

**House of Representatives Subcommittee on Labor, Health and Human Services,
Education, and Related Agencies**

March 27, 2012

**Testimony of Dr. Tim Mitchell, Superintendent of Schools- Summary
Rapid City Area Schools, Rapid City, South Dakota**

Rapid City Area School District 51-4

Rapid City Area School District 51-4, located in the Black Hills, is the second largest school district in the state of South Dakota. Twenty-three schools comprise the school district: 15 elementary schools, 5 middle schools, and 3 high schools. The district employs approximately 1030 teachers, and has a total staff of approximately 1,784. The student population as of September 30, 2011 was 13,671 students, an increase of approximately 302 students at this point in time from the previous year. This population includes 6,549 elementary students, 3,055 middle school students, 4,041 high school students and 26 students ages 19-21.

IDEA Funding

I have advocated along with numerous school administrators throughout the nation to have Congress meet the long-outstanding commitment to fund the additional costs associated with educating students with special needs. The current proposal level funds its investment to special education. Level funding, puts the federal commitment to IDEA at 15.8%, less than half of the promised 40% of the national average per student expenditure.

The Positive Impact of Federal Funding on Rural Schools

Much of the success in the Rapid City Area School District 51-4 in meeting the ever growing needs of all our students has been funded through the use of a mixture of local, state and federal revenue sources.

Distribution of Federal Funds: Competitive versus Formula

I have long advocated for continued and increased investment in Title I and IDEA and other federal formula based programs. I would urge Congress to maintain formula grants to provide a more reliable stream of funding to local public school districts.

Impact of Sequestration

My concern is that Sequestration will impact all funding programs without considering the scope or effectiveness of the programs being cut. Congress should take control of the process and proactively identify a combination of spending cuts and revenue increases necessary to avoid this action.

FY 13 Budget Request by President Obama

On February 13, 2012, President Barack Obama released the FY 2013 federal budget which will be for the 2013-14 school year. Once again, the administration has highlighted education as a priority, calling for a \$1.7 billion (2.5 percent) increase over enacted FY12 levels.

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Good morning Chairman Rehberg, and members of the committee, my name is Dr. Timothy Mitchell and I am the Superintendent of Schools for the Rapid City Area School District 51-4 in Rapid City, South Dakota. It is an honor to come before you today and share some thoughts on the importance of the Individuals with Disabilities Act (IDEA) funding, the positive impact of federal resources in rural public school districts, the distributing of federal education funds through formulas and the potential negative impact of sequestration on federally funded educational programs. I would also like to share some comments concerning the FY13 Budget Request by President Obama.

Rapid City Area School District 51-4

Rapid City Area School District 51-4, located in the Black Hills, is the second largest school district in the state of South Dakota. Rapid City is the —Gateway to the Intermountain West and is a center for commerce, culture, transportation, and education for the entire high plains. The economic base in Rapid City includes agriculture, forestry, government, tourism, healthcare, manufacturing, and a strong service sector. Rapid City is a community of approximately 70,000 people, with the population of Pennington County at approximately 100,000. Most know of the Black Hills of South Dakota for two noted national landmarks Mount Rushmore and Crazy Horse Memorial.

Twenty-three schools comprise the school district: 15 elementary schools, 5 middle schools, and 3 high schools. The district employs approximately 1030 teachers, and has a total staff of approximately 1,784. Services available include pre-schools, a full-service community school at General Beadle Elementary, an alternative high school, guidance and counseling, special education, district summer school, 21st Century Community Learning Center grants which provide after school and summer programs, and post technical education. Although district enrollment showed some decline in the past, the current population shows signs of stabilization and even an increase in student numbers. The student population as of September 30, 2011 was 13,671 students, an increase of approximately 302 students at this point in time from the previous year. This population includes 6,549 elementary students, 3,055 middle school students, 4,041 high school students and 26 students ages 19-21. Economically Disadvantaged students, as determined by Free and Reduced Lunch count make up 43% of the student body, Native American students make up 20% of the student population and 13% of the students qualify for Special Education services.

