

**TESTIMONY OF SOUMYA BHAT, EDUCATION FINANCE AND POLICY ANALYST
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**At the Public Hearing on
Review of School Closures within the District of Columbia Public Schools and
Bill 19-734, School Boundary Review Act
November 19, 2012**

Chairman Mendelson and members of the Committee, thank you for the opportunity to speak today. My name is Soumya Bhat, and I am the Education Finance and Policy Analyst at the DC Fiscal Policy Institute. DCFPI engages in research and public education on the fiscal and economic health of the District of Columbia, with a particular emphasis on policies that affect low- and moderate-income residents.

I am here today to offer input on Chancellor Henderson's proposed plan to close and consolidate 20 DC public schools in the next year. I would like to focus my testimony on the following key questions:

1. What does DCPS project to be the cost savings of closing these 20 schools?
2. What are the plans for these savings – how will the extra funds be applied to boost staffing and other resources at the consolidated schools or across the system?
3. What efforts are being made to improve planning and coordination between DCPS and the Public Charter School Board?

Almost all of the 20 schools in the DCPS proposal enroll fewer than 250 students, and the Chancellor cites school size as one of the main barriers to being able to provide adequate staff and resources at the individual school level. They maintain that our city's larger, fully enrolled DCPS schools are subsidizing the small, under-enrolled schools which often need additional support to fund core staff positions. As a result, the system faces budget pressures like the loss of funding for librarians for small schools in the fiscal year 2013 budget. The Chancellor argues that closing smaller schools will enable the city to provide better services to all students.

Given these claims, the DC Fiscal Policy Institute feels it is important for DCPS to quantify the cost savings that may result from closing these 20 schools to better understand if the consolidation plan is an effective strategy, given the disruption and other possible negative consequences of school closings. To our knowledge, DCPS has not quantified what it expects to save in total from school closures or what the transition costs may be. Without that information, it is hard to assess whether school closures make sense.

DCFPI believes that the way that DCPS has chosen to compare the costs of operating smaller and larger schools exaggerates the higher per-pupil costs of small schools. For example, the DCPS

proposal draws a comparison between Davis ES, a small, under-enrolled school on the closure list, with Langdon EC, a more fully enrolled school. Davis has 230 fewer students and spends 34 percent more per pupil than Langdon. While this is true, Davis ES also serves 28 percent more Free and Reduced Price Lunch students and 5 percent more students with special education needs. Just looking at what is spent on general education, the difference in per pupil spending is less than \$1,000 instead of over \$3,000 (Davis ES: \$9,275 and Langdon EC: \$8,314). For Davis's 230 students, that amounts to less than \$230,000 in added expenses.

Since DCPS is using under-enrollment as a major factor in identifying schools for closure, we did some analysis of how much some of the small schools on the proposed closure list are spending on non-instructional expenses, to estimate how much might be saved if those students were transferred to another school. We cannot be certain of what parts of a closing school budget will be kept for the receiving school's infrastructure, but taking a rough look at what each school spends on non-instructional costs can be helpful. Looking again at Davis ES and Langdon EC, Davis spends \$4,758 per pupil on non-instructional costs. This is more than what is spent by Langdon EC, where non-instructional costs are \$2,640 per pupil. This suggests that closing a small school may free up resources not being spent on instruction, such as custodial expenses, and administrative office functions, but a more thorough and complete analysis is needed.

Putting instructional and non-instructional costs together, Davis spends about \$3,000 more per pupil than Langdon. While this is a significant number, it may suggest savings from the proposed closures, which will affect 4,000 students, could be enormous. DCFPI has attempted to capture what savings may be possible for a few schools on the list, but without a formal DCPS analysis of the 20 schools, we cannot be certain.

Other analyses also cast doubt on the efficiency savings that can be accomplished by closing smaller schools. DCPS has also stated that certain enrollment thresholds can allow a school to be more flexible and spend more of their budget on instruction versus other costs, such as custodial staff, administrative office functions. For example, DCPS claims that elementary schools enrolling at least 350 students, middle schools with at least 450, and high schools with more than 600 students experience economies of scale and have more staffing resources. Yet DCFPI's analysis does not support this claim. DCFPI looked at how much per pupil spending typical DCPS schools had if they fell above or below these size thresholds. We found that whether looking at dollars spent across all students or just focusing on general education spending, the typical large school did not see a significant fiscal advantage even if they were above the recommended size for stability. (See **Table 1.**) For example, in fiscal year 2013, a typical elementary school with more than 350 students is spending \$10,212 per pupil while one with less than 350 students spends about \$10,505 per pupil. This amounts to a difference of only three percent between the under-enrolled school and more fully enrolled school.

DCFPI thinks it is worth DCPS taking the step to quantify what cost savings may be seen by closing these 20 schools and ask if this amount is enough to justify closure, particularly if some schools are slated for reopening in a few years after projected population growth. If there were no downsides to closure, it would be no issue, but past experience shows school closures are disruptive to communities and do not necessarily generate savings to the school system that can be seen in tangible ways. If savings are seen, DCPS should also be transparent about how the funds will be used to support individual schools or the overall system. This will give residents a better understanding of how school closure savings will translate into greater academic investments.

Finally, DCFPI believes that more concrete steps need to be taken by DCPS and the Public Charter School Board towards more comprehensive planning and coordination between sectors, particularly around the total number of schools in the city and their location. It would be better for the city as a whole to not go through time-consuming and painful school closing efforts every four years. Beyond that, it is essential for the public to see open and clear processes are in place to ease transitions for DC residents navigating both systems.

The past several days of community feedback have clearly shown how school closings are about much more than a simple cost-benefit analysis. It is about families being able to count on a quality public education for their child, regardless of where they live in the city. Chairman Mendelson and members of the Council, we at DCFPI urge you to take these recommendations under consideration.

Thank you again for the opportunity to testify. I am happy to answer any questions.

Table 1: Size Thresholds and Per Pupil Spending at DCPS Schools

School Type and Size Thresholds	What do Typical Schools of This Size Spend Per Pupil? - Median Per Pupil Expenditures for FY 2013	What do Typical Schools of This Size Spend Per Pupil on General Education (Taking Out Special Education English Language Learners, Federal Dollars)? – Median General Education Per Pupil Expenditures for FY 2013
Elementary Schools		
Over 350	\$10,212	\$8,149
Under 350	\$10,505	\$8,506
Middle Schools		
Over 450	\$8,568	\$7,368
Under 450	\$11,723	\$7,781
High Schools		
Over 600	\$9,759	\$6,539
Under 600	\$9,881	\$7,481
Education Campuses		
Over 500	\$11,583	\$8,282
Under 500	\$10,836	\$8,086

Note: This table shows the median per pupil expenditures for all schools of a certain type according to projected student enrollment for FY 2013. The median was taken for all schools above and below the specified size threshold to see what a typical school of that size was spending per student. The general education per pupil expenditures was calculated by taking out dollars spent on Special Education, English Language Learners, Title I and Title II federal dollars.