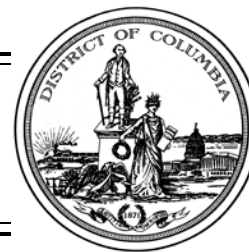

COMMITTEE ON EDUCATION
DAVID GROSSO, CHAIRPERSON
FISCAL YEAR 2018 COMMITTEE BUDGET REPORT



TO: Members of the Council of the District of Columbia

FROM: Councilmember David Grosso
Chairperson, Committee on Education

DATE: May 18, 2017

SUBJECT: Report and Recommendations of the Committee on Education on the Fiscal Year 2018
Budget for Agencies under Its Purview

The Committee on Education (Committee), having conducted hearings and received testimony on the Mayor's proposed Fiscal Year 2018 (FY18) operating and capital budgets for the agencies under its purview, reports its recommendations for review and consideration by the Committee of the Whole. The Committee also comments on several sections in the Fiscal Year 2018 Budget Support Act of 2017, as proposed by the Mayor.

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COUNCIL BUDGET DIRECTOR CERTIFICATION: _____ DATE: _____

I. EXECUTIVE SUMMARY

A. FISCAL YEAR 2018 AGENCY OPERATING BUDGET SUMMARY TABLE (DOLLARS IN THOUSANDS)

Fund Type	FY17 Approved	FY18 Proposed	Variance	FY18 Committee Revised
DC PUBLIC LIBRARY				
FEDERAL GRANT FUND	924,058	931,362		931,362
SPECIAL PURPOSE REVENUE FUNDS (O'TYPE)	1,310,000	1,515,000		1,515,000
PRIVATE DONATIONS	0	17,000		17,000
LOCAL FUND	58,023,808	56,998,182	2,305,194	59,303,376
OPERATING INTRA-DISTRICT FUNDS	17,300	17,300		17,300
Total Fund	60,275,166	59,478,844	2,305,194	61,784,038
DISTRICT OF COLUMBIA PUBLIC SCHOOLS				
PRIVATE GRANT FUND	219,555	1,411,240		1,411,240
FEDERAL GRANT FUND	21,647,522	14,711,596		14,711,596
FEDERAL PAYMENTS	20,000,000	20,000,000		20,000,000
LOCAL FUND	756,389,181	778,062,851	6,725,706	784,788,557
SPECIAL PURPOSE REVENUE FUNDS	5,900,727	9,263,257		9,263,257
PRIVATE DONATIONS	0			0
OPERATING INTRA-DISTRICT FUNDS	101,516,243	107,049,532		107,049,532
Total Fund	905,673,228	930,498,476	6,725,706	937,224,182
D.C. PUBLIC CHARTER SCHOOL BOARD				
SPECIAL PURPOSE REVENUE FUNDS	8,013,987	9,109,827		9,109,827
Total Fund	8,013,987	9,109,827		9,109,827
D.C. PUBLIC CHARTER SCHOOLS				
LOCAL FUND	723,717,252	806,482,683	3,281,053	809,763,736
Total Fund	723,717,252	806,482,683	3,281,053	809,763,736
STATE SUPERINTENDENT OF EDUCATION (OSSE)				
FEDERAL GRANT FUND	245,970,278	234,317,038		234,317,038
SPECIAL PURPOSE REVENUE FUNDS	1,047,018	1,047,018		1,047,018
PRIVATE GRANT FUND	0			0
PRIVATE DONATIONS	0			0
OPERATING INTRA-DISTRICT FUNDS	37,802,382	37,802,382		37,802,382
FEDERAL PAYMENTS	60,000,000	60,000,000		60,000,000
DEDICATED TAXES	4,282,274	4,275,765		4,275,765
LOCAL FUND	146,204,533	160,876,134	(1,581)	160,874,553
Total Fund	495,306,485	498,318,338	(1,581)	498,316,757
DC STATE BOARD OF EDUCATION				
LOCAL FUND	1,480,215	1,525,000	186,267	1,711,267
PRIVATE DONATIONS	18,300	0		0
Total Fund	1,498,516	1,525,000	186,267	1,711,267
OFFICE FOR NON-PUBLIC TUITION				
LOCAL FUND	74,460,953	72,046,295	(2,025,000)	70,021,295
Total Fund	74,460,953	72,046,295	(2,025,000)	70,021,295
SPECIAL EDUCATION TRANSPORTATION				

OPERATING INTRA-DISTRICT FUNDS	3,000,000	10,000,000		10,000,000
LOCAL FUND	94,314,008	93,988,501	(1,696,166)	92,292,335
Total Fund	97,314,008	103,988,501	(1,696,166)	102,292,335
Fund Type	FY17 Approved	FY18 Proposed	Variance	FY18 Committee Revised
DEPUTY MAYOR FOR EDUCATION				
LOCAL FUND	3,742,667	8,969,421	(1,399,333)	7,570,088
Total Fund	3,742,667	8,969,421	(1,399,333)	7,570,088
GROSS TOTAL	2,114,982,917	2,243,238,813	7,376,140	2,250,614,953

B. FISCAL YEAR 2018 AGENCY FULL-TIME EQUIVALENT TABLE

Fund Type	FY17 Approved	FY18 Proposed	Variance	FY18 Committee Revised
DC PUBLIC LIBRARY				
FEDERAL GRANT FUND	4.00	4.50		4.50
LOCAL FUND	548.80	548.80	7.50	556.30
Total Fund	552.80	553.30	7.50	560.80
DISTRICT OF COLUMBIA PUBLIC SCHOOLS				
FEDERAL GRANT FUND	176.16	127.70		127.70
FEDERAL PAYMENTS	191.27	0.00		0.00
LOCAL FUND	7,245.88	7,625.01		7,625.01
OPERATING INTRA-DISTRICT FUNDS	562.67	556.00		556.00
PRIVATE GRANT FUND	0.00	16.00		16.00
SPECIAL PURPOSE REVENUE FUNDS ('O'TYPE)	9.80	17.80		17.80
Total Fund	8,185.78	8,342.51		8,342.51
D.C. PUBLIC CHARTER SCHOOLS				
LOCAL FUND	1.00	1.00		1.00
Total Fund	1.00	1.00		1.00
STATE SUPERINTENDENT OF EDUCATION (OSSE)				
DEDICATED TAXES	16.03	19.91		19.91
FEDERAL GRANT FUND	106.23	108.35		108.35
FEDERAL PAYMENTS	17.84	19.05		19.05
LOCAL FUND	257.36	291.65	7.00	298.65
OPERATING INTRA-DISTRICT FUNDS	3.40	2.40		2.40
SPECIAL PURPOSE REVENUE FUNDS	0.40	3.40		3.40
Total Fund	401.26	444.76	7.00	451.76
DC STATE BOARD OF EDUCATION				
LOCAL FUND	21.00	21.00	2.00	23.00
Total Fund	21.00	21.00	2.00	23.00
OFFICE FOR NON-PUBLIC TUITION				
LOCAL FUND	18.00	18.00		18.00
Total Fund	18.00	18.00		18.00

SPECIAL EDUCATION TRANSPORTATION				
LOCAL FUND	1,391.05	1,391.67	-38.20	1,353.47
Total Fund	1,391.05	1,391.67	-38.20	1,353.47
DEPUTY MAYOR FOR EDUCATION				
LOCAL FUND	21.00	26.00	-7.00	19.00
Total Fund	21.00	26.00	-7.00	19.00
GROSS TOTAL	10,591.89	10,798.24	-28.70	10,769.54

C. FISCAL YEAR 2018 AGENCY CAPITAL BUDGET SUMMARY TABLE (DOLLARS IN THOUSANDS)

Owner Agency Name	Committee FY18	Committee FY19	Committee FY20	Committee FY21	Committee FY22	Committee FY23	Committee Sum	Variance
DC PUBLIC LIBRARY	82,350	92,350	33,600	2,000	2,000	1,500	213,800	700
DISTRICT OF COLUMBIA PUBLIC SCHOOLS	262,828	230,943	220,049	166,597	142,254	268,409	1,291,079	9,967
STATE SUPERINTENDENT OF EDUCATION (OSSE)	1,500	1,500	0	1,500	0	2,500	7,000	0
OFF PUBLIC ED FACILITIES MODERNIZATION	0	0	0	0	0	0	0	0
SPECIAL EDUCATION TRANSPORTATION	12,443	4,207	2,487	301	2,949	7,195	29,583	0
DEPUTY MAYOR FOR EDUCATION	0	0	0	0	0	3,000	3,000	0
GROSS TOTAL	359,120	329,000	256,136	170,399	147,203	282,604	1,544,462	10,667

D. SUMMARY OF COMMITTEE BUDGET RECOMMENDATIONS

The following summarizes the Committee's recommendations for the FY18 operating budget, full-time equivalents (FTEs), and capital budgets for the agencies and programs under its purview.

DISTRICT OF COLUMBIA PUBLIC SCHOOLS

Operating Budget Recommendations

The Committee recommends the following changes to the FY18 operating budget as proposed by the Mayor:

1. Increase the UPSFF foundation by 2.38%, resulting in an addition of \$6,725,706 to DCPS' budget. This increase was aided by transfers of funds from the Committee on Transportation and the Environment (\$4,202,022) and the Committee on Health (\$1,218,930.09).

