



Testimony to the House Republican Policy Hearing
School District of Philadelphia
May 19, 2025

Thank you to Representative White and members of the Committee for coming to Philadelphia and visiting the Great Northeast. We are Reginald L. Streater, Esq., President of the Board of Education and Tony B. Watlington, Sr., E.d.D, Superintendent of the School District of Philadelphia. We wish we could have joined you in person today and we appreciate the opportunity to provide testimony on the District's responsible use of taxpayer dollars and the academic gains our students are making as a result of your investment.

First, we would like to provide you with information on the District. We are the eighth largest school district in the nation and the largest district in the Commonwealth of Pennsylvania. We are a community working together with parents, families, volunteers and community members to support the limitless potential of students attending our schools.

We are proud of the progress we are making. In fact, over the past two years, the District has made significant progress in a number of areas:

- **Increased** the number of students with regular attendance (90 percent or more days) **by over 3,500**;
- **Decreased** the number of students who dropped out of school **by 1,400**;
- **Increased** the percentage of 3rd grade students scoring proficient or advanced in reading **by 6.2 percentage points**;
- **Increased** the percentage of 3rd grade students scoring proficient or advanced in math **by 6.6 percentage points**;
- **Increased** the percentage of 3rd-8th grade students scoring proficient or advanced in math **by 5.5 percentage points**;
- **Increased** the number of students passing NOCTI exams **by 13.5 percentage points**.

In February, the Nation's Report Card, which was first administered in 1969 and is given every two years in all 50 states and 26 urban districts, was released. It showed that the School District of Philadelphia:

- Increased 4th grade math scores by 7 points since 2022 – outpacing all but four of the participating districts, as well as the national public school average, and the average for comparable large cities.
- Is one of only four of the participating districts whose performance in 4th and 8th grade math and reading has remained steady since 2019, outpacing Pennsylvania state average improvements over that timeframe.
- Did not see declines across all four tested areas, as was the case with national public and large city school districts, since 2019.

While making academic progress, we have also stabilized our finances and made targeted investments. Since 2017, we have regained local control of the District and our bond rating has been upgraded by Fitch Ratings to investment grade for the first time since 1977. Last spring, the District's ratings outlook was upgraded by both Moody's Investor Services and Fitch Ratings, Inc. And this month, Fitch Ratings affirmed the District's rating as part of its annual review. For more than a decade, the District's Federal Single Audits and ACFR Financial Statement Audits with unmodified (clean) audit opinions with no material weaknesses.

Between 2020 and 2024, the District strategically invested \$1.1 billion in Elementary and Secondary School Emergency Relief (ESSER) Federal Funding to:

- Upgrade district wide Reading, Math, and Science curriculum, all of which is green-rated by EdReports;
- Improve the condition of our facilities, including the construction of three new school buildings at AMY at James Martin, Cassidy Elementary School, and Thomas Holme Elementary School; and
- Add 350 additional school-based positions to support the academic and social-emotional needs of our students.

Despite making academic gains and appropriately managing our finances, decades of chronic underfunding continues to be a critical challenge for the District. The Pennsylvania public school funding system has inadequately and inequitably funded low-wealth school districts for decades. The funding system systematically harmed the very districts that need the most resources to support student populations – those districts who serve students with the greatest needs.

When schools are adequately funded, they can attract and retain highly qualified teachers, provide up-to-date resources and materials, and offer a wide range of extracurricular activities.

All of these elements are essential to creating an environment where students can thrive academically.

In February 2023, the Pennsylvania Commonwealth Court accepted the petitioners' argument in the School Funding Lawsuit, and declared the Pennsylvania school funding system unconstitutional. On January 11, 2024, the bipartisan Basic Education Funding Commission adopted a final report which set a statewide adequacy gap of \$5.4 billion and recommended a seven year path to fully funding districts. Based on this report, the District's adequacy gap is \$1.4 billion and should receive additional allocations of \$243 million each year in state adequacy funding through Fiscal Year 2031.

In Fiscal Year 2024 and Fiscal Year 2025, Governor Shapiro, the Pennsylvania House of Representatives, and the Pennsylvania State Senate have taken steps toward closing the adequacy gap. In many ways, these new investments have allowed the District to maintain investments that began with APRA funds. Over the last two years, the District has used new state funding to:

- Maintain 350 school-based positions;
- Purchase material aligned to new green-rated Reading, Math, and Science curriculum;
- Provide high-impact tutoring to middle-grade students;
- Continue Safety and Climate supports; and
- Expand professional development and academic coaching.

Like with many underfunded school districts throughout the state, the current pace of addressing adequacy is insufficient. This year's state budget proposal allows the District to stay on track with its academic initiatives and capital improvements. However, we will use most of our existing fund balance to complete the Fiscal Year 2026 budget to avoid drastic cuts to programs and personnel; and the outlook for Fiscal Year 2027 becomes more dire without an acceleration in closing the adequacy gap. The approaching structural deficit in Fiscal Year 2027 will require additional funding, continued fiscal vigilance, and difficult choices to actively prevent a structural deficit.

We will continue to work with our local, state and federal officials to ensure we have the resources to provide our students with every opportunity to succeed in the classroom and to ensure we provide a full accounting of those resources. And we will continue to work with our

non-profit and philanthropic partners, as well, strengthening the ecosystem of support for students and families throughout the city.

Thank you again for the opportunity to submit testimony today. This concludes our remarks.