recognize the challenges inherent in serving students in high poverty communities. Let me share the story of Gratz High School -- a neighborhood school in North Philadelphia that we turned around just over 3 years ago. 70% of the students who enter 9th grade at Gratz read at the 4th grade level or below. To meet our students' needs, we provide social workers and therapists trained in working with students in trauma – because of the number of students who have lost family members and friends to violence. We provide an intensive program of academic interventions to remediate students' learning deficits. We operate a food pantry to support our families in need. As a result, Gratz has seen academic achievement soar, the number of drop-outs halved, and violence cut by two thirds. But providing this level of comprehensive services and supports requires considerably more funds compared serving students in higher income communities. Simply put, funding levels in Philadelphia have fallen to the point where we will not be able to provide the resources necessary to serve our students adequately.

Let me turn to how different our experience is operating schools in New Jersey. There the State calculates district aid based on a formula that fills that gap between the funding level the State has determined is required to provide a "thorough and efficient" education and an expected contribution from the local municipality. The municipality's contribution is based half on a standard tax levy on property and half based on a standard percentage of the income of the municipality's residents. Interestingly, the base level of funding is actually similar to that currently spent in Philadelphia. However the state also recognizes the additional expense required to educate students in high poverty. A funding increment of 46-57% of the base funding is added per student who receives free or reduced school lunches. In addition, an additional 10% increment is added for students who are both low income and English language learners. The bottom line: we receive nearly 60% more per student in Camden than here in Philadelphia -while serving a nearly identical student population.

While I emphatically believe that funding levels matter—I also want to acknowledge that funding alone is not the answer. Mastery's role as a turnaround organization, working in partnership with the school district, demonstrates a powerful strategy for improving all schools - creating a Quality Choice School System.

The District's turnaround program, called Renaissance Schools, is a great example of what could be the beginnings of a Quality Choice School System. Through the Renaissance program, the District has turned over the operation of the very lowest performing schools to charter operators like Mastery. As a Renaissance School operator, we are a charter -- and thus have the full independence to operate our program as the need requires – but we also operate for all intents and purposes as a neighborhood school. That is, we serve the exact same students who were served by

the former district school and abide by the same neighborhood admissions rules as did the district. Same building. Same kids. The big difference - we are accountable for improving student achievement. If we don't improve student achievement, we lose our charter. It seems to me that all schools, both district and charter, should be held to this same standard. Districts must be open & grow great schools - be they charter or district - and close or turnaround failing schools - be they charter or district. Indeed it doesn't matter to parents who operate the neighborhood school - we have thousands of students on our waitlists. Clearly what matters to parents is whether their neighborhood school is a safe, high achieving place where they want to send their children.

This strategy of turning around the lowest performing schools and holding all schools to high standards holds great promise to transform our school system. As Mark Gleason shared yesterday, similar efforts in New Orleans, Washington, and Tennessee are producing dramatic results.

A few other thoughts: Education funding should come without strings tied to particular programs or types of spending - our experience has been that these mandates - be they class size or technology spending - result in unproductive uses of funds. Schools know how to best spend their precious limited dollars. Funding instead should have strings tied simply to student growth and performance. Finally, the Basic education formula needs to follow the student -- and thus be based on the actual number of students served, not the number or types of schools they attend.

You may have seen Mastery parents in bright blue shirts roaming the halls of the State Capital -we have been working with the School District and peer charter schools to support the sales tax extension and cigarette tax. We are enthusiastic supporters of the Campaign for Fair Education Funding, a coalition of 40 business, civic, faith, labor, and education groups advocating for a fair funding formula.

I thank you for your efforts to design a funding formula that is fair, accurate, equitable, and provides sufficient resources to help all students achieve.