IDEA Funding

I have advocated along with numerous school administrators throughout the nation to have Congress meet the long-outstanding commitment to fund the additional costs associated with educating students with special needs. Covering a federal shortfall year in and year out with local district dollars represents a significant funding pressure for public

school districts across the nations. To show the impact to the Rapid City Area School District 51-4 I have attached two charts showing that over the last seven years the amount of state and local revenue utilized to meet expenditures has continued to increase and the federal portion, excluding The American Recovery and Reinvestment Act (ARRA) dollars, has remain consistent at approximately 21% per year. The state of South Dakota has recently held our state funding for special education at status quo with no increase. This has also been brought forward with an 8.6% reduction in the per student allocation for the General Operating Fund. We are finding that we no longer are able to retain the quality of programming to meet the individual needs of our students with disabilities. As state and local economies struggle to regain fiscal stability and ARRA emergency federal funding ends, Congress and the administration need to recognize the funding cliff. Full funding of IDEA would provide services for students with special education needs and allow local school districts to use local dollars to meet local district budgeting needs. The government's underfunding of the federal commitment and then the enforcement of the mandates of IDEA puts extreme budgetary pressure on states and local public school districts to cover the shortfall, totaling \$83.8 billion for FY10, FY11 and FY12.

The Positive Impact of Federal Funding on Rural Schools

Much of the success in the Rapid City Area School District 51-4 in meeting the ever growing needs of all our students has been funded through the use of a mixture of local, state and federal revenue sources. Federal revenue sources (IDEA, Title I, Title II Part A, Title VI, Perkins, ARRA and Impact Aide) provided by the Elementary and Secondary Education Act and other federal programs have provided much needed funding for capacity building activities as well as to implement researched-based educational programming that have significantly helped to increase student achievement for Native American, Economically Disadvantaged, and Students with Disabilities. These funds were provided under the current formula grant program.

To engineer a successful public school district you need to create a structure of supporting operating conditions. The federal government has to be flexible and allow rural school leaders to make decisions regarding staff, schedules, budget and programs. External efforts to improve schools invariably focus on structural changes. Meaningful, substantive, sustainable improvement can only occur if it becomes anchored in the culture of the organization. Bringing about cultural change in any organization is a complex and challenging task. That is why I support federal resources targeted to provide training to improve the effectiveness of teachers and leaders in high-needs schools especially in rural areas.

To identify what has helped the Rapid City Area School District 51-4 has been a relentless focus on instruction and professional development; the cultivation of teacher and principal support; the use of researched-based instructional practices and strategies; and the conscious encouragement of collegiality and collaboration among all staff members. This has created a culture that encourages professionals to take risks and to take responsibility for themselves, their students and for each other.

The major theme of our story is centered on capacity building. Michael Fullan defines capacity building as an action based and powerful policy or strategy that increases the collective efficacy of a group to improve student learning through new knowledge, enhanced resources, and greater motivation on the part of the people working individually and together. You need to create conditions for people to succeed by helping people find meaning, increasing their skill development and their personal satisfaction while they make contributions that simultaneously fulfill their own goals and the goals of the organization. My own research in South Dakota found that the most innovative school districts are those that have the ability to sustain school reform, organizational change and increased student achievement have a greater professional capacity. Capacity building, which is an essential component to our success, is resource intensive and adequate funding is critical.

Distribution of Federal Funds: Competitive versus Formula

I have long advocated for continued and increased investment in Title I and IDEA and other federal formula based programs. I would urge Congress to maintain formula grants to provide a more reliable stream of funding to local public school districts. I am concerned by the Administration's preference for driving new education dollars into competitive programs like Race to the Top or Investing in Innovation. Public school districts need a certain level of financial stability to undertake the ambitious innovation and reform proposed by the President's budget, a level of reliability and consistency that cannot be achieved through competitive funding. Formula-driven funding represents the dedicated funding stream that allows school districts to appropriately plan for and invest in innovation and reform. I am concerned that competitive grants would have a disproportionate negative impact on rural and small districts. With limited local resources, rural public school districts do not have the time or the capacity to develop extensive competitive grant applications. This will lead federal dollars away from students in poverty and to districts that have the resources for grant writing teams. We need to see new dollars directed to these successful federal flagship programs that go to all schools and serve all students.