Policy Recommendations

The Committee recommends the following policy changes:

1. Include specific goals and outcomes with regards to improving budget transparency and heightening community and student engagement in the upcoming DCPS Strategic Plan.
2. Examine the approach to gender-specific programming (EMOC and Reign) to ensure that it accounts for the existence of transgender, gender non-conforming and non-binary students of color. Additionally, work with the Committee to develop a process for reporting on the efficacy and success of EMOC and Reign.
3. Take particular care to ensure fidelity of implementation in its scale-up of restorative practices to 54 new schools, including regular updates to the Committee.
4. Provide the Committee with a report that reflects how the increase to the UPSFF impacted school budgets, including increases to staff, programming, and a detailed analysis of the changes to the use of at-risk funding.
5. Perform a feasibility study on the potential for a public-private partnership to develop the site at Capitol Hill Montessori at Logan including the modernization of the Logan School and providing space for middle grades.
6. Report to Council the plans for the site at Shaw Middle School

Capital Budget Recommendations

The Committee recommends a 6-year total capital budget of \$1,291,079,336.51 for DCPS, of which \$262,827,588.51 and 17.2 FTEs will be allocated for FY18. This is an increase of \$9,966,588.51 in the six-year capital budget from the Mayor's FY18 request. An increase of \$7,500,000 is due to transfers from the Committee on Transportation and the Environment, and an increase of \$2,466,588.51 is due to a transfer from certain projects with unspent allotments within DCPS and Special Education Transportation.

The Committee recommends the following changes to the FY18-23 capital budget as proposed by the Mayor:

1. Decrease (YY1SPC) Centralized Swing Space by \$500,000 in FY18;
2. Decrease (GM312C) HS Modernization Capital Labor by \$125,000 in FY18;
3. Decrease (GM311C) High School Labor by \$125,000 in FY18;
4. Increase (YY107C) Logan ES by \$750,000 in FY18 for planning for a public private partnership feasibility study on the site;
5. Increase (YY165C) Jefferson MS by \$2,466,588.51 in FY18 from previous fiscal years' unspent allotments from various projects within DCPS and Special Education Transportation to accelerate the project;
6. Increase (YY180C) Eaton ES by \$23 million in FY18 due to a transfer from the Committee on Transportation and the Environment;
7. Increase (YY173C) West EC by \$1 million in FY18;
8. Increase (YY180C) Eaton ES by \$7 million in FY19 due to a transfer from the Committee on Transportation and the Environment;
9. Increase (YY165C) Jefferson MS by \$10,916,000 in FY19;
10. Decrease (YY173C) West EC by \$1 million in FY19;
11. Increase (YY165C) Jefferson MS by \$38,605,000 in FY20;
12. Decrease (YY165C) Jefferson MS by \$49,521,000 in FY21;
13. Decrease (YY180C) Eaton ES by \$3,000,000 in FY22 and transfer to the Committee on Transportation and the Environment;
14. Decrease (YY180C) Eaton ES by \$25,900,000 in FY23 and transfer to the Committee on Transportation and the Environment;
15. Increase (YY108C) Browne EC by \$6,400,000 in FY23 due to a transfer from the Committee on Transportation and the Environment.

OFFICE OF THE STATE SUPERINTENDENT OF EDUCATION

Operating Budget Recommendations

The Committee recommends the following changes to the FY18 operating budget as proposed by the Mayor:

1. Reallocate \$1.6 million in recurring funds for the Early Literacy Intervention Initiative.
2. Reduce NPS budget across agency programs by \$1.4 million due to historic underspending and Mayoral enhancements, and direct those funds to increase the UPSFF foundation.
3. Reallocate \$2M in one-time funds to the Office of Pre-Kindergarten Enhancement to expand at-risk funding for Pre-K Enhanced CBOs and to expand the number of Pre-K Enhanced CBO slots.
4. Reallocate \$100,000 to increase the agency's restorative justice funding.
5. Add \$150,000 in one-time funds for the implementation of B22-0103, the Child Care Study Act, as the result of a transfer from the Committee on Business and Economic Development.
6. Add \$100,000 in one-time funds from the DME and reallocate \$196,000 in recurring funds for community schools.
7. Receive 7.0 FTEs, \$692,279 in salary and fringe, and \$407,721 in NPS, for the Common Lottery Board, from the Deputy Mayor for Education.

Policy Recommendations

The Committee recommends the following policy changes:

1. Continue with the early literacy grant program targeting reading success, and release evaluation.

2. Expand the number of Pre-K enhanced slots at CBOs, and ensure implementation of the Early Learning Equity Amendment Act of 2017.
3. Incorporate into its needs assessment a study to determine the number of child development facilities with non-traditional hours in the District that is sufficient to meet the needs of District families and to provide recommendations on how to meet that number, and a study to assess the impact of OSSE's increased education qualifications for staff members and to provide recommendations.
4. Report, by October 1, 2017 and April 1, 2018, on plans to implement the remaining provisions of the Enhanced Special Education Services Act of 2014.

Capital Budget Recommendations

The Committee recommends the adoption of FY18-FY23 capital budget as proposed by the Mayor with no changes.

DISTRICT OF COLUMBIA PUBLIC CHARTER SCHOOLS

Operating Budget Recommendations

The Committee recommends a gross operating budget of \$809,763,736 and 1 FTE. This represents an increase of \$3,281,053 from the Mayor's request as a result of the Committee's increase in the UPSFF foundation by 2.38%. This increase was aided by transfers of funds from the Committee on Transportation and the Environment and the Committee on Health.

Policy Recommendations

The Committee has no policy recommendations.

Capital Budget Recommendations

There is no proposed capital budget for FY18-FY23 for public charter schools.

DISTRICT OF COLUMBIA PUBLIC LIBRARY

Operating Budget Recommendations

The Committee recommends adopting the FY18 operating budget as proposed by the Mayor with the following changes:

1. Add \$950,000 in recurring funds for general library collections, as the result of transfers from the Committee on the Judiciary and Public Safety (\$450,000) and the Committee on Transportation and the Environment (\$500,000).
2. Add \$200,000 in recurring funds to continue the work of the D.C. Oral History Project.
3. Add \$655,194 for staffing and maintenance at the soon-to-be reopened Cleveland Park, Capitol View, and West End Libraries, as the as the result of transfers from the Committee on Transportation and the Environment (\$257,027), the Committee on Health (\$261,698) and the Committee on Finance and Revenue (\$136,469)

4. Restore 6.5 FTE authority for operating impact on capital at Capitol View, Cleveland Park, and West End Libraries.
5. Add \$500,000 for opening day collections at the Cleveland Park Library, as the result of a transfer from the Committee on Transportation and the Environment.

Policy Recommendations

The Committee recommends no policy changes for DCPL at this time.

Capital Budget Recommendations

The Committee recommends the following changes to the FY18-FY23 capital budget as proposed by the Mayor:

1. Increase (CAV37C) Capitol View Library by \$2,700,000 in FY18 for exterior renovations and establishment of interim library space with \$2,000,000 transferred from (MCL03C) Martin Luther King Jr. Memorial Central, and \$700,000 from various projects' previous unspent allocations.
2. Decrease (CAV37C) Capitol View Library by \$2,000,000 in FY19 and transfer to (MCL03C) Martin Luther King Jr. Memorial Central.

DISTRICT OF COLUMBIA PUBLIC CHARTER SCHOOL BOARD

Operating Budget Recommendations

The Committee recommends a gross operating budget of \$9,109,827 and 0 FTEs for PCSB, which is unchanged from the Mayor's proposal. However, this is purely spending authority and does not represent actual dollars—all funds for the Board come from a fee it collects from charter LEAs. The Board testified at the budget oversight hearing that it plans to reduce the fee it collects from charter LEAs from 1% to 0.9% for FY18, allowing schools to utilize that extra funding for their programming. This would represent a budget that would be \$888,983 less than the budgeted authority.

Policy Recommendations

The Committee recommends the following policy changes:

1. Provide annual report on the use at-risk funds at public charter LEAs
2. Continue to engage with DOH and DBH on the issues of school-based health professionals and how to best meet the needs of students to place them in the best position to succeed.
3. Continue to engage with OSSE and LEAs in support of full implementation of the Enhanced Special Education Services Act of 2014, to include encouraging LEAs to fulfill obligations under the law prior to July 2018.

Capital Budget Recommendations

There is no proposed capital budget for FY18-FY23 for the D.C. Public Charter School Board.

NON-PUBLIC TUITION

Operating Budget Recommendations

The Committee recommends adopting the FY18 operating budget as proposed by the Mayor with the following changes:

1. Reduce \$5,000 from contractual services and charges.
2. Reduce \$2,000,000 from subsidies and transfers.
3. Reduce \$20,000 from equipment and equipment rental.
4. Move \$2,025,000 to increase the UPSFF foundation.

Policy Recommendations

The Committee has no policy recommendations at this time.

Capital Budget Recommendations

There is no proposed capital budget for FY18-FY23 for the Non-Public Tuition.

SPECIAL EDUCATION TRANSPORTATION

Operating Budget Recommendations

The Committee recommends adopting the FY18 operating budget as proposed by the Mayor with the following changes:

1. Reduce \$98,000 from NPS, including supplies, contractual services, and equipment.
2. Reduce 1 FTE, including \$91,438 in regular pay and \$28,436 in fringe, within the Data Analysis and Support program.
3. Reduce 28.4 FTEs, including \$1,123,628 in regular pay and \$350,748 in fringe, within Terminal Operations: 5th Street, New York Ave, Southwest, and Adams Place – drive and attend students.
4. Move \$1,279,183 to increase the UPSFF foundation.

Policy Recommendations

The Committee has no policy recommendations at this time.

Capital Budget Recommendations

The Committee recommends the adoption of FY18-FY23 capital budget as proposed by the Mayor with no changes.

STATE BOARD OF EDUCATION

Operating Budget Recommendations

The Committee recommends adopting the FY18 operating budget as proposed by the Mayor with the following changes:

1. Add \$78,001 and 1.0 FTE authority, to fund the 1.0 FTE and salary increases for the State Board of Education staff.

Policy Recommendations

The Committee has no policy recommendations at this time.

Capital Budget Recommendations

There is no proposed capital budget for FY18-FY23 for the State Board of Education. However, the Committee recommends a transfer of \$75,000 to Department of General Services project line PL108C – Big 3 Buildings Pool for improvements to the Old Council Chambers at One Judiciary Square including equipment, labor, design and design execution.

OFFICE OF THE OMBUDSMAN FOR PUBLIC EDUCATION

Operating Budget Recommendations

The Committee recommends adopting the FY18 operating budget as proposed by the Mayor with the following changes:

1. Add \$54,533 and 0.5 FTE authority, to fund the 0.5 FTE and salary increases for the Office of the Ombudsman for Public Education staff.

