

**School Choice,  
Equal Educational Opportunity,  
and  
Connecticut School Finance Failures**

**Testimony to the Connecticut Advisory Committee,  
U.S. Commission on Civil Rights**

**“School Choice as a Civil Rights Issue” Briefing**

**Legislative Office Building, Hartford, CT**

**September 28, 2006**

**by**

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**The views expressed here do not necessarily reflect those of the board or members  
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# **School Choice, Equal Educational Opportunity, and Connecticut School Finance Failures**

***Abstract:** The social and economic ramifications of providing public tax dollars to support privately operated charter schools and voucher plans negate the value of these school choice options both as suitable policy levers for extending equal educational opportunity and as fiscally responsible public expenditures in a state that is not adequately funding its regular public schools.*

## **Differentiating School Choice: A Matter of Apples and Oranges**

In the educational supermarket that serves American families with school-age children, feeds the universities, dishes out the essential ingredients for business and industry for fueling our economy, nourishes this increasingly multicultural nation, and shapes the very fabric of our democratic society, it helps to understand that apples are not oranges. Both apples and oranges come in different varieties, and preferences for one over the other depend not only on personal taste, but also on availability, quality, and price.

It is with the price of apples and oranges — two different school choice paradigms — that I have been asked to address the majority of my comments today. Let me begin by briefly describing how the two paradigms differ, a differentiation that portrays school choice as either operating outside the regular public school system or taking a form that is integral to it.

## **School Choice Outside the Public Schools**

In 2005-06, there were 14 charter schools serving a total of some 2700 students, or less than 0.5% of all public school students in Connecticut. These schools are exceptionally small, ranging from 78 to 303 students, with the majority enrolling under 200. Why is it that these 14 small schools garner so much attention, including that of today's forum, even though our 1,114 public schools serve nearly 566,600 students?

However well-intended, focusing on the desires of the few at the expense of the needs of the overwhelming majority of schoolchildren, their parents, and communities is inequitable public policy. Separate education is inherently unequal public education, and Connecticut's charter schools represent a very separate kind of school. Except for the

public tax dollars that constitute their major revenue stream in lieu of charging tuition fees, certain mandated relationships with the public school districts in which they are located, and an obligation (not always honored) to accept students via lottery, these schools would otherwise function as private independent schools. And were it not for the finances, undoubtedly several of them could compete quite well with the state's many fine private independent day schools. Because current statutes fail to ensure an expected level of transparency of reporting (and the same holds true for the district-operated choice schools and programs), but also owing to public controversies and over-saturated press coverage surrounding one charter management organization, it is currently too easy to view the charters as separate education entities that are not really public schools at all, rather than to treat them as another fruit on the supermarket shelves that is available in several varieties.

Overall, Connecticut's charter schools appear to do about as mixed a job of educating students as the regular public schools do, especially if one digs beneath the test performance hype. However, they do little to reduce racial and economic isolation, with a few of them attracting essentially all-minority enrollments. Nor is their small-school model cost-effective or even feasible for scaling up to educate tens of thousands of Connecticut students, facts that are conveniently overlooked in the haste to overstate the significance of test scores within very small schools and in the absence of longitudinal evidence of sustained student gains beyond the immediate charter school experience.

Ordinary public schools, at least in the cities, do not have the luxury of smallness, the resources to extend the school day or year, or an ability to invoke strong disciplinary programs and required parental involvement as a condition of enrollment, since that would be legally untenable. Ordinary public schools gladly accept all children, regardless how severe or costly their learning needs. Surely if all children had access to excellent schools in their own neighborhoods, we would not be courting educational privatization quite so blindly.