Most rural public schools like Rapid City, even though we are large in comparison to most, have a limited capacity to compete in this environment and shifting to more competitive grants for new federal dollars I believe would be inherently unfair to rural school districts. It would be very difficult for us to compete with school districts that have a greater capacity and expertise in this area. I would recommend that Congress continue to grow formula grants to support a more reliable stream of funding to support rural schools. I do want to mention that (ARRA) funds were also utilized for activities to promote higher levels of student achievement. I would certainly like to thank the committee and Congress for that strong investment they made to education through that program.

Impact of Sequestration

The failure of the Joint Select Committee on Deficit Reduction (Super Committee) to produce a plan identifying budgetary savings of at least \$1.2 trillion over ten years has

triggered an automatic spending reduction process (called sequestration) that takes effect on January 2, 2013. For FY13, these cuts will be applied to most programs, including all discretionary education programs except Federal Pell Grants. The depth of the cuts is estimated to be between 7.8% and 9.1%, which would reduce funding for the US Education department by \$3.5 billion to \$4.1 billion, affecting millions of students and leading to potentially significant job losses and program eliminations for the nation's schools, the educators who run them, and the students they educate.

These cuts would reduce Title I by \$1.3 billion, adversely effecting services to more than 1.5 million educationally disadvantaged students. IDEA would be cut by over \$1 billion, affecting over 600,000 students with disabilities. The education cuts would threaten more than 71,000 education jobs. The cuts from sequestration would be in addition to the cuts education programs have been subject to over the last two years. Funding for education programs (excluding Pell Grants) was cut in the aggregate by \$1.25 billion in FY11 and by \$233 million in FY12. Between FY10 and FY12, more than 50 education programs totaling \$1.2 billion have had their funding completely eliminated.

My concern is that Sequestration will impact all funding programs without considering the scope or effectiveness of the programs being cut. Congress should pick up the work of the Super Committee and work to identify the necessary cuts in a manner that impacts both mandatory and discretionary programs and considers program effectiveness. Given that the cuts have to happen, as required by law. Congress should take control of the process and proactively identify a combination of spending cuts and revenue increases necessary to avoid this action.

In Rapid City Area School District 51-4 we are going through a General Fund Budget Reduction process. The type of district we envision as we move forward embraces the current research as to what is the best way for leaders and teachers to act. This means we understand that we need to be fiscally responsible but committed to our mission, vision and priorities as established by the Rapid City community. We are implementing a strategic approach to create an environment of high quality learning. This can only be done with careful analysis of data and determining which programs are working and which are not. With limited resources you need to invest in what works and eliminate those programs that do not. We are also proactively trying to find ways to increase revenue.

FY 13 Budget Request by President Obama

I applaud the committee for its bold proposal last year, proposing an additional \$1 billion each for Title I and IDEA. On February 13, 2012, President Barack Obama released the FY 2013 federal budget which will be for the 2013-14 school year. Once again, the administration has highlighted education as a priority, calling for a \$1.7 billion (2.5 percent) increase over enacted FY12 levels. The President's priorities for FY13 bear strong resemblance to those from 2011 and 2012, with close attention to improving teaching and strengthening teachers and school leaders. The President's budget provides a 1.7 percent increase for ESEA programs. These increases, along with support for

