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A BILL

24-570

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA



To revise the method for school budgeting for the District of Columbia Public Schools by budgeting the local schools first based on each school’s previous year’s budget, with the remainder to be allocated between central administration and system-wide school support.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the “Schools First in Budgeting Amendment Act of 2022”.

TITLE I. DCPS BUDGET

Sec. 101. This title may be cited as the “Schools First in Budgeting Amendment Act of 2022”.

Sec. 102. Definitions.

For the purposes of this title, the term:

(1) “Central Administration” means the programs, services, and employees that support the functions necessary for the governance of the DCPS school district as a whole, including general oversight and management of support services, such as procurement, human resources, and financial administration, whose costs are not attributable to School Support, School-Wide, or Local Schools.

(2) “DCPS” means the District of Columbia Public Schools system.

27 (3) “Local Schools” means the individual schools comprising the DCPS system
28 and whose programs, services, and employees are paid with funds under the control and direction
29 of the individual school principals.

30 (4) “Projected enrollment” is the number of students projected to be enrolled at a
31 specific DCPS school at the time the Mayor’s budget is proposed to the Council.

32 (5) “School Support” means the programs, services, and employees that provide
33 system-wide support to DCPS schools, such as curriculum development, instructional
34 superintendents, teacher evaluations, and professional development, whose costs are not
35 attributable to Central Administration, School-Wide, or Local Schools.

36 (6) “School-Wide” means the programs, services, and employees that directly
37 support schools and are budgeted centrally but provided directly to individual schools, such as
38 food service, security, fixed costs, speech therapists, itinerant ELL services, and substitute
39 teachers, whose costs are not attributable to Central Administration, School Support, or Local
40 Schools.

41 (7) “Uniform Per Student Funding Formula” means the formula for funding
42 DCPS and the District’s public charter schools established pursuant to the Uniform Per Student
43 Funding Formula for Public Schools and Public Charter Schools Act of 1998, effective March
44 26, 1999 (D.C. Law 12-207; D.C. Official Code § 38-2901, *et seq.*).

45 Sec. 103. DCPS’s annual budget.

46 (a) The annual operating budget for DCPS shall be allocated among 4 departments:

47 (1) Central Administration;

48 (2) Local Schools;

49 (3) School Support; and

50 (4) School-Wide.

51 (b) The Chancellor of DCPS (“Chancellor”) shall prepare and execute a performance-
52 based budget on an annual basis. The budget prepared by the Chancellor shall have its operations
53 organized by major programs, which in turn will be composed of activities and services. The
54 budget submitted by the Chancellor shall allocate all monies by revenue source for programs,
55 activity, and service levels, and by revenue source for comptroller source group by program and
56 activity. The DCPS submission shall include the number of full-time equivalents with job titles
57 by program and revenue source.

58 (c) The DCPS annual budget submission shall also include a delineation of:

59 (1) All funds budgeted for each school, including a summary statement or table of
60 the local-funds budget for each school, by revenue source for activities and service levels, and by
61 revenue source for comptroller source group by activities and service levels;

62 (2) The programs and services, along with a narrative description of each program
63 and service;

64 (3) All funds not allocated directly to a school or to Central Administration, by
65 revenue source for activities and service levels, and by revenue source for comptroller source
66 group by activities and service levels, including a presentation of:

67 (A) Any funds that will support costs associated with programs and
68 services provided at the school level or directly to students; and

69 (B) Any funding associated with at-risk students and with the at-risk high
70 school over-age supplement that has been retained by the Chancellor;

71 (4) The methodology used to determine each school's local funding;

72 (5) For each school's individual budget, a separate budget line item for funding
73 allocated to the following, as coded in the District's current official financial system of record:

74 (A) At-risk students;

75 (B) The at-risk high school over-age supplement;

76 (C) Elementary ELL; and

77 (D) Secondary ELL; and

78 (6) For each school, a matrix depicting the projected enrollment for the categories
79 listed in subparagraph (A) of this paragraph delineated by the categories listed in subparagraph
80 (B) of this paragraph.