Policy Recommendations

The Committee has no policy recommendations at this time.

Capital Budget Recommendations

There is no proposed capital budget for FY18-FY23 for the Office of the Ombudsman for Public Education.

OFFICE OF THE STUDENT ADVOCATE

Operating Budget Recommendations

The Committee recommends adopting the FY18 operating budget as proposed by the Mayor with the following changes:

1. Add \$54,533 and 0.5 FTE authority, to fund the 0.5 FTE and salary increases for the Office of the Student Advocate staff.

Policy Recommendations

The Committee has no policy recommendations at this time.

Capital Budget Recommendations

There is no proposed capital budget for FY18-FY23 for the Office of the Student Advocate.

DEPUTY MAYOR FOR EDUCATION

Operating Budget Recommendations

The Committee recommends adopting the FY18 operating budget as proposed by the Mayor with the following changes:

1. Transfer 7.0 FTEs, \$692,279 in salary and fringe, and \$407,721 in NPS, for the Common Lottery Board, from the Deputy Mayor for Education to OSSE.
2. Reduce non-personal services by \$300,000 in one-time funds.
3. Transfer \$100,000 in one-time funds to OSSE for community schools.

Policy Recommendations

The Committee recommends the following policy changes:

1. Collaborate with the Deputy Mayor for Public Safety and Justice on safe passage and communications work, particularly, finding a bigger picture solution to the challenge facing Kimball during its modernization. Additionally, the Committee recommends the DME find a more straight-forward approach to promoting lateral communication among schools that does not rely on procuring flashy new IT solutions.
2. Play a more proactive role in helping DGS and DCPS set realistic goals and meet them regarding school facilities modernizations and small capital projects.
3. Take every step possible to follow-up on its study regarding the need for transportation subsidies and assistance for adult learners who are ages 22 and older and are enrolled in publicly funded adult education programs.
4. Continue its collaborative work in setting up the Office and Commission on Out of School Time Grants and Youth Outcomes.

Capital Budget Recommendations

The Committee recommends the adoption of FY18-FY23 capital budget as proposed by the Mayor with no changes.

OTHER FISCAL YEAR 2018 RECOMMENDATIONS

Committee on Judiciary and Public Safety

1. Transfer \$100,000 in recurring funds to the Committee on the Judiciary and Public Safety for the Office of Victim Services and Justice Grants to fund a grant for literacy-based prisoner support and reentry services. This funding should be prioritized for an organization working with young adults sent to jail or prison, including juveniles charged as adults, utilizing reading, writing, poetry and other educational interventions to improve their success while incarcerated and upon transition back to the community.

Committee on Business and Economic Development

2. Transfer \$200,000 in one-time funds to the Committee on Business and Economic Development for a feasibility study into the establishment of a public bank in the District of Columbia.

II. AGENCY FISCAL YEAR 2018 BUDGET RECOMMENDATIONS

INTRODUCTION

Pursuant to the Council Rules of Organization and Procedure for Council Period 22, the Committee on Education is responsible for reviewing and making recommendations regarding the budgets for the following agencies and programs:

- District of Columbia Public Schools
- Office of the State Superintendent of Education
- District of Columbia Public Charter Schools
- District of Columbia Public Library
- District of Columbia Public Charter School Board
- Non-Public Tuition
- Special Education Transportation
- D.C. State Board of Education
- Office of the Ombudsman for Public Education
- Office of the Student Advocate
- Deputy Mayor for Education

On April 4, 2017, Mayor Muriel Bowser submitted to the Council of the District of Columbia a proposed operating budget and financial plan for the upcoming fiscal year. The Committee held the following hearings to review the proposed FY18 budgets for those agencies under its purview:

April 25, 2017	Deputy Mayor for Education
April 26, 2017	Office of the State Superintendent of Education, Non-Public Tuition, Special Education Transportation, and Public Charter School Payments
April 27, 2017	District of Columbia Public Schools – Public Witnesses
May 1, 2017	DC Public Library
May 3, 2017	District of Columbia Public Schools – Government Witnesses
May 4, 2017	Public Charter School Board, State Board of Education, Office of the Ombudsman for Public Education, and Office of the Student Advocate

In preparation for these hearings, the Committee submitted a series of questions to the agencies in order to better understand the proposed budget as submitted to the Council. Responses submitted to the Committee have been made public on the D.C. Council website (www.dccouncil.us) and at the Committee on Education office (Suite 116) located in the John A. Wilson Building. A video recording of the hearings can be obtained through the Office of Cable Television or at <http://dccouncil.us/videos/archive/>.

Information offered in the agency submission, along with public testimony offered at the hearings, provided the Committee with critical guidance as it reviewed the Mayor's FY18 budget request and developed recommendations contained in this report.

A. DISTRICT OF COLUMBIA PUBLIC SCHOOLS

The mission of the District of Columbia Public Schools (DCPS) is to provide a world-class education that prepares all students, regardless of background or circumstance, for success in college, career, and life.

The DCPS budget is organized into three main divisions: Central Office, School Support, and Schools. Each of these three divisions is broken down into separate activities, all of which align to both the agency's spending plan and its organizational chart.

FISCAL YEAR 2018 OPERATING BUDGET

Mayor's Proposed Budget

The Mayor's FY18 budget proposal included \$905,881,570 in gross operating funds for DCPS, a 2.7 percent increase from the FY17 approved budget. The proposed budget supports 8,342.5 FTEs, a 1.9 FTE increase from FY17.

Local Funds (100)

The proposed FY18 budget for DCPS included \$778,063 in local funds, a \$21,674 increase from the FY17 approved budget. This increase is due to an increase in projected enrollment. The FY18 UPSFF at \$9,827 is a slight increase from the FY17 level (\$9,682).

Federal Grants (200)

The proposed FY18 budget for DCPS included \$14,712 in federal grants, a \$6,936 decrease from the FY17 approved budget. This decrease is due to expiring grants in fiscal year 2017 and projected award amounts.

Federal Payments (250)

The proposed FY18 budget for DCPS included \$20,000 in federal payments, which is no change from the FY17 approved budget and is aligned with the President's budget request.

Private Grants (400)

The proposed FY18 budget for DCPS included \$1,411 in private grants, which is an increase from the FY17 approved budget.

Special Purpose Revenue (600)

The proposed FY18 budget for DCPS included \$9,263 in special purpose revenue, a decrease of \$3,363. This decrease is primarily due to contracts associated with technical and system support.

Intra-District Funds (700)

The proposed FY18 budget for DCPS included \$107,050 in intra-district funds, an increase of \$5,533 from the FY17 approved budget. This increase is due to projected Memorandum of Understanding (MOU) agreements with other District agencies, primarily the Office of the State Superintendent of Education for services such as the provision of meals to students, education improvements for students, and other education-related initiatives.

Committee Comments & Analysis

Education Budget and Uniform Per Student Funding Formula

During the DCPS budget oversight hearing, as with almost every hearing held by the Committee during the budget process, a number of public witnesses testified about their concerns that the Mayor's proposed budget failed to adequately increase the Uniform Per Student Funding Formula (UPSFF). The UPSFF system of funding was established by the District of Columbia School Reform Act of 1995 and was designed to ensure that all public schools receive the same level of funding on a per-student basis, regardless of what neighborhood the school is in or where a student lives. The UPSFF is intended to cover all local education agency operational costs for D.C. traditional and public charter schools, including school-based instruction, student classroom support, utilities, administration, custodial services, and instructional support, such as curriculum and testing. The UPSFF is based on a foundation amount, which is then enhanced according to different weights for higher-cost grade levels and supplemental funding weights for students with special needs.

Section 112(a)(2) of the Uniform Per Student Funding Formula for Public Schools and Public Charter Schools Act of 1998 (UPSFF Act), effective March 26, 1999 (D.C. Law 12-207; D.C. Official Code § 38-2911(a)(2)), requires that the Office of the State Superintendent of Education, on behalf of the Mayor, submit every 2 years to Council a report that reviews the UPSFF formula and includes recommendations for revisions to the formula. Section 112(c) of the UPSFF Act required that OSSE convene a working group to solicit input and recommendations regarding revisions to the formula. In 2016, OSSE convened such a working group, which met repeatedly, and published in January 2017 its recommendation that the base rate of the UPSFF increase by 3.5%. The report did not recommend any changes to the substantive framework of the UPSFF.

Although the OSSE working group reported that the Mayor would take their recommendations into account in developing the FY18 budget proposal, the Mayor's proposed budget includes only a 1.5% increase to the base of the UPSFF, less than half what was advised. Due to a \$54M payment made to charters and DCPS from contingency reserves shortly before the Mayor's proposed budget was released, the Committee became concerned that not only did the Mayor's proposal fail to cover the costs of education, but that due to past failures to increase the UPSFF adequately, the working group recommendation of 3.5% might not be enough of an increase.

Indeed, the Mayor's proposed increase of 1.5% does not even keep up with inflation, which in March of 2017 was at 2.38% according to the Bureau of Labor Statistics. According to one public witness, Dr. Emily Mechner, the UPSFF is even farther behind the Employment Cost Index than general inflation, which may be the more realistic comparison point, since the major cost for schools is personnel. When reviewing past increases to the UPSFF, the Committee discovered that not only had Mayors Bowser, Gray, and Fenty each failed to increase the rate at least once during their administrations, the increases each year did not always keep up with inflation.

