

**Testimony of Mary Filardo, Executive Director, 21<sup>st</sup> Century School Fund**

Good morning. I am Mary Filardo, executive director of the 21<sup>st</sup> Century School Fund and Nancy Huvendick, Director of DC Programs will also provide comments. We are here to comment on the 2012 budget for the Office of Public Educational Facility Modernization and on the proposal to consolidate OPEFM into a larger city-wide “General Services” agency. I will speak to budget issues and Nancy will provide comments on the reorganization.

There are some basics that I think would be helpful to establish as you evaluate the budget proposals for OPEFM. The public, through its elected representatives has very limited points of control over DCPS capital projects. The first point of control is supposed to be through the approval process for the long range educational facility master plan, but the capital budget process has consistently trumped the master plan, so in actuality the points of control are the capital budget approval process and the Council’s authority to approve contracts over \$1 million. Since the Council virtually NEVER disapproves a contract submitted by OPEFM, it is the capital budget that is critical.

What is the Council being asked to approve?

- A complete reorganization of the management capital spending and the management of 100s of public facilities;
- capital budgets for about \$5 billion with \$1.7 billion for DCPS; and
- the maintenance and repair budgets for the DCPS schools—as well as all the other facilities in the new agency.

My question to the Council is, really? Do you know what you are approving and why?

Nancy will address some of our questions about reorganization, but a complete reorganization of multiple agencies, with no analysis of what problems exist and what this new agency is expected to solve, how it will be organized, how it will accomplish its mission, how it affects the public charter facility concerns and facility allowance or DCPS seems more than premature, it seems irresponsible.

Regarding the DCPS capital budget, the Council is being asked to approve a \$1.7 billion list of projects for DCPS only, with budgets without well defined scope of work or clear alignment to facility needs or educational programs—at least not available in the public domain. Some specific concerns are:

- The “phase 1” project budgets are blank checks without definition. The plans for phasing is poorly conceived for elementary and middle school projects—where finishes are done before systems and components—so the 84 year old Stuart Hobson, for example, gets its

phase 1 this summer, but phase 2 4 years later and finally its decrepit systems replaced sometime after FY17.

- The budget for new projects like Ballou is a “placeholder” without even agreement on whether it should be a modernization or a replacement school—(just a note that I too think the quality of the original facility suggests it should be a replacement; and fairness would put it ahead of Dunbar and budget would likely be comparable to Dunbar’s, which is \$122 million—not \$60)
- There are still \$267 million in “pooled projects” in this DCPS capital budget even after the District has spent over \$2 billion in the last decade on modernization, stabilization and phase 1 modernizations
- The projects in this 2012-2017 capital plan are proceeding without a clear educational plan; just one example is the concern about spending on capital projects for the PK8 expansions even as DCPS may be reconsidering this grade organization.

Finally, even as we may debate the pros and cons of what should be done going forward, the District needs an adequate budget and plan for maintenance of our existing buildings and grounds. The District must have a comprehensive maintenance plan and with specified preventative maintenance program to protect the recent investments in our public school facilities, as well as timely maintenance and repair capabilities.

The citizens of the District of Columbia never wanted a school facility agency without strong oversight, public participation in project development and adequate internal controls. We understand how precious our public dollars are. This is why the DC Charter law requires control over capital projects. This is why the law requires a Council approved public facility master plan grounded in educational needs and developed with public participation. This is why the School Modernization Act requires a modernization advisory committee. This is why the law requires annual audits of capital project process, quality and cost.

The District needs to sustain its investment in our public school buildings and grounds. Approve the budget but not without requiring the executive to follow the law and without adequate funding for preventative and routine maintenance plans and capacity in place to protect the hard won investments we have already secured. We stand ready to help the Council with whatever you need to identify changes to this budget so you can honestly say to the public you knew what you approved and approved what was best, not just for your ward, but for our one city.