81 (A) Total projected enrollment for:

82 (i) Each grade level the school serves;

83 (ii) Students in an alternative program;

84 (iii) Students receiving special education services; and

85 (iv) Students in an adult education program.

86 (B) Projected number of students who qualify as:

- 87 (i) General education (receiving no special education services);
- 88 (ii) Level 1: Special Education;
- 89 (iii) Level 2: Special Education;
- 90 (iv) Level 3: Special Education;
- 91 (v) Level 4: Special Education;
- 92 (vi) Special Education Level 1 Extended School year (“ESY”);
- 93 (vii) Special Education Level 2 ESY;
- 94 (viii) Special Education Level 3 ESY;
- 95 (ix) Special Education Level 4 ESY;
- 96 (x) Limited English Proficient/Non-English Proficient;
- 97 (xi) At-risk;
- 98 (xii) At-risk high school over-age supplement.

99 (d) Annually, no later than 42 calendar days before the Mayor’s submission of the
100 District’s budget and financial plan to the Council and in accordance with section 104(d), the
101 Chancellor shall make available on DCPS’s website a detailed estimate of the amount of money
102 required to operate DCPS for the ensuing year, including the Schools First budget for each
103 school.

104 (e) The Mayor’s annual submission of the District’s budget and financial plan to the
105 Council shall include as an attachment an accurate and verifiable report on the positions and
106 employees of DCPS to include:

107 (1) A compilation of DCPS Schedule A positions for the ensuing fiscal year on a
108 full-time equivalent basis, including a compilation of all positions by organization Level 4, job
109 title, pay plan and grade, program and activity, revenue fund, and annual salary; and

110 (2) A compilation of all DCPS employees as of the preceding March 1, on a full-
111 time equivalent basis, including a compilation of all positions by organization Level 4, job title,
112 pay plan, grade, and step, program and activity, revenue fund, and annual salary.

113 (f) No later than October 30 of each year, the Mayor shall submit to the Council a revised
114 appropriated funds operating budget for DCPS for the fiscal year beginning on the preceding
115 October 1 (i.e., the current fiscal year) that sets forth the total amount of the approved
116 appropriation and that realigns budgeted data with anticipated actual expenditures with the
117 specification set forth in of subsections (a), (b), and (c) of this section.

118 (g) Beginning in fiscal year 2011, the Mayor shall submit to the Council quarterly
119 financial reports for DCPS setting forth by organization Level 4 approved budget, revised
120 budget, actual expenditures and funds obligated to date, and projected expenditures for the full
121 fiscal year.

122 (h) By March 31, 2024, and annually thereafter, the Mayor shall transmit a report of the
123 previous school year's actual expenditures, for each school, to the Office of the State
124 Superintendent of Education. The report shall conform to the common financial reporting
125 standards established by the Department of Education pursuant to section 202(b)(10) of the

126 Department of Education Establishment Act of 2007, effective June 12, 2007 (D.C. Law 17-9;
127 D.C. Official Code § 38-191(b)(10)).

128 (i) For the purposes of this section:

129 (1) The following terms shall have the same meaning as provided in section 102
130 of the Uniform Per Student Funding Formula for Public Schools and Public Charter Schools Act
131 of 1998, effective March 26, 1999 (D.C. Law 12-207; D.C. Official Code § 38-2901):

132 (A) "Adult education";

133 (B) "Alternative program";

134 (C) "At-risk";

135 (D) "At-risk high school over-age supplement";

136 (E) "Elementary ELL";

137 (F) "Limited English Proficient/Non-English Proficient"; and

138 (G) "Secondary ELL".