This realization was in keeping with the findings of the Deputy Mayor for Education's comprehensive education adequacy study from January 2014, *Cost of Student Achievement: Report of the DC Education Adequacy Study*. That report found that the funding through the UPSFF had not kept up with the cost of educating students in DCPS and public charter schools. Thus, the study team recommended that the proposed UPSFF base funding level should reflect a combined cost of \$10,557 per student for instructional purposes and \$1,071 per student for facility maintenance and operations, totaling \$11,628.¹ As noted by this Committee in last year's budget report, this recommendation was developed after local

¹ The Finance Project, *Cost of Student Achievement: Report of the DC Education Adequacy Study*, December 20, 2013. <http://dme.dc.gov/node/766112>

educators came together to identify, from the “ground up,” the resources required to meet the needs of students today. The study also recommended adding a new at-risk weight of 0.37 for students at risk of academic failure. While the at-risk weight was added for FY2015, it was set at only 0.219, and the Committee in its historical review identified that the following year there was no increase to the base rate. So the at-risk funding essentially replaced the general funding that should have come in FY2016, resulting in charter LEAs and DCPS being forced to use it in ways other than was originally intended.

In response to concerns raised Chairperson Grosso about the decision to not fund the UPSFF Working Group’s recommendation, the Mayor and members of her administration have stated that 1.5% was the correct number to include in the budget. According to the administration, part of the calculation is that in FY18 they hope to agree on a contract with the Washington Teachers Union, which would then result in an increase in funding for DCPS, and the Mayor plans to add a similar dollar amount for public charters. The Committee feels that this is not an effective approach, as it means that what the Mayor presented is not a complete budget. As part of the Budget Support Act the Mayor has proposed language that would place a portion of unanticipated revenues into a fund for “workforce development” which is meant to cover the costs of the WTU contract—but this will only be additional revenue that the District receives after the next round of tax cuts are triggered in February 2018. The Committee believes that there should have been ample consideration given to making the upcoming tax cuts contingent on the additional revenue after February, and more fully funding education in this budget. After an adequacy study in 2014 and a new recommendation in 2017 proposing an increase to the UPSFF, it is clear that the current level funding is not keeping up with the need.

At-Risk Funding

On December 17, 2013, the Council passed B20-309, the “Fair Student Funding and School Based Budgeting Act of 2013” (“Fair Funding Act”), which provided for an at-risk weight to the Uniform Per Student Funding Formula for Public Schools and Public Charter Schools. The Fair Funding Act defines “at-risk” as any DCPS student or public charter school student who is identified as one or more of the following: (1) Homeless; (2) In the District’s foster care system; (3) Qualifies for the Temporary Assistance for Needy Families program or the Supplemental Nutrition Assistance Program; or (4) A high school student that is one year older, or more, than the expected age for the grade in which the student is enrolled.

In addition to requiring that the at-risk allocation for DCPS and public charters schools be “provided on the basis of the count of students identified as at-risk,”² the legislation also required very specifically of DCPS that the at-risk funds be used “for the purpose of improving student achievement among at-risk students”³ and that the at-risk funds allocated be “supplemental to the school’s gross budget and shall not supplant any Formula, federal, or other funds to which the school is entitled.”⁴ The provision regarding at-risk funds being used to “supplement, not supplant” is similar to the requirements for most of the federal K-12 programs including Title I, Title III and IDEA, which expressly states that educational services provided with those federal funds must be *in addition to* those services that the LEA and school provides to all of its children using local or state funding.⁵

² D.C. Code § 38-2905.01(a).

³ D.C. Code § 38-2907.01 (b)(1).

⁴ D.C. Code § 38-2907.01 (b)(3).

⁵ U.S. Department of Education. “Title I Fiscal Issues: Maintenance of Effort; Comparability; Supplement, not Supplant; Carryover; Consolidating Funds in Schoolwide Programs; and Grantback Requirements” (February 2008)

<http://www.ed.gov/programs/titleiparta/fiscalguid.doc>

The law became effective on February 22, 2014, in the midst of the executive's budget formulation process. That year, the UPSFF increased by \$186 per student, and the DCPS budget increased by \$57,042,524. Of that total increase, \$41.3 million was dedicated to at-risk funding. In FY16 there was no increase to the UPSFF.

Because the effective date of the law occurred as the executive was formulating the budget for that fiscal year, DCPS allocated designated at-risk funds not based on the number of at-risk students in each school, but on schools and programs that supported priorities of DCPS at the time. While the second year of the law's implementation recognized no funding increase to the UPSFF, at-risk funding did follow students but was utilized for programs that both supplanted and supplemented the base funding given the budget crunch.

Because of the improper way the first two years of at-risk funding was executed, DCPS is now in a situation where there is a dual use of at-risk funds that both supplement the base and supplant funds or programs that are also a part of the base budget. This was not the original intention of at-risk funding. Reading the Committee Report on B20-309, it is clear that the at-risk weight was intended to provide *additional* support to assist economically disadvantaged students and to narrow the achievement gap through "individualized academic interventions, home visitation programs, and enhanced before and afterschool programming – all of which require additional resources."⁶

DC resident and budget analyst Mary Levy provided an analysis to the D.C. Fiscal Policy Institute of at-risk funding. She found that about 53% of the categories for FY17 were considered supplemental, while about 47% were supplanting base funds⁷.

The Committee on Education analyzed the at-risk budgets between FY15 and the proposed FY18 budget. In FY18, at-risk funding totals nearly \$48.5 million. The Committee found that in FY15, the first year of at-risk funding, there were 31 categories of spending; in FY16, there were 19 categories of spending; in FY17 there were 39 categories of spending; and in FY18, DCPS has proposed 26 categories for spending. In consultation with Ms. Levy, the Committee analyzed the 26 categories for spending in the proposed FY18 budget and found that \$19.1 million in funding is considered supplemental funding, or 39.4%; \$19.7 million are funds that supplant base funds, or 40.7%; and for \$9.6 million or 19.9% it is unclear if the funding supplants or supplements a school's budget.

At the DCPS Budget Oversight Hearing on May 3, 2017, the Chancellor acknowledged that some funds are used to supplement schools' budgets, while others supplant. The Committee asked about the two largest categories in the proposed FY18 budget: Extended Day/Year and Related Arts Teachers. For Extended Day/Year, in FY17 the total was \$6.7 million or 14.3%. In FY18, the total funding is \$8.3 million or 17.1% of the at-risk budget – a substantial increase. When asked specifically about Extended Day/Year, the Chancellor noted that all funding for the program comes exclusively from the at-risk funding pool. The Committee views this as a legitimate supplemental expenditure, as long as it yields higher academic outcomes for at-risk students. The other significant category was Related Arts Teachers, which totaled \$5 million in FY17, or 10.5% of the at-risk budget, and totaled \$7.8 million in the FY18 budget, or 16.1% of total at-risk spending. The Chancellor noted that payment for these art teachers also comes from the base funding, therefore this is a supplanting of funds. To be clear, the Committee on Education supports and believes in the value of the arts. However, the Committee also believes that these teachers should be a core component of our schools with dedicated base funding.

⁶ Committee on Education, Report on B20-0309, the "Fair Student Funding and School-Based Budgeting Amendment Act of 2013," November 25, 2013. <http://ims.dccouncil.us/Download/29465/B20-0309-CommitteeReport.pdf>

⁷ D.C. Fiscal Policy Institute and Mary Levy, "Analysis of FY 2017 DC Public Schools 'At-Risk' Funds," April 7, 2016. <http://www.dcfpi.org/analysis-of-fy-2017-dc-public-schools-at-risk-funds>

The Chancellor testified that if the overall budget is increased, DCPS can focus on shifting the at-risk funds toward a supplemental model. With the increase provided to the UPSFF by the Committee, the expectation is that the Chancellor will follow through on this pledge and move the at-risk funding toward a supplemental stream. The Committee recognizes that this will be no easy task and the shift cannot occur in just one budget cycle. The Committee looks forward to working with the Chancellor and DCPS to make these necessary improvements to our at-risk funding model to help close the achievement gap.

Student Supports

Early Literacy Intervention

The Chairperson noted that in addition to failing to fund an adequate increase to the UPSFF, the Mayor also did not fund increases to critical wraparound services. In particular, Chairperson Grosso expressed his exasperation at the defunding of the Early Literacy Intervention Initiative, which is discussed further in the OSSE chapter of this report. A number of public witnesses testified to the importance of this program. The Chancellor stated his familiarity with the effort and emphasized the importance of having a comprehensive top to bottom approach to literacy, from before children begin school through graduation. He stated that the best way to prevent achievement gaps is to invest early, and expressed confidence that what happens in DCPS classrooms is the most important way to ensure student achievement in English Language Arts and literacy. However, he also recognized the importance of and need for investing in programs that help accelerate that progress. Chairperson Grosso agreed and indicated his intention to locate funding for this program.

Behavioral health and community schools

The week preceding the DCPS budget oversight hearing brought unexpected frustration as the Committee sought answers about the planned overhaul to the school-based behavioral health program. Parents, teachers, and school-based clinicians all raised concerns with Chairperson Grosso during the spring, and DBH was due to deliver a copy of their plan prior to its budget oversight hearing on May 1. When DCPS Chancellor Wilson testified before the Committee on May 3, the plan still had not been shared with the Chairperson or other Councilmembers, which made discussions about it difficult.

During the public witness portion of the hearing, D.C. Lawyers for Youth testified that for FY18 DCPS has a projected ratio of one social worker for every 278 students, and that at least 15 schools will not have a full time social worker in FY18--the National Association of School Social Workers recommends that schools have at least a 1-to-250 ratio for social workers to students, and 1-to-50 ratio for students with intensive needs. When asked about this by Chairperson Grosso, the Chancellor clarified that the latest numbers should be closer to 1-to-255, but he agreed with the Committee and D.C. Lawyers for Youth that this is not the range DCPS would like to be in. Chancellor Wilson stated that this speaks to the partnership with DBH, and the importance of ensuring DCPS is bringing forth a holistic effort to meet students' needs. Chancellor Wilson stated that he supports the DBH plan, part of which includes reducing bureaucratic hurdles for students and schools to access services. While he declined to share further details to avoid getting in front of DBH on the matter, the Chancellor did state that once the plan is public he is committed to ensuring appropriate project management to make the plan successful. DCPS finds the current model insufficient to meet the full breadth of needs, and the Chancellor is optimistic about the work with DBH because he understands the intention to have more services available for every student in every school. The Committee appreciates that intention, but as stated by the Chairperson during the budget oversight hearing,

having not seen the actual plan from DBH, it was difficult to verify how that intention will be met, particularly without additional funds at DBH, DCPS, or any other agency in FY18 to meet this need.⁷

Relatedly, the Chairperson asked for an update on DCPS' progress on implementation of the "Youth Suicide Prevention and School Climate Survey Amendment Act of 2016," which for DCPS and other LEAs is mainly about instituting policies and ensuring that teachers and staff receive training every two years on these topics. The Chancellor was familiar with the topic, but not the specific law, which the Council passed in 2016. The Committee will look for an update from the agency going into the FY18 school year.