Moreover, there is no convincing research evidence, either nationally or here in Connecticut, that charter and/or private schools provide significantly better learning outcomes for students, are equipped to meet the challenging needs of students who require Special Education or English Language Learner services, or can offer high school students the depth and breadth of curricular and extracurricular programs that are desirable.<sup>1</sup> Undoubtedly everyone here today is familiar with the recent release of the National Assessment of Educational Progress studies that, simply stated, have basically called it a "draw" between the test performance of charter, private, and public schools. Even were the results different, the future success — and competitiveness — of American society will not flow from giving a select minority access to superior education; our

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<sup>1</sup> Presumably most of us want high school students to get "hooked" on nanotechnology, bioengineering, TV production, Chinese language, jazz, debate club, community service, the stock market, etc., and to experience the variety of critical thinking, socialization, and experiential learning opportunities that generally only large comprehensive high schools (or expensive private schools) can afford to provide.

collective success can only stem from a determined initiative to provide to all children the full measure of education that they need and deserve.

Nevertheless, most of us educators reject the national obsession with test scores and a narrowed curriculum that focuses almost exclusively on the few core subjects tested under No Child Left Behind. But when we see extraordinary performance gains among historically underperforming populations being touted, we look at school and class sizes, learning time and other resources available, and the students and their families for clues as to why. We also look to the long-overdue statutorily required report that charter schools were to have issued describing what practices they implement that might also be suitable for adoption by regular public schools.

The unfettered expansion of charter schools into networks operated by aggressive and largely secretive private organizations needs to be reassessed, both here in Connecticut and elsewhere in the nation. Such ambitious expansionist goals (reportedly disavowed by most of the state's charter schools) portend a shadow "public" school system, a separate and alternative system that relegates the most difficult and costly-to-serve students to the regular public schools and attracts to the charter-network schools just those students who are the most eager learners or whose parents assume that it is easier to instill those values in school settings outside the neighborhood. Yet small, innovative stand-alone charter schools can be important community assets in helping improve the social and economic mobility of disadvantaged students, as several of the original charter schools in Connecticut have already proven.

A voucher system would further contribute to this unfolding folly of educational fragmentation. Including private and parochial schools in the voucher mix would certainly magnify the public policy concerns and reinforce the concerted efforts by some groups in this nation to tear down the wall of separation between church and state that is supposed to prevail in our public schools.<sup>2</sup>

## **School Choice Integral to the Public School System**

By contrast, school choice that operates within the purview of school districts — such as local magnet and district-chartered schools, as well as interdistrict collaborations, which include interdistrict magnets, Project Choice, vocational agriculture programs, and the state's technical high school system — affords programmatic choices aimed directly at complementing and enhancing educational quality within the participating school districts without jeopardizing district enrollments or their fiscal viability. Largely thanks to *Sheff v O'Neill*, a primary mission (albeit not the sole focus) of these schools is a reduction in the racial and economic isolation of urban students. State support of the interdistrict magnets is also tied to meeting stipulated geographic and racial integrative

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<sup>2</sup> Because the notion of vouchers is not on the political landscape in Connecticut, for the sake of brevity my comments here largely ignore the profound fiscal, social, and philosophical ramifications of voucher plans. With certainty, any voucher plan here would immediately be challenged in the courts.

levels; these are not always easy enrollment balancing goals, given the appeal of the magnet schools to poor and minority students who reside in wealthy suburban districts, the randomness of the lottery process that selects for town of residence, and the costs that participating districts have to share.

Both the Greater Hartford area and New Haven now enjoy a number of successful magnet schools, and other magnets and district- or RESC-operated choice programs also exist in other cities. The relationship between these schools and programs of choice and the regular public school districts is close, in some cases nearly seamless, a relationship that is carefully nurtured by the nature of the RESCs themselves. None of the programs or districts are in direct competition one with the other; rather, they actively seek to support each other, and in some instances share staffing and other resources while also typically collaborating on professional development, planning, and outreach activities.

But all is not rosy on this side of the supermarket fruit counter. Magnet schools — both those hosted/operated by the school district and the interdistrict Regional Educational Service Center<sup>3</sup> operated ones — and other choice programs, such as the vo-ag programs that are hosted at regional comprehensive high schools, all suffer from substantial underfunding of their specialized curricula, the extra costs associated with the challenges of bringing together highly disparate student populations, and the skyrocketing costs associated with their extensive regional transportation needs. The marginal costs of these programs/schools, over and above regular public schools, are not insubstantial, especially for the RESC-operated programs that essentially serve as lighthouse models of regional integration and best educational practices.