139 (2) The following terms shall have the same meaning as provided in section 106
140 of the Uniform Per Student Funding Formula for Public Schools and Public Charter Schools Act
141 of 1998, effective March 26, 1999 (D.C. Law 12-207; D.C. Official Code § 38-2901):

142 (A) "At-risk high school over-age supplement";

143 (B) "Level 1: Special Education";

144 (C) "Level 2: Special Education";

145 (D) "Level 3: Special Education";

- 146 (E) “Level 4: Special Education”;
- 147 (F) “Limited English Proficient/Non-English Proficient”;
- 148 (G) “Special Education Level 1 Extended School year (“ESY”)”;
- 149 (H) “Special Education Level 2 ESY”;
- 150 (I) “Special Education Level 3 ESY”; and
- 151 (J) “Special Education Level 4 ESY”.

152 Sec. 104. Schools First budgets.

153 (a) In formulating the annual DCPS operating budget for submission to the Council, the
154 annual budget for each DCPS school for the next fiscal year (“Schools First budget”) shall be
155 determined according to the following sequence:

156 (1) Begin with the total amount of funds under the control and direction of the
157 school’s principal for the current school year (obligated and unobligated) as of January 1 of the
158 current fiscal year, excluding:

- 159 (A) Privately raised funds;
- 160 (B) Pandemic Supplement Funds as authorized by section 106b of the
161 Uniform Per Student Funding Formula for Public Schools and Public Charter Schools Act of
162 1998, effective September 21, 2022 (D.C. Law 24-167; D.C. Official Code § 38-2905.02);
- 163 (C) Federal Elementary and Secondary School Emergency Relief funds;

164 (D) Federal Investment in Schools funds as authorized by section 1003 of
165 the Elementary and Secondary Education Act of 1965, approved January 8, 2002 (115 Stat. 1442;
166 20 U.S.C. § 6303)); and

167 (E) District at-risk concentration supplement funds authorized by section
168 106a(c-2) of the Uniform Per Student Funding Formula for Public Schools and Public Charter
169 Schools and Tax Conformity Clarification Amendment Act of 1998, effective September 21,
170 2022 (D.C. Law 24-167; D.C. Official Code § 38-2905.01(c-2)).

171 (2) Increase the amount in paragraph (1) of this subsection by the percentage that
172 is the higher of:

173 (A) The projected increase for the forthcoming year in the foundation level
174 of the Uniform Per Student Funding Formula (“UPSFF”); or

175 (B) The collectively bargained salary increase, for the forthcoming year,
176 for members of the teachers’ union.

177 (3) Increase the amount derived pursuant to paragraph (2) of this subsection to
178 fully fund an increase in the number of general education personnel at the school by the greater
179 of the amount agreed to by the Chancellor or the amount necessary to fully fund an increase in
180 the number of personnel required by the school’s projected or actual enrollment increases (in one
181 year, or over time), when such enrollment increases require one or more additional instructional
182 or school-based support personnel (require such as per the collective bargaining agreement with
183 the teachers’ labor union).

184 (4) Increase the amount derived pursuant to paragraph (3) of this subsection to
185 reflect fully the increase of special education or English learner (“ELL”) personnel so that the
186 levels of such staff align with required service levels for students.

187 (5) Increase the amount derived pursuant to paragraph (4) of this subsection to
188 fund fully any additional costs the school may be required to carry, such as the transfer of
189 services to Local Schools that were previously attributed to School Support, School-Wide, or
190 Central Administration.

191 (6) The amount derived pursuant to paragraph (5) of this subsection may be
192 decreased, incrementally, if the school’s projected enrollment for the next school year is
193 projected to decline; provided, that:

194 (A) The decrease shall be made only on a full-time equivalent employee
195 basis (using average salary);

196 (B) The decrease shall not be made unless the enrollment decline is great
197 enough on the grade or subject level to eliminate a classroom or warrant elimination of
198 instructional or school-based support personnel; and

199 (C) After the decrease, the school will still comply with the class size
200 maximums set forth in the operative collective bargaining agreement with the teachers’ labor
201 union.

