

District of Columbia Public Education Finance Reform Commission

Tuesday, September 27, 2011 – 4:30 p.m. to 6:30 p.m.
Martin Luther King Jr. Memorial Library, Room A-10
901 G Street NW, Washington, DC 20001

Meeting Goals

- To initiate the work of the Public Education Finance Reform Commission (Commission).
- To highlight key issues and priorities to be addressed in the Commission's study.
- To review and discuss the scope of the analysis that will inform the Commission's report and recommendations.
- To review data needs and availability for assessing the equity/uniformity, adequacy, affordability and transparency of education funding in the District of Columbia.

Meeting Agenda

- 4:30 p.m. **Introduction, Goals, and Process of the Commission**
Elizabeth Partoyan, Vice President, Collaborative Communications Group
- Legislative charge
 - Commission structure, composition and leadership
 - Processes for deliberation and decision making
 - Work plan and timeline

Welcoming Remarks
De'Shawn Wright, Deputy Mayor for Education

Defining the Scope & Focus of the Commission's Study of Education Finance in the District of Columbia

Cheryl Hayes, President and CEO, The Finance Project
Matthew Joseph, Program Director, The Finance Project

- Setting the parameters: Identification of key issues and priorities to be addressed by the Commission
- Scope of analysis: Clarifying the focus and breadth of the study (uniformity/equity, adequacy, affordability and transparency)
- Data needs and availability

Opportunity for Public Comments
Elizabeth Partoyan, Vice President, Collaborative Communications Group

Summary and Next Steps

- 6:30 p.m. **Adjourn**
Elizabeth Partoyan, Vice President, Collaborative Communications Group

Commissioners, Collaborative Communications Group and The Finance Project will be available until 7:00 p.m. to listen to input from members of the public.



District of Columbia Public Education Finance Reform Commission

Commissioners List

Ed Lazere, Chair
Executive Director
DC Fiscal Policy Institute

Jennifer Comey*
Research Associate and Deputy Director of
NeighborhoodInfo DC
The Urban Institute

Justin Constantino
Budget Counsel
Mayor's Budget Office

Celine Fejeran
Program Analyst
Office of the Deputy Mayor for Education

Mary Filardo
Executive Director
21st Century School Fund

Timothea Howard
Director, Community Engagement and
Learning
CentroNia

Allison Kokkoros
Chief Academic Officer
Carlos Rosario International Public Charter
School

Hosanna Mahaley
State Superintendent of Education
Office of the State Superintendent of Education
(OSSE)

Lisa Raymond
Senior Education Advisor
DC City Council Committee of the Whole

Lisa Ruda
Chief of Staff
District of Columbia Public Schools (DCPS)

Irasema Salcido
Founder and President
Cesar Chavez Public Charter School

Jeremy Williams
Interim Executive Director, Director of Business
Oversight
DC Public Charter School Board (PCSB)

Yesim Yilmaz
Director of Fiscal and Legislative Analysis
Office of the Chief Financial Officer

**Opinions expressed by Jennifer Comey are hers and should not be attributed to the Urban Institute, its trustees, or its funders.*



General Overview of Equity, Adequacy, Affordability and Transparency

Introduction

The Commission is charged with making recommendations relating to four major issues: equity, adequacy, affordability and transparency. For each of these issues, this document sets forth definitions from the authorizing legislation, considerations and topics for discussion.

Equity

Definition

Uniformity in funding between DCPS and public charter schools, taking into account services provided without charge by other District of Columbia agencies.

Considerations

D.C. law requires that general fund payments made to D.C. Public Schools and public charter schools be based on a uniform per pupil funding formula. Adjustments are allowed by grade level, for students with disabilities, and for schools serving a high number of students with special needs or who do not meet minimum literacy standards. Beginning in fiscal year 2012, services provided by D.C. government agencies shall be provided on an “equal basis” to the D.C. public schools and public charter schools. (§38-2915).

Discussion

What are appropriate reasons, if any, for differences in the distribution of resources provided by D.C. agencies to D.C. public schools and public schools?

How, if at all, should an equity analysis consider resources provided to D.C. public schools and public schools from federal or private sources?

Adequacy

Definition

The funding level needed by DCPS and public charter schools to provide education services sufficient to meet the academic standards of the District of Columbia.