The state's Open Choice program, known as Project Choice here in Hartford, has surely made an important and long-standing contribution to equal educational opportunity in the urban centers by enabling the exchange of urban, suburban, and rural students, albeit on a limited scope. Restraining the expansion of this program are the lack of space in suburban schools, expensive transportation arrangements that entail lengthy travel time, and the state's failure to adequately recompense receiving districts for the additional costs of effectively integrating students and their families into their new school environments.

These varied choice programs all operate under separate, always tenuous funding streams that provide little room for long-range fiscal, programmatic, or staffing planning. Just like the charter school advocacy groups, the 166 regular public school districts, the state's 169 municipalities, and the many professional education-related associations, the annual funding cycle of district-operated choice programs is inordinately dependent upon thousands of hours of intensive lobbying annually to implore legislators and the Administration to award even minimal increases in state funding and to supplement earlier allocations that were insufficient for meeting unavoidable operating expenditures.

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<sup>3</sup> RESCs are regional collaboratives governed by participating boards of education, an intermediate public education agency structure that has been in place in Connecticut for some 30 years.

## **No Bargains at the Supermarket: Apples and Oranges Are Both Costly**

Notwithstanding the above differentiation between independently operated charter schools and schools of choice operated within the purview of school districts, they share one fundamental problem: **They are all underfunded by the state and expected to perform miracles despite per pupil allocations that have little relationship to the true cost of delivering quality education today.**

Unfortunately, the true per pupil expenditures within specific charter schools is unknowable, or at least unverifiable, thanks to the legal privacy afforded via the private nonprofit corporations that operate them, though some of the charter schools are more forthcoming with their information than others. And transparency of magnet school and Project Choice spending, as well as other kinds of accountability-related data, are nearly equally inaccessible from district-/interdistrict-operated schools and programs. This common lack of fiscal and other data transparency is partly attributable to the state's weak accountability statutes and Department of Education oversight (CSDE, too, is short-staffed due to the state's underfunding), but questions of just who "owns" the data, controls its access, and how better to provide the public and researchers with verifiable information all deserve to be addressed in the near future.

Some of the charter schools have enjoyed seemingly sizeable private underwriting, or at least have in the past; others (especially the early charters) have not, and consequently, not unlike a majority of the public schools, they struggle hard to deliver the innovative educational programs their founders envisioned. Two of the original charters have even converted to interdistrict magnets, which somewhat improved their fiscal plight, at least initially, and certainly swelled their waiting lists.

Connecticut children who enroll in a charter school strain the local school district's finances. (The exceptions are Stamford and Norwalk, which cities receive so little state aid for their public schools that the districts and local property taxpayers actually benefit from the state's far more generous support of students who opt to attend the charters.) Given the small size of the charter schools and the fact that they draw students from across the city, no reduction in operating costs is realized by the district or its schools. At best, a few classrooms here and there may be blessed with less crowding. But the number of teachers, support personnel, classrooms, schools remains the same, and costs get distributed across fewer students, thereby inflating the district's per pupil expenditures without adding any new resources. Moreover, were charter school enrollments within a single school district to grow dramatically, the significant loss of highly motivated students and their families from the public schools could potentially result in profound negative consequences for the district's teaching and learning climate.<sup>4</sup>

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<sup>4</sup> Could most of these same allegations be made about the interdistrict magnets? Probably, though commitment to their integrative principles and close collaborative relationships help mute most complaints except for the cost sharing.

Another troubling fiscal aspect pertaining to current charter school statutes and accounting practices in Connecticut school districts is that local public school dollars that are expended in compliance with the state and federal mandates making them responsible for providing pupil transportation for the charter and private schools, as well as any required Special Education or English-language services, are not attributed to the per pupil costs of those charter schools, but instead inflate the local school district's per pupil expenditures.<sup>5</sup> Some charter schools do not even publicize the names of their boards of directors, an omission indicative of the fact that they are not accountable to their community or the duly elected or appointed local board of education, even though they enjoy public tax dollars as a primary revenue source.