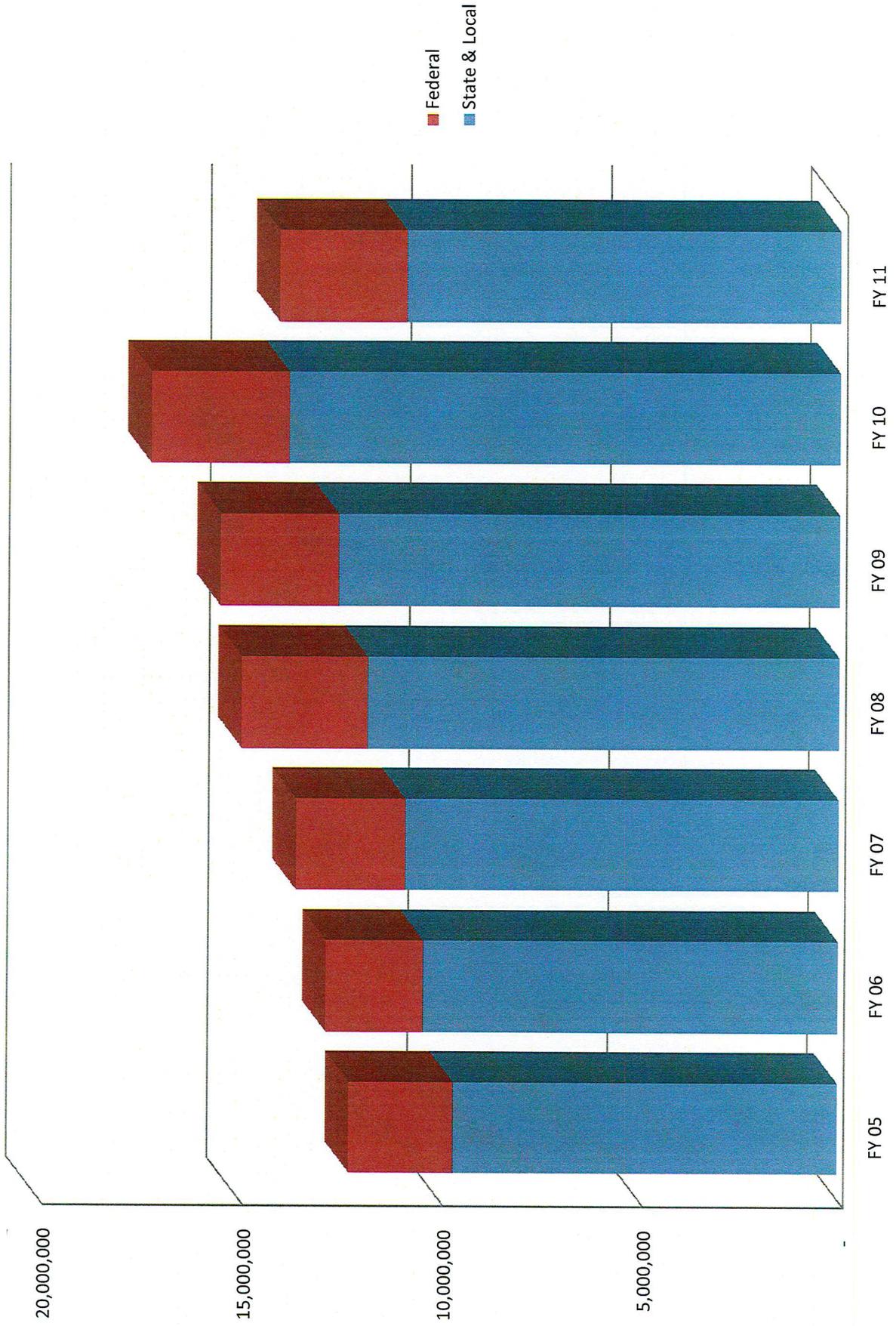
teachers and leaders, are important steps toward supporting long-term, meaningful gains in student learning and school performance. The budget again consolidates 38 programs down to 11, and regroups programs to eliminate duplicative or ineffective programs.

I have concerns about the continued emphasis on competitive funding. As states and local economies struggle I remind Congress and the President to recognize a significant funding cliff. The proposal level funds its investment to special education. Level funding, puts the federal commitment to IDEA at 15.8%, less than half of the promised 40% of the national average per student expenditure. The proposal level funds Title I, this at a time that we face increases in both program enrollment and costs. The Rural Education Achievement Program (REAP) is level funded at FY12 levels. The proposal continues to affirm the administration's commitment to competitive grant programs. I applaud the budget proposal for including the 2.5% increase for the education department but am still very concerned about the real threat of deep-reaching cuts stemming from sequestration. The cuts from sequestration would be in addition to the cuts education programs have been subject to over the last two years.

We at the local district level are committed to be fiscally responsible and committed to our mission to create effective and productive citizens for the 21st Century. We understand the need to be effective, efficient, innovative and creative to meet the needs of the students we serve. We hope to continue to partner with the President and Congress to provide a structure to distribute the federal resources that are provided to us in a way that continues to improve the public school system of this country.

Thank you for your time today and I would be happy to answer any questions

Special Education Expenditures Excluding ARRA



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