

**Prepared Testimony of**  
**Chris Barbic, Founder and Director of Youth Engaged in Service College Preparatory**  
**(YES Prep Public Schools)**  
**Before the Senate Education Committee regarding SB 1830**  
**Tuesday, March 31, 2009**

Good Morning Madam Chair, Vice-Chair Patrick, and Committee Members. I'm Chris Barbic, the Founder of Youth Engaged in Service Preparatory Public Schools, or as most people know us, YES Prep - in Houston, Texas. I'll want to echo David by thanking you Senator Patrick, for taking the initiative to author this legislation. And of course Madam Chair, I want to thank you for your loyal support to our cause. Today I'll discuss two of the bill's main objectives: closing the funding disparity between charters and traditional public schools by establishing facilities funding, and promoting co-location between public charters and traditional public school districts.

In 1998, along with my team, I wrote the charter for YES Prep and I've been overseeing our development and expansion in Houston for the last ten years. We have been ranked the best public school in Houston by Newsweek and US News and World Report, we require every one of our students to secure acceptance into a four-year college in order to receive a diploma from YES Prep and we will soon graduate our 9<sup>th</sup> senior class, 100% of those students earning acceptance into a competitive four-year college. **90% of our students are first-generation college-bound.**

We started ten years ago purchasing eleven modular buildings and locating them in the middle of a parking lot and have grown to our existing five campuses. These range from leased warehouses to modular buildings on donated land. This is due to the fact that charters currently do not receive direct funding for their facilities, so it's left up to the individual school to raise money, solicit donations, apply for grants, or borrow money. The legislation provides an allotment for open-enrollment charters that are rated academically acceptable or above and ranging between \$500 to \$1,000 per student, and subject to appropriation. If the appropriation is insufficient to cover all charter schools, the Commissioner is directed to pro-rate the amount for each eligible charter.

Increasing charter facility funds helps close the overall gap in funding that charters receive compared to traditional public schools. Facilities funding is just one piece of a broad funding disparity between charters and traditional public schools. A brand new report by The Institute for Public School Initiatives at UT System confirms every report that has ever looked at this issue . . . that charters receive less in total revenue per pupil (based on enrollment). This most recent study calculates the difference at approximately \$1,200 less for charter schools students. When you have 2,600 students growing next year to 3,500 and eventually growing to 10,000 students, that adds up to a significant disadvantage! **The same study also confirms that inconsistent application of school finance policy hampers the ability of charter schools to accomplish their missions.** Charter schools are public schools initially given operating flexibility, but state and federal law now impose essentially the same requirements on charters as traditional public schools. Therefore, we need access to similar resources.

It's also important to realize that charter schools are public schools with no eligibility for the Instructional Facilities Allotment and the Existing Debt Allotment, the only two state programs to help public schools meet the cost of providing facilities. Also, charter schools are public schools with no access to a local tax base and no eligibility to access the Permanent School Fund bond guaranty.

As a result, charter schools have gotten creative about expanding in a cost-effective manner – one example, is a charter co-locating with a traditional public school. Co-location occurs when two or more public schools operate simultaneously and shared a physical location. The idea developed in the mid-1980's as a way to convert pre-existing large schools into smaller learning environments, and it has produced positive results in California, New York, and in President Obama's home state of Illinois. Today, co-location and the small schools movement is growing rapidly across the nation with the support of private funding bodies, educational reformers and activists, and some local school districts – such as Houston ISD.

Charter schools have limited options for facilities unlike traditional school districts that often have empty space that could be utilized. Co-location both maximizes the utilization of this space, while also fulfilling the central goals of public charters - **to create innovative learning opportunities and choices for students and families within the public school system that can be replicated.**

In Houston, we have created a "Collaborative Agreement" with Houston ISD to house a YES Prep campus at Lee HS. We are in the second year of this partnership and while it has provided YES Prep an opportunity to grow and begin a partnership with Houston ISD the future of our partnership will live and die with clear incentives for ISDs to partner with public charters. Senate Bill 1830 provides that clear incentive; it allows a school district that leases space to an open enrollment charter school to combine their testing data with the charter school data. Much more importantly, it facilitates best practice sharing between co-located schools and their districts.

Thank you for your time, I'll take any questions you may have and then pass it over to Arturo Suarez, Executive Director of Positive Solutions to discuss some critical issues facing drop-out recovery charter schools.

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