Next, a few comments about a rumored new funding scheme for charter schools, an idea that has emanated from a few charter school champions nationally. Known as "the 100% solution," the "weighted-student" formula, or here in Connecticut, even a "backpack" plan, the scheme calls for funding to follow the child, wherever she may go. This typically requires parity for charter schools with the per pupil funding of public schools within the town in which the charter school is located. Such plans ignore the basic premise of state school aid formulas, which is the equalization of community wealth to ensure relatively comparable power for towns to fund their local public schools.

Under the new charter funding scheme, the unit of calculation and distribution becomes the individual student rather than the aggregate student enrollment within a school district. The scheme is therefore but a thinly disguised voucher plan.<sup>6</sup> It calls for each school to control its own budget and spending; in other words, school governance becomes an extreme form of site-based management that puts education under the direct control of building principals and their site councils. This, of course, begs the question of the professional readiness of building-based personnel to carry out these responsibilities and the availability of knowledgeable, committed community people to act as de facto school boards or boards of directors at every single school.

This proposed funding scheme also means that budgets get tied to how many students a school can attract and the individual traits of each student (since higher-need students would be weighted more). Budgets could then be stretched by hiring the cheapest teachers, ergo the least experienced, based on an assumption that more teachers/smaller class sizes are more important and desirable to parents than more experienced teachers whose higher salaries would necessitate larger class sizes. This scheme would marginalize and/or eliminate the key instructional leadership role of school district central offices, together with the policy and oversight role of local boards of education and municipalities. It would bring about the demise of school systems as we know them, at least in larger cities.<sup>7</sup>

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<sup>5</sup> By way of example, a back-of-the-envelope calculation showed that last year such "external" costs that were borne by New Haven Public Schools amounted to as much as \$5 million.

<sup>6</sup> It should be remembered that charter schools as "public schools" originally took root across the nation as policy alternatives to voucher plans.

<sup>7</sup> How this might play out in small and rural towns is anyone's guess, but then the charters are only targeting the big cities because that is where public school quality is the lowest, parent demand for improvements the greatest, and, most importantly, state education dollars the largest.

**Make no mistake: The funding of school choice in Connecticut is inadequate, but even more grave is the fact that the entire “system” of education funding is broken.**

Unfortunately, in Connecticut as everywhere, state education funding is a zero-sum game: What is allocated to the charters reduces the money available for the public schools.

## **We Need Adequate Funding for Both Apples and Oranges!**

The civil rights of schoolchildren, especially the fundamental right to a suitable and substantially equal educational opportunity, simply cannot be addressed without confronting head-on the underinvestment by state government in our public schools and the failed finance system that inequitably distributes a too-small pot of education money. The state’s continuing primary reliance on local property taxes to sustain the community schools has maxed out homeowners, severely restricted or shut down necessary local government services, and generally pitted parents against senior citizens and others living on fixed incomes. I respectfully submit that the state’s inadequate and inequitable school funding of all the public schools is the civil rights issue that this esteemed Advisory Committee should be considering today.

Compounding the severity of the broken school finance system is the growing urgency of serious social problems besetting our state (and nation), including de facto racial re-segregation of schools and neighborhoods, limited access to affordable housing and health care, gross income disparities, and employment uncertainties — all of which impact student performance and have contributed to Connecticut’s pernicious achievement gaps and the unconscionable student performance within urban/urban-ring districts.<sup>8</sup> Far too many students are similarly being left behind in many transitional mid-sized, small, and rural communities, where schools are also significantly impacted by the confluence of socioeconomic problems and the broken school funding system.

Since its founding in late 2004, the Connecticut Coalition for Justice in Education Funding has brought together municipalities, boards of education, professional education associations, community advocacy groups, parents, taxpayers, and others in an attempt to modernize the state’s fiscal infrastructure to ensure equal educational opportunity and quality public schools in every neighborhood. As part of our efforts, we commissioned an education adequacy cost study last year, and, plan to release a magnet cost study soon.