Considerations

The D.C. per pupil foundation level is supposed to be the amount of funding needed to provide an “adequate” education (§38-2901(5)). D.C. has never undertaken a formal adequacy analysis. The Finance Project has consulted with three leading national experts to identify state-of-the-art methodologies that determine the cost of adequacy, considering professional judgment, successful schools, evidence-based practices and cost effectiveness. A full adequacy study will take 6-8 months and cost about \$250,000. The timing is appropriate given the imminent adoption by the District of Columbia of new “common core” academic standards.

Public charter schools are also receiving a \$3,000 per pupil facility allotment but claim that this is inadequate. Others say that there is a surplus of educational space in D.C. that can be more effectively used, rather than creating more space.

Discussion

How does the Commission want to determine the adequacy of the current formula for services and the funding for school facilities? Are there specific student populations or needs for which an adequacy analysis is particularly critical?



Affordability

Definition

The fiscal ability of the District of Columbia government to provide the necessary funding level

Considerations

Fiscal affordability can consider various factors, including: revenue projections; the respective tax burden by geography, renters vs. home owners, by income status, and residents vs. businesses; the yield of various revenue enhancement options; and a comparison of current taxes and fees, separately and combined, to nearby and similar jurisdictions.

Discussion

What factors should the Commission consider in determining whether D.C. government can afford to sustain and/or increase funding for education?

Transparency

Definition

The presentation of the Uniform Per Student Funding Formulas and calculations made pursuant to it so that it is clearly understandable to the general public and policymakers.

Considerations

Determining the extent of current understanding of the funding formula and to develop strategies to improve understanding will require interviews and focus groups with various people, including D.C. government officials, the D.C. Council, principals in D.C. public schools, leaders of public school schools, parents, taxpayers and the general public. The D.C. Public Schools budget is currently prepared by the Office of the Chief Financial Officer, which is independent of DCPS.

Discussion

On which populations should the Commission focus for developing strategies to improve understanding of the funding formulas and school budgets?



§ 38-2914. Public Education Finance Reform Commission

(a)(1) An independent organization shall be retained by the Mayor of the District of Columbia to convene and staff an independent commission on public education finance reform in the District of Columbia, to be known as the Public Education Finance Reform Commission ("Commission").

(2) The Commission shall:

(A) Be conducted according to the standard procedures of the independent organization, with full cooperation of the:

(i) Council;

(ii) Mayor;

(iii) Chancellor;

(iv) State Superintendent of Education; and

(v) Other government personnel;

(B) Establish a process by which the public may participate in providing information, opinion, and reaction to Commission proceedings and reports; and

(C) Post all documents that it produces on the Internet.

(3) All Commission meetings and deliberations shall be open to the public.

(b) The Commission shall study and report on revisions to the Uniform Per Student Funding Formula with regard to improvements in:

(1) Equity;

(2) Adequacy;

(3) Affordability; and

(4) Transparency, including:

(A) The maintenance of uniformity in funding between District of Columbia Public Schools ("DCPS") and public charter schools, taking into account services provided without charge by other District of Columbia agencies;

(B) The determination of the funding level needed by DCPS and the public charter schools to provide educational services sufficient to enable public school students, including special education students and English-language learners, to meet the academic standards of the District of Columbia;

(C) The fiscal ability of the District of Columbia government to provide the necessary funding level; and

(D) The presentation of the Uniform Per Student Funding Formula and calculations made pursuant to it so that the public may clearly understand the basis of the calculations and related budget appropriations.

(c)(1) No later than March 31, 2011, the Commission shall provide to the Mayor an equity report detailing for fiscal years 2009 and 2010:

(2) The equity report shall include:

(A) An analysis of the impact of these payments, transfers, in-kind services, and reprogramming on the uniformity of funding for DCPS and public charter schools;

(B) Recommendations for increasing uniformity in the 2013 budget and succeeding years; and

(C) Weaknesses in the Uniform Per Student Funding Formula Act or in its implementation, if any, that interfere with uniformity of funding.

(d) No later than September 30, 2011, the Commission shall provide the Mayor and Council with a final report and its recommendations for consideration in the development of the fiscal year 2013 budget.