In the agency's pre-hearing responses, DCPS noted that it sits on the newly re-established Community Schools Advisory Board, which serves as an advisor in the community schools work at OSSE. Additionally, DCPS indicated that it would be expanding its own community schools efforts to five new middle schools in FY18—Brookland, Sousa, Kelly Miller, Kramer, and Jefferson. The Committee was surprised that Jefferson was on this list, as a student from Jefferson testified during OSSE's budget oversight hearing about the community schools partnership there with Edgewood-Brookland Family Support Collaborative, funded by OSSE. The Chancellor clarified during the DCPS budget oversight hearing that DCPS has its own partnership with the non-profit Communities in Schools, and while it coordinates to some degree with OSSE, he does not feel that there will be duplication of services. DCPS has partnered with Communities in Schools for the past few years in a number of schools: King ES, Moten ES, J.O. Wilson ES, Hart MS, Johnson MS, Stuart Hobson MS, and Cardozo EC. Throughout the DCPS budget oversight hearing, Chancellor Wilson reiterated his commitment to the community schools model and his desire to permeate it throughout the system.

Race, gender, and the achievement gap

The Chairperson asked the Chancellor about the specific outcomes DCPS will be tracking for the Empowering Men of Color (EMOC) initiative in FY18. As a program started by the former Chancellor to target a specific part of the achievement gap, which provoked some controversy, the Committee is interested in understanding how specific interventions are selected and how their impact is measured. The Committee was also concerned about how the Mayor's decision to cut the Early Literacy Intervention Initiative would affect a key partnership with the providers under those grants to build a pipeline for recent DCPS graduates, who are young men of color, to join the early education workforce. The Chairperson visited C.W. Harris earlier in the school year and witnessed this effort in person, which left him very impressed by the impact it had both on the young students and the new educators. The Chairperson also asked about Reign, the new initiative rolled out this year to address the achievement gap for young women of color. The Committee has done extensive work on suicide prevention, which revealed the incredibly disturbing statistics around suicide attempts for young women of color. Similarly, the Chairperson wanted to know how success will be measured with this program.

The Chancellor placed these programs within the larger context of a strategic plan to address achievement gaps and equity. He noted that this work happens out of the Turnaround Office, which also has responsibility for the program targeting the 40 lowest performing schools. Chancellor Wilson stated that he felt that such an approach was appropriate given that there was data demonstrating that some schools were not progressing at the expected rate, and that he wants to continue to target additional supports in terms of dollars, time and loosening certain restraints, in order to accelerate progress. He stated that the new strategic plan will be released in September of 2017.

⁷ Since the hearing the Committee finally was able to review the plan—however our concerns are not allayed with regards to implementation, core service agency capacity, and overall impact on clinicians and students.

With regard to EMOC, the Chancellor stated that the work shows up in the professional development budget, leadership and teachers. He noted that the Mayor's proposed budget enhances the funding, with specific aspects laid out in the agency's pre-hearing responses. With regard to Reign, the Chancellor noted that the program is supported by the same team and has a budget of \$1.2 million in additional programming, and that it would be an ongoing effort like EMOC. On measuring impact, Chancellor Wilson stated that DCPS looks at all the regular assessments, as well as in seat attendance, and also interim assessments. The Chairperson explained that he would like to be able to point to specific improvements with metrics for these programs, particularly when it comes time to argue for their value in the budget process. He asked DCPS to work with the Committee to develop a reasonable reporting requirement that would not be a burden to the agency.

The Chairperson asked how DCPS has thought about this focus on gender-specific programs and how it might affect high schoolers who are transgender, identify in non-binary ways, or struggle with gender identity. From the Chancellor's perspective, a key aspect of these programs is that they are grounded in the issues of equity, identity and cultural responsiveness regardless of how students fit into that space. He added that in addition to these programs that are fostering that type of perspective, DCPS is supporting students generally. The Committee sees the value in this approach, but if DCPS is approaching the issue of closing the achievement gap based on gender in this binary way, it is not a sufficient response to say that there are also programs for students generally. While transgender, gender non-conforming and non-binary students may represent a small portion of students, the research shows clearly that LGBTQ students are on the wrong side of the achievement gap as well, and need to be accounted for, and therefore the Committee will continue this line of inquiry in the coming year.

Out of school time and extracurricular programming

An ongoing theme for the Committee is out of school time programming. For FY17 DCPS' afterschool budget added three new schools and expanded access with more than 800 new slots across the system. Weeks after the FY17 budget hearing for DCPS, it was announced that the D.C. Trust, a non-profit that received millions from the District government to help support more than 70 afterschool and other programs to help at-risk youth, was bankrupt and would be dissolved to cover debts from exorbitant spending by staff. The Committee was truly concerned about how this would impact DCPS' ability to continue serving families receiving afterschool services. As discussed further in the DME chapter of this report, the Committee advanced legislation to establish a new Office and Commission on Out of School Time Grants and Youth Outcomes. The Chairperson asked if DCPS is engaged in the process of setting up these new entities, and the Chancellor responded affirmatively. He reiterated his belief in community partners and the community school approach, and spoke to creating an alignment where students cannot tell the difference between where the school day ends and afterschool begins.

According to pre-hearing responses from DCPS, three new Title I schools will implement afterschool programming for SY17-18: Garfield ES, Houston ES, and Tubman ES. The Committee supports this change as past analyses have shown that afterschool programming at DCPS is not equitably distributed. Indeed, some schools will lose afterschool slots as a result of these changes, and the Committee wishes to ensure that such modifications happen via an equity lens—the Chairperson asked about this, and DCPS stated it would follow-up with more information. The other major shift is that DCPS is implementing a reduction of student-to-staff ratio from 20 students to each teacher and aide, to 15 students per teacher and aide. This will result in a loss of afterschool seats and some budget reductions. While the Committee also supports this shift, it should be implemented in a way that ensures equity. The Chairperson asked for more

specifics about these changes and their implications for school budgets, and asked DCPS to follow up after the hearing.⁸

The Committee received more information from DPCS regarding changes to afterschool shortly before the mark-up of the Committee's budget. The details shared by DCPS showed an overall reduction of afterschool seats of over 2,000 across almost every school with afterschool programming. The Committee finds this troubling, as does DCPS. The agency has assured the Committee that it is looking at ways to mitigate this impact. At a time when the Committee, executive agencies, LEAs, school communities and service providers are trying to improve the out of school time system, this is a major step back for students and families. The Committee expects DCPS to not only address this internally but also bring it to the DME and the soon-to-be-formed Commission and Office on Out of School Time Grants and Youth Outcomes to ensure that this challenge is integrated into the planning and needs assessment effort going forward.

Additionally, DCPS has made new investments in middle grades' extracurricular activities. Chancellor Wilson spoke about how expanding program offerings in middle and high school results in improvements to student satisfaction, which from his perspective is a precursor to rising student achievement. The proposed budget adds investments in athletics and STEM related programs across middle schools. DCPS has allocated \$3,487,765 in FY18 for enhancements in middle grades schools, including enhancements to athletics and STEM, according to the agency's post-hearing follow-up responses. Additionally, DCPS allocated \$984,522 for college and career expansion and re-engagement support in high schools. The Committee supports these efforts.

Related to the issue of out of school time is DCPS' continued support of Extended Day and Extended Year programs at schools, with a theory of change that additional instructional time will dramatically increase student performance. While the proposed budget continues investments in Extended Day programs, it does not propose any expansion for FY18. Extended Year will experience a modest expansion with the addition of two new schools. In response to the Chairperson's inquiry about how outcomes are being measured for these programs, the Chancellor stated that while they are looking at data and feedback every year and making adjustments based on that, he believes that every three years is the appropriate time to fully assess programming. It should be noted that FY18 will mark the third school year of these programs. Regarding Extended Year, Chancellor Wilson stated that DCPS has learned a lot along the way and is adopting changes to the calendar, particularly to ensure appropriate professional development time. The focus of Extended Year continues to be on limiting summer learning loss. The Committee is interested to see how school communities innovate as a result of this additional time with their students, and of course, understand and analyze the impact as a result of this investment.

Ending the School-to-Prison Pipeline

Restorative Justice

In its responses to the Committee's pre-hearing questions, DCPS noted its quicker than anticipated scaling up of restorative practices. Rather than expanding from 20 schools in SY16-17 to 40 in SY17-18, they are expanding to 74. DCPS stated that this was possible due to the merger of the Behavioral Supports and Schools Climate teams. DCPS stated that it will focus on expanding restorative practices over school feeder patterns to ensure vertical alignment of the approach. While the Committee applauds the excellent work being done at DCPS on this, such a rapid expansion does raise concerns about fidelity of implementation, and Chairperson Grosso raised this during the hearing. Chancellor Wilson stated that he has come to

⁸ According to the follow-up responses received from DCPS on May 16, 2017, this will have a serious negative impact on almost all schools. DCPS wrote that it is looking at ways to resolve the problem and mitigate the loss of afterschool slots over the next month.

understand the importance of a strong central effort to provide a framework for successful implementation at schools, including providing guidance, visiting to see evidence and get feedback, and tying the work back to student engagement data and outcomes. In response to the Chairperson's concern about ensuring that this is about a shift in thinking and behavior for schools and students and not just checking a box, the Chancellor agreed that restorative justice practices will only work if permeated and supported through the whole school--not just in one classroom or by one staff member. The Chancellor stated that there is not more funding in central office, but there is more going to schools for this work, and Chairperson Grosso asked for follow-up information on those numbers.