In November 2005, Yale Law School’s Education Adequacy Clinic filed suit on behalf of CCJEF members and 16 named plaintiff schoolchildren and their parents from nine communities, who represent the plight of children ages 3 to 18 across the state who are

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<sup>8</sup> Education researcher/writer Richard Rothstein writes extensively on the necessity of public policy addressing the social and economic conditions of children’s lives, and not to just focus on school reform, if we are truly serious about raising the achievement of disadvantaged children. See, e.g., his *Class and Schools: Using Social, Economic, and Educational Reform to Close the Black-White Achievement Gap* (Economic Policy Institute, 2004). Many of his related articles are available online.

not receiving the suitable and substantially equal educational opportunities guaranteed them under the Connecticut constitution. Even as the case winds its way through the courts, CCJEF is actively participating in the Commission on Education Finance that Governor Rell formed shortly after the case was filed. We are also proactively talking with key figures in the Governor's administration, legislators, prominent community leaders, and others to work towards satisfactory reforms together.

To inform those discussions and build consensus around the key issues, just last week CCJEF launched three workgroups to draft concrete proposals for revamping the state aid formula, rebalancing state/local revenues to more fairly meet the cost of education adequacy, and devising a results-based accountability system that should better ensure that maximum bang for the buck is obtained in school expenditures and that overall, the state's school funding system and urban school performance never again reach this state of crisis. Some 90 individuals, representing variously situated Connecticut stakeholders (including those who are not otherwise members of CCJEF), will now proceed with the assistance of experts to deliberate and come to some consensus around these highly complex but urgent policy issues. Joining in this undertaking are a few legislators, and dozens of others have asked to be kept closely in the information loop as our deliberations proceed. By early December, both the CCJEF workgroups and the Governor's Commission should have arrived at their respective recommendations. We therefore look forward to a productive 2007 legislative session.

CCJEF believes that the state's failure to adequately fund its public schools violates the fundamental right to education granted to Connecticut children in our state's constitution. So long as the education system remains underfunded, the diversion of precious public tax dollars to independently operated charter schools only exacerbates this problem.<sup>9</sup> But Connecticut is a wealthy and smart state. As we are revamping public school funding, surely we can also find a suitable way to adequately fund existing schools of choice that add value to our communities and contribute to the state's economic engine.

Ultimately, it is absurd to imagine that school choice is the magic remedy that will bring about major public school reform here in Connecticut or anywhere. At most, school choice is an adjunct to the systemic improvements and experimental innovations that have been underway since the advent of the standards-based reform movement. For better or for worse, school choice is now being strongly pushed and pulled by No Child Left Behind, the Bush Administration, and even some of the so-called New Democrats. Yet there remains the potential danger that rather than being a purported "solution," school choice actually becomes a costly, damaging, perhaps even irreversible diversion from the real problems facing public education, such as broken fiscal infrastructures,

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<sup>9</sup> Since FY1997, when Connecticut charter schools received their first state grants, and through FY2005, some \$108 million in state tax dollars have been distributed to the charters. State aid to the public school system over those same years has failed to even keep pace with inflation, despite ever-increasing education costs attributable to the labor-intensive nature of schooling, underfunded state and federal mandates, skyrocketing health care and energy costs, and other exigencies. Moreover, during these same years, municipalities/school districts incurred over \$1 billion in Education Cost Sharing caps (withheld monies), allocations that under the equalization formula should have gone to their schools because of low community wealth and student need.

huge achievement gaps, looming teacher shortages, and uncertainties about how to prepare the workforce of the future amidst so much global economic change.

Those who are genuinely committed to closing the achievement gap and ensuring great schools for all ought to be supporting the efforts of CCJEF to revamp the state's equalization aid formula to reflect the realistic cost of preparing well-educated students. To fairly and amply fund the schools in every community, the state's regressive tax system must be restructured to shift the primary burden for funding the schools away from the current heavy reliance on local property taxes toward more progressive state-level revenue streams. Only with adequate funding, accompanied by results-based accountability, can we hope to ensure equal educational opportunity and the success of all students and their schools, including schools of choice. What's at stake is not just the future of our children but also the kind of society and economy we envision for Connecticut.