



**Testimony to School Reform Commission**  
**May 29, 2014**  
**Darren Spielman, President/CEO, Philadelphia Education Fund**

---

---

Good evening Chairman Green, Commissioner Houstoun, Commissioner Jimenez, Commissioner Pritchett, Commissioner Simms. Good evening Dr. Hite. Thank you for the opportunity to testify today and for your commitment to the education of all Philadelphia's children.

My name is Darren Spielman, Chief Executive Officer of the Philadelphia Education Fund. As you know, we have served our city's students, teachers, and schools for nearly 30 years.

In all that time we have rarely, if ever, witnessed a moment as critical as this one.

We face a School District budget that should be acceptable to no one who cares about kids, education, or the future of our economy and our region. You have stated, and we understand, that you need \$216 million in new revenue just to open schools next year in the same woefully inadequate manner we opened them this year. Already -- caring, committed, competent teachers and principals are hanging on by their fingernails, trying to do their best for our children.

It is the Ed Fund's opinion that the current budget provides for schools that are fundamentally educationally unsound.

I know that Dr. Hite, your team and the SRC have been pleading with the state legislature and City Council to find the funds to not only maintain the current sad condition but to begin transforming the District.

You know the numbers well. And you understand the unacceptable status of our schools. I am here today to remind and encourage the public to continue the fight for our schools. To do better, we need money. Period. And then we need to be smart about how we use it.

The following facts are clear.

- We are here today, first and foremost, because of State cuts to education funding since 2011. Cuts that impacted poorer districts most, and Philadelphia most of all. The State needs to act -- now -- to fund our schools and -- in the long term -- to build a fair and full funding formula that supports education across our state.
- When we have had more reasonable resources, we have improved. From 2002 to 2010, as investment increased so did performance. The on-time graduation rate increased from 52% to 64%. Proficiency in math and reading more than doubled, from 20% to 51% and 24% to 57% respectively.
- We are only beginning to understand the impact of the massive cuts enacted since 2011, including laying off 3,885 employees. Cutting our way from bad to worse is not a strategy for success.

- Since 2010, the City's annual contribution to public education has risen by approximately \$155 million. City Council and the Mayor deserve credit for this and I thank them. Similarly, districts across the state have been forced to raise taxes to cover education cuts at the State level; the only difference is our district does not have taxing authority. You need to go to Council and the Mayor.
- The City has tentatively stepped up again this year. And we will thank them when they do. Council has recognized the legitimacy of the District's needs and has ensured the full \$120 million from the 1% sales tax extension will go towards public education this year. However, their work is not done. They need to commit the full \$120 million for the schools every year, into the future. And the public needs to remind them that the sales tax extension only fulfills the request for sustainable funds from *last* year. They still need to raise the \$75M requested for *this* year. And even if we succeed at getting the State to allow us to tax our cigarettes, that will only yield an estimated \$45 million in year one. Locally, more work needs to be done.
- At the State, there are a few big items the public needs to press for. The District's official ask of the State is \$150 million. This assumes we will receive the additional \$39 million in the Governor's proposed budget. But rumors are swirling in Harrisburg that the Governor and Legislature are considering significant reductions because of weaker than expected revenue projections. So, once again, education and human services are at risk.
- Therefore, we, the public, need to keep pressing the State to:
  - 1) Keep the investments in education that are already in the governor's proposed budget. This is no time for new cuts.
  - 2) Find new revenue sources to support not only the investments in the Governor's budget, but also much needed new investments. Marcellus shale is one revenue stream waiting to be tapped. We join with others across the state asking the Legislature and Governor to prioritize sound judgment over stale politics.
  - 3) Reinstate the Charter School Reimbursement line – to help defray additional costs associated with charter schools under our current funding system. Philadelphia is not the only district struggling with this reality.

The current budget, and the education it provides for, is unacceptable. The District needs money to do better.

It is certain that the State and the City need to put more funds into the public schools this year, and ongoing.

We need all sides to see this reality and get down to the business of doing what needs to be done for children, families, educators, and the economy of our region.