Chancellor Wilson thanked the Chief of Schools and his team for leading this effort and working to embed restorative practices into the fabric of DCPS. He noted the need for central office to better share and communicate the work they are doing to align academic standards with social-emotional learning, to help everyone see how these pieces connect. Chancellor Wilson highlighted the connection between the skills of synthesis and critical analysis being assessed in the PARCC and the self-awareness and reflection that are central to restorative justice practices. The Committee appreciates this depth of understanding about how restorative practices can be successful, and the connection to outcomes. The Committee looks forward to continuing to follow this work closely at DCPS and ensure fidelity of implementation.

Attendance and absenteeism

The DCPS response to the Committee's pre-hearing question on attendance and truancy exhibited nuance and depth, recognizing the challenge of how much work has been put into this area over the past few years, with major gains yet to be realized. DCPS noted the diverse reasons that students miss school and how there is not a single solution to improve attendance and bring down absenteeism. The Chairperson asked Chancellor Wilson to speak further about his goals for this work in FY18, and he again spoke of the value of the community schools approach. The Chancellor attributed the fact that Oakland schools have higher attendance than DCPS, despite both school communities facing many of the same, or in some instances even worse, problems, to the community schools work undertaken in the city of Oakland. Chancellor Wilson emphasized that the ability to meet the needs of DCPS students is enhanced when partnering in thoughtful ways. When Chairperson Grosso inquired about plans for a pilot project for next year working with pediatricians and doctors to improve attendance, the Chancellor said this was one example of furthering the community schools approach in other ways. He stated that he looks forward to finding out what kind of information DCPS and pediatricians could share that might help both understand how to get students coming to school more regularly and leading healthier lives. The Committee looks forward to continuing this work with DCPS in the coming year.

Youth Services Center/Incarcerated Youth Program

The Chairperson noted that he has been to visit the Youth Services Center, New Beginnings, and the juvenile unit at the jail. He expressed that while the educational program at New Beginnings is very good, he has concerns about the educational resources for some of our students most in-need of support—at the Youth Services Center and at the Correctional Treatment Facility. He stated that for students coming back from any of these institutions, getting reconnected to schools in the community has been a challenge, and while that is partially OSSE's role, DCPS could also improve its track record on this. Chairperson Grosso also noted that last year OSSE and DOC received notices of infraction regarding the educational services for young people with disabilities at the Correctional Treatment Facility (CTF), and asked what role, if any, DCPS plays in addressing that problem. The Chairperson stated that considering the lack of services our residents have access to once they are sent to facilities operated by federal Bureau of Prisons (BOP), he wants to see D.C. do everything it can for them while they are still in our custody, which will improve

their chances of success once they come back to the community. Chairperson Grosso added that when we resolve these issues it benefits the whole system; when we focus on these students it helps all our students.

Chancellor Wilson stated that he has not had an opportunity to visit these facilities, but it is in his plans to do so, and after that he would be better positioned to give specific answers. He stated his interest in partnering across agencies to understand the challenges and ensure DCPS and the other agencies are being thoughtful in terms of transitioning students from those facilities. The Chancellor agreed with Chairperson Grosso about the need to focus on this, and stated he looks forward to working with the Committee on it, including diminishing the need for such facilities.

Chairperson Grosso recognized that there is a real challenge in educating students in these circumstances because of the transitory nature of the system, so there is a need to think outside the box. He noted his recent visit with the Free Minds Book Club at the CTF, and how the tools that young people receive educationally at CTF will contribute to their survival when they are transferred to BOP institutions, which will in turn determine their success when they return. Chancellor Wilson expressed his desire to focus on this issue specifically, and that he had some experience in his previous position that he could draw on for it. The Committee looks forward to continuing to work on this with DCPS.

To help address the unique needs of young people entering the prison system and facing years in BOP facilities with little or no programming, the Committee has identified funds to transfer to the Committee on the Judiciary and Public Safety to spur education-based prisoner support and reentry programming via a grant. The Committee has witnessed firsthand the power of books, poetry, and education to transform the lives of young people so that when they return to the community they can turn the page and achieve success in their lives.

Enhanced Special Education Services Act of 2014

From the budget process in 2016, through a roundtable held by the Committee in the fall of that year, to performance oversight this year, the implementation of the Enhanced Special Education Services Act of 2014 has been a consistent and important focus for the Committee, community members, and schools, as described in depth in the OSSE chapter of this report. The Children's Law Center testified in support of DCPS' work to come into compliance with the Act for SY17-18, and the Chancellor confirmed this. The Chairperson commended the Chancellor for this, as it is about a year ahead of OSSE's plan for full implementation in summer of 2018. Chancellor Wilson stated that it is the result of having talented individuals leading the work, and central leadership, teachers, school leaders, and service providers all doing the right thing to come into compliance as soon as possible, while recognizing that there is a need to learn as they go. DCPS and OSSE are learning and sharing in the work as well, according to the Chancellor. The Committee fully supports these efforts by DCPS, while sharing the concerns of community members that OSSE's deadline is too far in the future. However, if DCPS and a number of charter LEAs are already in compliance once OSSE's work more fully comes online, perhaps that will make their ability to bring everyone up to the same level that much easier. This also presents an opportunity for cross-sector collaboration as other LEAs can learn from and share with DCPS.

Relating to the 60 day timeline, which is particularly important for our youngest learners, a number of public witnesses praised the work of DCPS' partnership with the service provider Early Stages. However, the Committee also heard a concern that DCPS was planning to change Early Stages' role with Child Find and have the evaluations for students in Pre-K3 and Pre-K4 shift to DCPS staff within schools. The Chairperson asked about this, as he does not want to lose the significant progress that Early Stages has made and the trust they have established with the community. The Chancellor confirmed that this change is planned for the coming year, and that DCPS is still expecting to meet the 60 day timeline goal. He stated his perspective that anytime DCPS supports staff to do this work well, it positions schools to better meet

the needs of students. The Chancellor is aware of the concern about this change, but stated that DCPS is committed to implementing the accelerated timeline early, doing it well, and then learning from and improving the process. Chairperson Grosso stated that there is a legitimate concern that this change will set DCPS back, and the Committee will keep a close eye on it.

Committee Recommendations

The Committee recommends a gross operating budget of \$937,224,182 and 8,342.5 FTEs. This represents an increase of \$6,725,706 from the Mayor's request as a result of the Committee's increase to the UPSFF foundation by 2.38%. This increase (for both sectors) was aided by a transfer of \$4,202,002 from the Committee on Transportation and the Environment and \$1,218,930 from the Committee on Health.

Fiscal Year 2018 Operating Budget, By Source Type

Fund Type	FY17 Approved	FY18 Proposed	Variance	FY18 Committee Revised
PRIVATE GRANT FUND	219,555	1,411,240		1,411,240
FEDERAL GRANT FUND	21,647,522	14,711,596		14,711,596
FEDERAL PAYMENTS	20,000,000	20,000,000		20,000,000
LOCAL FUND	756,389,181	778,062,851	6,725,706	784,788,557
SPECIAL PURPOSE REVENUE FUNDS	5,900,727	9,263,257		9,263,257
PRIVATE DONATIONS	0			0
OPERATING INTRA-DISTRICT FUNDS	101,516,243	107,049,532		107,049,532
Total Fund	905,673,228	930,498,476	6,725,706	937,224,182

Fiscal Year 2018 Full-Time Equivalents, By Revenue Type

	FY17 FTE	FY18 Proposed FTE	FTE Change	Budget - FTE
FEDERAL GRANT FUND	176.16	127.70		127.70
FEDERAL PAYMENTS	191.27	0.00		0.00
LOCAL FUND	7,245.88	7,625.01		7,625.01
OPERATING INTRA-DISTRICT FUNDS	562.67	556.00		556.00
PRIVATE GRANT FUND	0.00	16.00		16.00
SPECIAL PURPOSE REVENUE FUNDS	9.80	17.80		17.80
Total Fund	8,185.78	8,342.51		8,342.51

Fiscal Year 2017 Operating Budget, By Comptroller Source Group (Gross Funds)

	FY17 Approved	FY18 Proposed	Variance	FY18 Committee Revised
11-REGULAR PAY - CONT FULL TIME	567,042,479	581,825,272		581,825,272
12-REGULAR PAY - OTHER	39,860,154	35,230,090		35,230,090
13-ADDITIONAL GROSS PAY	25,199,976	29,698,113		29,698,113
14-FRinge BENEFITS - CURR PERSONNEL	77,938,248	93,934,962		93,934,962
15-OVERTIME PAY	1,221,105	1,138,442		1,138,442
Personal Services	711,261,961	741,826,879		741,826,879
20-SUPPLIES AND MATERIALS	13,412,456	11,447,030		11,447,030

30-ENERGY, COMM. AND BLDG RENTALS	21,943,343	26,279,186		26,279,186
31-TELEPHONE, TELEGRAPH, TELEGRAM, ETC	3,615,101	3,922,886		3,922,886
32-RENTALS - LAND AND STRUCTURES	7,056,340	7,529,301		7,529,301
34-SECURITY SERVICES	90,841	110,158		110,158
40-OTHER SERVICES AND CHARGES	17,536,058	13,297,706		13,297,706
41-CONTRACTUAL SERVICES - OTHER	116,044,205	111,720,965		111,720,965
50-SUBSIDIES AND TRANSFERS	6,182,189	11,715,051		11,715,051
70-EQUIPMENT & EQUIPMENT RENTAL	11,597,569	6,009,113		6,009,113
Nonpersonal Services	197,478,102	192,031,395		192,031,395
Gross Funds	908,740,063	933,858,274	6,725,706	937,224,182

Fiscal Year 2017 Operating Budget, By Program

	FY17 Approved	FY18 Proposed	Variance	FY18 Committee Revised
C100	29,303,074	30,148,949		30,148,949
S100	747,749,175	777,173,006	6,725,706	783,898,712
SS00	128,620,979	123,176,521		123,176,521
Total Program	905,673,228	930,498,476	6,725,706	937,224,182

Committee Adjustments to the Operating Budget

The Committee makes following adjustments to the proposed FY18 operating budget for DCPS:

1. Increase the UPSFF foundation by 2.38%, resulting in an addition of \$6,725,706 to DCPS' budget.

Committee Adjustments to the FTE Authority

The Committee makes no adjustments to the proposed FY18 FTE Authority for DCPS.