(Taken from FY2012 Budget Support Emergency Act of 2011)

Sec. 7013. Section 116 of the Uniform Per Student Funding Formula for Public Schools and Public Charter Schools Act of 1998, effective September 24, 2010 (D.C. Law 18-223; D.C. Official Code § 38-2914), is amended as follows:

(a) Subsection(c)(1) is amended by striking the phrase “No later than January 31, 2011, the Commission shall provide to the Council” and inserting the phrase “Prior to the delivery of final recommendations, the Commission shall provide to the Mayor and Council” in its place.

(b) Subsection (d) is amended by striking the phrase “June 30, 2011” and inserting the phrase “November 30, 2011” in its place.

District of Columbia Public Education Finance Reform Commission

Preliminary Assessment of Data Needs, Accessibility and Usability

Major Data Needs (Primary Source)*	Accessibility and Usability**
A. Equity	
1. Amount and use of payments from the D.C. general fund made to DCPS that exceed the amount required pursuant to the uniform funding formula (DCPS and Office of the Deputy Mayor Education)	Difficult
2. Cost of school nurses, school clinics; health equipment, materials and supplies; dental screenings and sealants (Department of Health)	Easy
3. Cost of the school mental health program and wraparound services (Department of Mental Health)	Easy
4. Cost of wellness and nutritional services (Office of State Superintendent of Education)	Medium
5. Coverage from local funds of Medicaid revenue shortfalls, grant disallowances and write offs (Department of Health Care Finance)	Medium
6. Value of access to recreational facilities, athletic fields, playgrounds, etc. (Department of Parks and Recreation)	Medium
7. Cost of School Resource Officers, school-related security supplies, materials and equipment and subsidies of the DCPS school security contract (Metropolitan Police Department)	Medium
8. Value of facilities repairs, maintenance, management and planning (Office of Public Education Facilities Modernization)	Medium
9. Cost of attorney services, payments to outside counsel, settlements and judgments (Office of the Attorney General and Office of State Superintendent of Education)	Medium
10. Cost of technology services provided to DCPS (Office of Chief Technology Officer)	Medium
11. Special education services and legal costs, including Blackman-Jones functions, for DCPS and for charter schools that elect DCPS as their LEA (Office of State Superintendent of Education)	Difficult
12. Amount of any DCPS special education cost overruns paid for outside of the uniform funding formula (Office of State Superintendent of Education)	Medium
13. Value of teacher pensions in excess of teacher contributions (D.C. Retirement Board)	Difficult
14. Amount public charter schools are required to return because of differential between projected and actual enrollment; amount DCPS would have to return if same standard applied (Office of State Superintendent of Education)	Medium
15. Value of facilities made available to DCPS (Office of Public Education Facilities Modernization)	Difficult
16. Value of any local funds used for teacher pay, training or incentives outside of the uniform funding formula (DCPS and Office of Chief Financial Officer)	Medium
17. The value of any administrative support provided to D.C. public schools and public charter schools (DCPS and Office of State Superintendent of Education)	Difficult
18. Value of private funding received by DCPS and public charter schools (DCPS and DC Public Charter School Board)	Difficult
19. Value of funding from federal sources, including grants (DCPS and DC Public Charter School Board)	Medium



Major Data Needs (Primary Source)*	Accessibility and Usability**
B. Adequacy	
1. Cost of providing services needed to meet D.C. academic standards for the general student population, special education, English as a Second Language, economically disadvantaged and adult education (DCPS)	Difficult
2. Capital cost of providing adequate facilities (Office of Public Education Facilities Modernization and DC Public Charter School Board)	Difficult
C. Affordability	
1. Yield of various revenue enhancement options and comparison of current taxes and fees, separately and combined, to nearby and comparable jurisdictions (Office of Chief Financial Officer)	Medium
D. Transparency	
1. Results of focus groups relating to understanding of the uniform funding formula, with policymakers, school officials, parents, taxpayers and the general public (Various)	Difficult

* For fiscal years 2009 and 2010; subsequent fiscal years are relevant to extent there were significant changes.

** Based on initial interviews with relevant D.C. agencies

Easy = ready access

Medium = moderate data adjustments and analysis

Difficult = significant data adjustments and analysis