202 (7) The amount derived pursuant to paragraph (6) of this subsection may be
203 decreased, incrementally, to reflect a reduced need for special education or ELL personnel;

204 provided, that the funding for such faculty shall align fully with the required service levels for
205 students.

206 (8) As applicable, increase the amount derived pursuant to paragraph (7) of this
207 section by the amount to be allocated to the school through the at-risk concentration supplement
208 provided pursuant to section 106a(c-2) of the Uniform Per Student Funding Formula for Public
209 Schools and Public Charter Schools Act of 1998, effective September 21, 2022 (D.C. Law 24-
210 167; D.C. Official Code § 38-2905.01(c-2)).

211 (9) After completing the calculations set forth in paragraphs (1) through (8) of this
212 subsection, a school's annual budget may be increased by an amount, if any, agreed to by the
213 Chancellor.

214 (b) Nothing in subsection (a) of this section shall be construed to preclude a school
215 principal from requesting additional funding, nor preclude the Chancellor from granting
216 additional funding for reasons not enumerated in subsection (a) of this section.

217 (c) For the purposes of deriving the Schools First budget described in subsection (a) of
218 this section, personal services shall be funded based on the system-wide average salary for each
219 personnel position, as determined by the District's Chief Financial Officer or in accordance with
220 the collective bargaining agreement with the teachers' labor union. Any difference between the
221 cost of a position's average salary and an employee's actual salary shall be charged or credited
222 out of funds allocated to School-Wide.

223 (d)(1) The Schools First budget and the amounts derived from each of the calculations
224 required pursuant to each paragraph of subsection (a) of this section shall be public record. The
225 Chancellor shall publish the calculations and the Schools First budget for each DCPS school on
226 the DCPS website no later than 42 calendar days before the date the Mayor is required to submit
227 to the Council the District’s proposed annual budget and financial plan for the next fiscal year.
228 The Chief Financial Officer shall include the Schools First budget for each DCPS school in the
229 budget books transmitted with the Mayor’s proposed budget and financial plan.

230 (2) Any depiction of a school budget created or calculated by methods other than
231 those described in subsection (a) of this section, such as one that might attribute funds from
232 School Support or School-Wide to an individual school, shall not contain the words “Schools
233 First” in the title.

234 **TITLE II. CONFORMING AMENDMENTS**

235 Sec. 201. Section 104 of the Public Education Reform Amendment Act of 2007, effective
236 June 12, 2007 (D.C. Law 17-9; D.C. Official Code § 38-173), is repealed.

237 Sec. 202. The Board of Education Continuity and Transition Amendment Act of 2004,
238 effective December 7, 2004, (D.C. Law 15-211; D.C. Official Code § 38-2831 *passim.*), is
239 amended as follows:

240 (a) Section 6 (D.C. Official Code § 38-2831) is repealed.

241 (3) Section 6a (D.C. Official Code § 38-2832) is repealed.

242 Sec. 203. Section 108a of the Uniform Per Student Funding Formula for Public Schools
243 and Public Charter Schools and Tax Conformity Clarification Amendment Act of 1998, effective
244 November 13, 2021, (D.C. Law 12-207; D.C. Official Code § 38-2907.01), is repealed.

245 **TITLE III. FISCAL IMPACT AND EFFECTIVE DATE**

246 Sec. 301. Fiscal impact statement.

247 The Council adopts the fiscal impact statement in the committee report as the fiscal
248 impact statement required by section 4a of the General Legislative Procedures Act of 1975,
249 approved October 16, 2006 (120 Stat. 2038; D.C. Official Code § 1-301.47a).

250 Sec. 302. Effective date.

251 This act shall take effect following approval by the Mayor (or in the event of veto by the
252 Mayor, action by the Council to override the veto), and shall remain in effect for no longer than
253 90 days, as provided for emergency acts of the Council of the District of Columbia in section
254 412(a) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 788;
255 D.C. Official Code § 1-204.12(a)).

256