FISCAL YEAR 2018 CAPITAL BUDGET

Mayor's Proposed Budget

The Mayor's proposed budget for DCPS includes \$237,361,000 in capital funds for fiscal year 2018 with a six-year total for fiscal years 2018 through 2023 of \$1,281,112,748.

Committee Comments & Analysis

Background

Over the previous two fiscal years, the Committee on Education has utilized an objective approach to guide school modernization decision-making. During the FY16 budget process the Committee was determined to provide clarity around decisions for the overall CIP and created objectives to guide the process. The three objectives were as follows:

1. Ensure that the CIP reflects equity focused planning, aligns investments with student demand, upholds the values of community centered schools, and builds facilities to support quality educational programs;
2. Exercise greater discipline in managing the scope and budget for the projects; and
3. Increase transparency in the capital funding process, including delineating general stabilization fund categories such as roof repairs, boiler repairs, ADA compliance, and electrical upgrades to school specific projects.

As it pertains to school modernizations, a prioritization matrix was created to rank all schools based on the categories of equity, demand and community. In FY17 the Committee received a prioritization matrix from DCPS. The DCPS model was used to prioritize 18 schools in the DCPS portfolio that had not received a modernization. The model was similar to the tool developed by the Committee in design, but there were significant differences in weights and subcategories. Additionally, in instances where city-wide schools were considered, city-wide data was not utilized, instead data on the surrounding neighborhood cluster was utilized thus tying a school's fate to a geographic cluster that it technically does not serve by-right. See Chart A for the DCPS matrix criteria.

Chart A: DCPS' FY17 Prioritization Model

Group	Group Weight	Subcategory	Subcategory Weight
Equity	40%	% of Schools in Ward that have been modernized	15.0%
		% At Risk Students	15.0%
		% Spec. Ed Students	7.5%
		% ELL Students	2.5%
Student Demand	30%	Enrollment	10.0%
		Building Utilization	20.0%
Neighborhood Population	20%	# of Kids in Neighborhood Cluster	10.0%
		Estimated Relevant Age Pop.	10.0%
Building Condition/ Educational Effectiveness of Building	10%	FCI = Cost of fixing systems/cost of new construction	5.0%
		Sq. Ft. per student, open plan, and building history	5.0%

The DCPS model also focused more on the population that schools serve, rather than on the condition of the building, with building condition only comprising 10% of the overall score. Continuously during the FY17 budget hearing, DCPS stated that they did not believe their model was a good tool for prioritization with regard to future CIPs, and that they would need to create something new next year, starting the conversation over the summer of 2016 and come back in the fall of 2016 with a revised or entirely new tool. After reviewing the DCPS document and receiving feedback from stakeholders, the Committee made improvements to its own FY16 prioritization matrix, and utilized the updated matrix to inform its decisions on FY17 CIP. The purpose of the objective approach is to provide all school communities, not just those in the CIP, with some idea of where they are in the modernization queue. The Chart B illustrates the Committee's 2017 prioritization matrix criteria.

Chart B: FY17 Committee on Education Capital Ranking Tool

Equity (60%)	Date and Type of Last Major Construction (25%) – Evaluates date and type of last major construction through FY15. (Source: DGS/DCPS)
	FY98-FY15 Investments Per Square Ft. (20%) – Capital expenditures for modernization and small capital/stabilization for FY1998-FY2015 per sq. ft. (Source: DGS/ Office of Budget and Planning/ 21 st Century School Fund)
	Facility Condition (15%) – Evaluation of the facility condition based on the assessment submitted by DGS/DME for the 2015 Master Facilities Plan Supplemental. This does not take into account modernization or stabilization work planned or ongoing in FY16. (Source: DGS)
Demand (20%)	Enrollment Growth (10%) – Average percentage of enrollment growth over the past five school years based on audited enrollment. (Source: DCPS/OSSE)
	Building Utilization (10%) – Average percent of building utilization over the past five school years. (Source: DGS/DCPS)
Community (20%)	By Right Need (5%) – Evaluates in-boundary school age children as compared to building capacity. (Source: DME)
	Child Population Growth (5%) – Percent change in projected number of school age children in neighborhood cluster from 2014 to 2020. The different age range for each type of school was used. (Source: Office of Planning)
	Modernized Square Ft. in Feeder (5%) – Total number of modernized square feet in the feeder pattern / Total square footage of the feeder pattern. The SY14-15 feeder patter was utilized for this calculation. (Source: 21 st Century School Fund)
	At-Risk (5%) – At-Risk enrollment based on the SY2015-2016 enrollment projection. (Source: DCPS/OSSE)

The two-year development of this objective modernization prioritization tool led to the Committee on Education crafting and passing B21-777, the “Planning Actively for Comprehensive Education Facilities Amendment Act of 2016” (“PACE”). Upon the submission of an incomplete and suboptimal matrix by DCPS it became clear that legal guidelines were necessary to provide consistency and transparency. PACE was introduced on June 7, 2016, by Councilmember David Grosso and co-sponsored by Chairman Phil Mendelson and Councilmembers Mary Cheh, Charles Allen, Kenyan McDuffie, Jack Evans, Elissa Silverman, Anita Bonds, and Brianne Nadeau. It passed the Council on November 15, 2016, and became law on March 17, 2017. The PACE Act codifies an objective approach to school modernizations. It requires DCPS to submit to the Council and make publicly available online by September 30, 2017, and every 5 years thereafter, final prioritization scores and raw data for each school facility in its portfolio based on the categories, subcategories, and weights outlined in Chart B as part of the development of the CIP. Other factors to be taken into consideration when preparing future CIPs include availability of capital funding; availability of appropriate swing space; immediate life and safety concerns; need for additional planning for a project; new education program space requirements; and scope and sequence of projects due to planned grade configuration changes, boundary changes, school facility consolidations, or school facility closures.

Chart C: PACE Act Objective Approach Criteria

Category	Category Total	Subcategory	Subcategory Weight
Facility Condition	0.55	Date and type of last major construction through the preceding fiscal year	0.20
		Expenditures for major construction projects for the preceding 10 fiscal years per square foot of the school facility	0.15
		School facility condition score based on the most recent assessment completed by the Department of General Services	0.20
Demand	0.20	Average percentage of the school's enrollment growth over the past five school years based on audited enrollment	0.10
		Average percent of facility's building utilization over the past five school years	0.10
Community Need	0.10	Number of in-boundary children who would be served by the facility's educational program divided by the facility's capacity	0.05
		Projected percent change in the number of children who would be served by the facility's educational program in the neighborhood cluster over a prospective 6 year time period	0.05
Equity	0.15	Total number of square feet in the school's feeder pattern that have had a major construction in the preceding 10 fiscal years divided by total square footage of the feeder pattern	0.05
		Number of at-risk students enrolled in the school based on the current school year enrollment projection	0.10

FY18 Proposed Capital Budget

Despite DCPS' statements in the FY17 budget hearing that their prioritization model was not a good model, and that they would need to create something new for FY18, DCPS submitted the same model with the same scores and same criteria it submitted last year as their justification for the FY18 CIP. The justification was that given the implementation of PACE, communities deserved stability this year in knowing that the CIP would not change dramatically with an updated matrix. While the Committee agrees that stability and certainty is necessary, it disagrees with the use of the flawed DCPS model, and would have preferred if DCPS utilized the Committee's more comprehensive and equitable prioritization matrix. In the Committee report for PACE the Committee recognized the need for stability. From the report:

The Committee began with several assumptions. First, the Committee assumes that every facility project that is currently in the FY17-FY22 CIP will stay in the CIP unless the project has been completed. There are only five remaining schools that have not had a modernization yet, and also were not included in the last CIP: the Adams campus of Oyster Adams Education Campus, Browne Education Campus, Capitol Hill Montessori at Logan, Malcolm X Elementary, and Washington Met. The Committee also assumes that since the next major round [of] projects will be facilities

that received some variation of a Phase I, thus future projects will likely not be as expensive as full modernizations. Further, given on-going stabilization and small capital work that has been taking place parallel to modernization, scopes of work will vary [greatly].

...

The Committee Print for the legislation requires that the prioritization score be calculated every five years. Over the years, one of the biggest frustrations to parents and school communities has been the lack of predictability with regard to the CIP. One year your school is in and supposed to start construction soon; then the next year your school's project has been pushed five years out with little explanation. By re-calculating the prioritization score every five years, the Committee believes that it will provide more transparency and certainty in the process.⁹

Recognizing the need for stability and given that the previous two years yielded two different prioritization matrices with slightly different results, the Committee decided to utilize last year's Committee prioritization matrix when making decisions regarding the proposed FY18 six-year CIP. With the PACE-required prioritization matrix submission due to Council in just over four months, the Committee did not want to confuse the public about where their school falls in the queue, or wonder whose queue should be followed.

Shifting to stabilization projects, the Committee has growing concerns about the timeliness of completion of stabilization and small capital projects. The concern is mostly with the Department of General Services ("DGS") ability to complete projects on time. In fall of 2016, the Committee held a joint roundtable with the Committee on Transportation and the Environment and learned that many of the FY16 summer projects were not completed. During the FY18 budget hearing for DGS on April 13, 2017, the Director testified that the agency was mostly focused on completing modernizations during the summer of 2016. This does not inspire public trust in the agency, or in the government's ability to follow through on its promises. Furthermore, it became clear that the list of stabilization projects submitted to the Council as part of the budget process is not the final list, as many projects on previously submitted spend plans were not on the DGS project list. Despite DCPS taking the lead as the client and serving as the agency responsible for delivering projects to communities, DGS shows very little regard for the promises made to communities.

