

Testimony of Dr. William R. Hite, Jr., Superintendent/CEO
The School District of Philadelphia
May 17, 2016

Good morning, President Clarke and City Council Members. Thank you for the opportunity to testify before you today.

I would like to start my presentation with a brief video that will be part of our teacher recruitment efforts and highlights the impact of recent investments in our schools and our plan for new investments in the future. [play video]

As you can see from the video, we have many places where children are benefitting from our efforts to improve student outcomes. We have fought through years of deficits and tough choices, and we have asked for tremendous sacrifices by students, teachers, parents.

I want to thank City Council. You fought for and delivered on behalf of Philadelphia schools and our children when we needed your help the most. It wasn't always easy, but you supported over \$400 million in additional revenues to our public schools over the past five years. These monies have allowed us to reinvest in our schools and build towards long-term sustainability. Without you we would not be in the position where we can now focus on investments and long-term sustainability instead of devising emergency contingency plans to deal with funding deficits.

Short-term stability, however, should not be confused with adequacy or equity.

No school district in the Commonwealth has made the deep and difficult cuts we have endured over the last several years. And our schools still feel the effects of the actions we had to take to achieve fiscal balance. That is why I am eager to speak with you today about the tremendous optimism I have for the future of our schools and the important and much-needed investments we must make in our schools over the next several years.

Students are never shy when it comes to expressing what they want or need. Every time I walk into a school, I hear a recurring theme: While we have more, we do not have enough.

Our children's voices have shaped the budget priorities I will share with you now.

Since the 2013-2014 school year, I have met regularly with a Student Advisory Council to discuss what they experience every day. There are students from more than 40 high schools citywide on the council, including charter schools. They have my cell phone number and they don't hesitate to call or text me.

Our meetings are built around a single topic on which I receive a broad range of views. I have heard their perspectives on the elements of a high-quality school. We've discussed student safety at transportation hubs, how the District can be more eco-friendly, college prep online tools and our policies on cell phones in schools. Students provided input on our academic calendar, budget priorities and Action Plan 3.0, the School District's strategic plan.

Last school year, the Student Advisory Council requested more art, music and sports programs, and more counselors and nurses. I am proud to say we listened and we acted and not only have we put in more music teachers but in the coming school year we will have counselor in every school and a nurse in every school building. At our last meeting, the Student Advisory Council specifically expressed their gratitude for our responsiveness to their feedback.

As Superintendent, it is not enough to put students' feedback in action when they bring basic requests; we must commit to creating the long-term financial conditions where they no longer feel the need to ask for the basics. With stable financial circumstances, we can develop long-term, strategic investments that provide opportunities for all children in the city.

For the upcoming fiscal year, the School District is not requesting additional funding from the City and State above the currently proposed amounts. Let me be clear - our budget cannot be a set of yo-yo investments, spending one year and cutting back the next; we need year over year investments to succeed. And our investments can only be sustained through recurring revenues.

Our Five-Year Plan for fiscal years 2017-2021 puts funds towards our Action Plan anchor goals around college- and career-readiness, grade-level literacy, effective instruction and strong leadership while practicing good fiscal management. We have specific targets for our accomplishments over the next five years. We want to increase and improve student outcomes, not just produce more outputs.

Over the next five years, we plan to invest more than \$440 million to create a great school in every neighborhood in the city.

Our college-and career-readiness investments – updated textbooks, an expanded digital library, upgraded classrooms and labs, free PSATs, more Advanced Placement classes – will support students to successful high school completion and beyond.

Our literacy investments – more literacy specialists and reading coaches, additional READ! By 4th summer camps, and the classroom books and materials children need – will prepare students for success from the earliest grades.

Our increased investments in turning around some of our most challenged schools will accelerate student progress. And, we are giving our principals the flexibility necessary to create and enact their school visions and we are equipping our teachers with the tools they need to create modern, engaging classrooms. As part of our investments, we will partner around fair labor agreements that allow for 21st century learning environments.

Recruiting and retaining great teachers is vital to achieving great schools that serve all Philadelphia students. Today I can update you on our multi-tiered recruitment effort to fill 1,400 teacher vacancies. Right now we have over 1,200 applications from external candidates with still more coming in.

We are on pace to have over 1,000 vacancies filled, both through external hires and internal transfers, leaving another 400 vacancies yet to be filled. While we are making good progress, there is still work to do and we can use your help. There are subjects that have fewer candidates like special education, math and science. We could use your support in getting the word out and referring interested teachers to us.

We are also taking action with regard to the problem of substitute teaching. For years we have fallen short at recruiting substitute teachers. We sought a solution by partnering with a company that specializes in staffing services and unfortunately that partnership failed.

While that arrangement failed we still believe that the best way to provide substitutes to our schools is through a partner. For the upcoming 2016-2017 school year we are moving to the largest and most experienced provider of substitute staff in the industry and in educational staffing, one with over two decades of experience in the field.

Just yesterday, in an effort to be more transparent about how we do our work and the challenges we face, we delivered our second quarterly report to City Council under the terms of our Intergovernmental Cooperation Agreement. We have held numerous briefings outside of the budget season to allow for more in-depth discussions around

important issues to schools and your constituents. We appreciate your support, your ideas, and your continued willingness to be part of the solution.

We need to work with you and our state legislature to develop a long-term, reliable and sustained funding model for the School District.

Our Five-Year Plan is based on reasonable assumptions. These assumptions include a loss of revenue when the City's AVI market value adjustments are counted in the state's reimbursement formula and when the cigarette tax sunsets at the end of fiscal year 2019.

This fiscally responsible budget shows positive fund balances through fiscal year 2018, followed by negative fund balances beginning in 2019. This is due to the simple fact that our projected expenditures are nearly double the rate of our revenue growth.

Working together, we have an opportunity to develop a roadmap to head off these challenges. We are committed to getting ahead of the problem, and want to work with the city and state now, while we have time provided by modest fund balances, to find recurring sources of revenue. We must act now to ensure a stable future for our children and for the City.

Every time I walk into a Philadelphia school, meet with a student, see a teacher in action, hear the pride of a parent and feel the promise of a principal, I am reminded of our potential to be one of the nation's greatest public schools system.

The future of our children, our schools and our city depends on how well we serve our children. I appreciate your time and all that you have done. I am happy to answer any questions from you, Mr. President, and from members of City Council.