



FOR IMMEDIATE RELEASE
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CONTACT: Laurie Leopold
(202) 466-7391

Washington Scholarship Fund's Statement on the Government Accountability Office's Report on the D.C. Opportunity Scholarship Program

WASHINGTON, D.C. – The D.C. Opportunity Scholarship Program (the D.C. OSP), was an immediate success at helping low-income District families find the right schools for their children. The program started very quickly in the spring of 2004 – only a few months before the start of the 2004-05 school year – and with no blueprint given the unique nature of the program. The Government Accountability Office (the GAO) has issued a preliminary draft report on the D.C. OSP, administered by the Washington Scholarship Fund. The GAO's findings in its draft report come as no surprise, given that the GAO studied what essentially was the program's start-up phase from two years ago.

The preliminary findings from the draft report cannot obscure the fact that the program has been a huge success. At the start of the current 2007-08 school year, the D.C. OSP is full for the third consecutive year with a record 1,903 low-income D.C. students enrolled in local non-public schools of their choice. These children come from families with an average household income of \$22,963 – just slightly higher than the federal poverty line for a family of four.

In fact, three of the five recommendations of the GAO report have already been implemented by WSF or are near completion. We look forward to working in continued partnership with the DC Government and the U.S. DOE to implement the other recommendations and find new ways to improve the program. WSF appreciates the thoroughness of the GAO's report, and hope that everyone who cares about quality education in the District likewise will appreciate the thoroughness with which WSF, now in its fourth year administering the OSP, has created and refined a program that is working for low-income D.C. schoolchildren.

When the GAO was asked to study WSF's administration of the D.C. OSP, WSF was already engaged in installing more robust financial software, expanding our accounting and family support capacity, and enhancing processes and systems, including a new program database that is interactive in "real-time" with a revised online scholarship invoicing system for schools. In addition, WSF always has followed rigorous accounting and other financial reporting guidelines, particularly in compliance with Department of Education and other federal government policies.

WSF believes the OSP is and can continue to be a critical part of the District's education reform agenda to improve all schools in the Nation's Capital. The D.C. OSP has met a powerful demand for educational choice among low-income District families, as evidenced by the overwhelming satisfaction with the OSP by the students and families whose lives are being changed for the better.

WSF of course takes its responsibility as the administrator of the D.C. OSP very seriously, and will closely study the GAO report when it is finalized to determine how we can continue to refine and improve the D.C. OSP. Meanwhile, WSF looks forward to continuing to administer the D.C. Opportunity Scholarship Program and supporting reforms to improve education in all of D.C.'s schools, for all of D.C.'s children.

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FACTS: The DC Opportunity Scholarship Program (the OSP), Operated by the Washington Scholarship Fund (WSF)

Through its first three-plus years of operation, the OSP has fulfilled the intent of the program's federal authorizing statute, the DC School Choice Incentive Act of 2003 – to “provide low-income parents, particularly parents of students who attend schools identified for improvement, with expanded opportunities for enrolling their children in higher performing schools in DC”:

- The OSP serves the poorest families in the District: The average income of OSP applicants is \$17,300 for a family of four (well below the federal poverty line)
- 83% of students currently enrolled in a non-public school through the OSP would be attending failing schools absent their scholarships
- The average student entering the OSP had SAT-9 reading scores in the 33rd percentile and math scores in the 31st percentile
- The OSP provides wide educational options: 80% of the District's non-public schools participate in the program
- An independent 2007 Georgetown University study, “Student Voices,” reports that OSP students have increased their self-esteem, are more engaged in their school work, and that OSP parents are significantly more involved with their children's education

“At 12 years old, my daughter is at a crucial point in her life and her education, but thankfully her school is giving her what she needs to succeed. Now she comes home every day proud of her grades, saying, ‘Mommy, look what I got on my test! Look what I got on my paper!’”

OSP Scholarship Parent

The OSP Today: Student and Program Profile

- High demand: 7,200 applicants for OSP scholarships for the program's first four school years (2004-2008) – four applicants for every available scholarship
- More than 1,900 students enrolled through the OSP for the 2007-2008 school year
- To be eligible for the OSP, students may have a household income of no more than 185% of the federal poverty level (\$38,203 for a family of four in 2007)
- 76% of OSP students live in Wards 4, 5, 7, and 8 – the District's most impoverished Wards
- Each OSP scholarship student may receive up to \$7,500 per year for tuition and other school-related fees
- The OSP provides the most diverse set of non-public school options of any school choice program in the nation – and the great majority of private schools in the District participate in the OSP
- Given that the vast majority of OSP students would be at failing schools absent their OSP scholarships, the OSP provides educational opportunities not otherwise available to the District's lowest-income children

WSF's Implementation of the OSP: Recent and Continuing Program Innovations and Enhancements

- A fully automated family information database linked directly, in “real time,” to our on-line billing system – enhancing data integrity and reliability by eliminating manual processes (which can result in human error)
- A new, highly-acclaimed accounting and grants management system used by thousands of top non-profits around the world (including Special Olympics and the American Red Cross)
- Detailed and specific financial and other controls and processes designed to ensure financial integrity and separation of duties, with proper management oversight

- Addition of new key financial and scholarship payments staff positions – including a CPA/MBA Chief Financial Officer with more than 15 years of non-profit and private industry financial experience, a Controller with over 10 years of financial management experience, a Manager of Scholarship Payments with expertise in data management systems, and an Eligibility Specialist

Serving Our Families

- According to the independent Georgetown study, OSP families are becoming better consumers of education as WSF gives them access to the tools and resources they need to make their own choices about what schools and learning environments are best for their children
- WSF logs more than 22,000 phone calls per year with OSP families through our individualized case management system
- WSF case management staff work one-on-one with OSP students and families as they choose, visit, and apply to schools, and throughout their enrollment in their schools of choice through the OSP

Working with Our Schools

- WSF works closely with schools to inform them of their obligations under the federal OSP authorizing statute – including requiring schools to sign a Letter of Agreement that the schools will fulfill those obligations, and to certify that the schools have performed their obligations at the conclusion of the school year
- WSF collects financial information and has developed detailed triggers to make sure that schools, per WSF's obligation under the authorizing statute, are using OSP funds responsibly
- WSF visits schools throughout the year, and targets any schools that may have set off any triggers (though WSF is mindful that the DC government, not WSF, is charged with ensuring schools' compliance with District law); when necessary, WSF has dismissed schools from the OSP