The Committee sent DGS a letter on March 29, 2017 requesting an update on the status of summer projects from FY16 and FY17. The Committee received a response on April 8, 2017. When shared with DCPS, it seemed as if the agency was learning for the first time the list of projects DGS was planning to address in the summer of 2017. However, Director Gillis noted at the DGS budget oversight hearing in the Committee on Transportation and the Environment that there are regular meetings between DGS and the Chief Operating Officer at DCPS and the two agencies are in constant communication. The Committee is understandably frustrated at the irreconcilable versions of the relationship between the two agencies. However, the Committee has experienced firsthand the communication challenges with DGS. For example, Committee staff requested follow-up information from the DGS budget hearing on specific projects, the Committee received no response. On several other occasions throughout the FY18 budget process, despite outreach to DGS for questions related to capital construction projects the Committee received no responses from the agency. If the agency cannot respond to Council inquiries to questions asked on the record, or to inquiries about capital projects within the agency's portfolio, the Committee has significant concerns about the communication between agencies and with the public.

The Committee's concerns come at an unfortunate time for DGS. As part of the PACE Act, the Council will receive an updated 10-year Master Facilities Plan ("MFP") by December 15, 2017, and every 10 years thereafter, for its review and approval. The MFP is a valuable document, and should be utilized to make

⁹ Committee on Education, *Report on Bill 21-777, the "Planning Actively for Comprehensive Education Facilities Amendment Act of 2016"*, October 26, 2016.

policy and budget decisions not only about modernizations, but also about maintenance and upkeep. It is the hope of the Committee to use the information in the MFP to determine if our schools need greater stabilization and small capital investments for maintenance and general repairs, and by how much. It is incumbent upon the government to ensure that our \$3.5 billion investments in our schools is maximized to the fullest extent, and that can only be accomplished with a functional, responsive, and reliable DGS.

Committee's Recommended FY18 Budget

While analyzing the proposed FY18 CIP the Committee was pleased to see very little variation in the CIP from the FY17 version. It was also pleasing to see the addition of Capitol Hill Montessori at Logan and Browne Education Campus to the CIP in FY23. A few schools realized accelerations in their modernization timelines, and a few schools realized enhancements to their projects for various reasons. However, it is worth noting that these accelerations and enhancements did not come at the expense of another school. In other words, no schools were pushed back, or had funding removed to accommodate these changes. We are beginning to see stability in the CIP with regard to education modernizations.

The Committee does have some frustration with the CIP, mainly about total dollars dedicated to school modernizations. The FY18 CIP contains \$51,717,000 fewer dollars than the FY17 CIP. Over the previous 3 years, the total amount of capital dollars dedicated to school modernizations has fallen by \$318,513,000 while the total amount of capital dollars in the entire District budget has risen by \$385,111,000 compared to FY15. In FY15 school modernizations represented nearly 25% of the entire capital budget but in FY18 it only represents just over 19%. See chart C.

Chart C: DCPS Historic CIP as Proportion of Total Historic CIP Investments

Fiscal Year	DCPS 6-year CIP (thousands)	Total 6-year CIP (thousands)	DCPS % of total
FY 08 Approved	\$ 1,385,169	\$ 3,311,552	41.83%
FY 09 Approved	\$ 1,573,996	\$ 3,444,794	45.69%
FY 10 Approved	\$ 1,676,804	\$ 3,530,731	47.49%
FY 11 Approved	\$ 1,717,120	\$ 3,663,342	46.87%
FY 12 Approved	\$ 1,737,761	\$ 4,955,035	35.07%
FY 13 Approved	\$ 1,774,421	\$ 5,176,714	34.28%
FY 14 Approved	\$ 1,782,791	\$ 6,240,885	28.57%
FY 15 Approved	\$ 1,599,626	\$ 6,506,862	24.58%
FY 16 Approved	\$ 1,292,138	\$ 6,256,529	20.65%
FY 17 Approved	\$ 1,332,830	\$ 6,343,465	21.01%
FY 18 Proposed	\$ 1,281,113	\$ 6,641,640	19.29%

Meanwhile there are still three schools that have not been modernized and are not in the CIP: Adams of Oyster Adams Education Campus, Malcolm X, and Washington Metropolitan; meanwhile, we still have schools that only received phased modernizations and deserve full upgrades. This is not the time to disinvest in school modernizations, in fact we should be doubling down to complete our schools sooner so the District can retain families, attract new ones, and make all of our schools the center-pieces of our local neighborhoods. This is why the Committee will be making a separate recommendation to the entire Council to delay the estate tax trigger and utilize that savings to pay debt service to leverage up to \$162,000,000 in extra capital dollars for school modernizations and include in the CIP those three remaining schools that have not realized a phased or full modernization.

Committee Recommendations

The Committee recommends a six-year total capital budget of \$1,291,079,336.51 for DCPS, of which \$262,827,588.51 and 17.2 FTEs will be allocated for FY18. This is an increase of \$9,966,588.51 in the six-year capital budget from the Mayor's FY18 request. An increase of \$7,500,000 is due to transfers from the Committee on Transportation and the Environment, and the increase of \$2,466,588.51 due to a transfer from certain projects with unspent allotments within DCPS and Special Education Transportation.

	Source	FY18	FY19	FY20	FY21	FY22	FY23	TOTAL
Proposed	GO Bonds	236,723,000	223,942,800	220,048,991	166,597,282	145,253,675	287,909,000	1,280,475,748
Committee	GO Bonds	262,189,589	230,942,800	220,048,991	166,597,282	142,253,675	268,409,000	1,290,442,337
Variance	GO Bonds	25,466,589	7,000,000	0	0	-3,000,000	-19,500,000	9,966,589

	Source	FY18	FY19	FY20	FY21	FY22	FY23	TOTAL
Proposed	Short Term Bonds	638,000	0	0	0	0	0	638,000
Committee	Short Term Bonds	638,000	0	0	0	0	0	638,000
Variance	Short Term Bonds	0	0	0	0	0	0	0

	Source	FY18	FY19	FY20	FY21	FY22	FY23	TOTAL
Proposed	Total	237,361,000	223,942,800	220,048,991	166,597,282	145,253,675	287,909,000	1,281,112,748
Committee	Total	262,827,589	230,942,800	220,048,991	166,597,282	142,253,675	268,409,000	1,291,079,337
Variance	Total	25,466,589	7,000,000	0	0	-3,000,000	-19,500,000	9,966,589

Below is a breakdown for each capital project in the FY18-FY23 Capital Improvement Plan for DCPS:

GM303C – ADA COMPLIANCE

	Source	FY18	FY19	FY20	FY21	FY22	FY23	TOTAL
Proposed	GO Bonds	2,820,000	1,600,000	1,884,000	2,000,000	0	2,500,000	10,804,000
Committee	GO Bonds	2,820,000	1,600,000	1,884,000	2,000,000	0	2,500,000	10,804,000
Variance	GO Bonds	0	0	0	0	0	0	0

The proposed work plan for ADA Compliance provided by DCPS for FY18 with rough orders of magnitude includes the following:

- Leckie Elevator Installation, \$1,300,000
- Seaton Elevator Installation, \$1,300,000
- J.O. Wilson Ramp Design, \$85,000
- ADA project designs, \$135,000

The Chairperson of the Committee has been a consistent advocate for ADA compliance, and in fact advocated for a dedicated capital budget line item specifically for this purpose. Providing accessibility improvements to schools is an important priority for the Committee. There are schools which are not in line for a full modernization, but nonetheless are in need of more targeted upgrades to improve ADA accessibility. The Americans with Disabilities Act was signed into law over 25 years ago, and yet there are still schools where someone in a wheelchair or on crutches cannot access certain classrooms or sometimes even enter through the front door.

Accessibility is not only important for permanently disabled students. Any student, teacher, or parent can have a temporary illness or injury that makes using a stair difficult. For example, a parent picking up a child from J.O. Wilson Elementary School who has a younger child in a stroller can't use the front door or

access an upstairs classroom. For janitorial staff, it can be hazardous to bring furniture to a second floor classroom or trash downstairs in a building without an elevator.

Many schools also act as community centers, hosting public meetings and events. Several school buildings also serve as polling places. DCPS and DGS should strive to make all buildings accessible as soon as possible, and such construction should not have to wait for a full modernization. Every member of the community needs to be able to access every classroom.

Necessary upgrades are not limited to mobility. Whenever possible, DGS and DCPS should seek to retrofit and build new classrooms and buildings to properly accommodate students with visibility, hearing, and other impairments so that all students can have a safe learning environment. This could include replacing solid metal doors with ones that have glass, adding tactile bumps at interior stairs landings, removing hallway obstructions, or other items which can seem minor to most people, but are absolutely essential for many District residents and employees.

The Committee recommends no change from the Mayor's proposed budget.

YY176C – AITON ES

	Source	FY18	FY19	FY20	FY21	FY22	FY23	TOTAL
Proposed	GO Bonds	0	0	0	514,000	2,571,000	37,000,000	40,085,000
Committee	GO Bonds	0	0	0	514,000	2,571,000	37,000,000	40,085,000
Variance	GO Bonds	0	0	0	0	0	0	0

Aiton Elementary School was enhanced in the Mayor's proposed budget by \$37,000,000 in FY23 for the modernization project. The Committee recommends no change from the Mayor's proposed budget.

YY105C – ANNE M. GODING ES

	Source	FY18	FY19	FY20	FY21	FY22	FY23	TOTAL
Proposed	GO Bonds	0	0	0	0	3,192,000	25,836,000	29,028,000
Committee	GO Bonds	0	0	0	0	3,192,000	25,836,000	29,028,000
Variance	GO Bonds	0	0	0	0	0	0	0

Anne M. Goding Elementary School was enhanced in the Mayor's proposed budget by \$25,836,000 in FY23 for the modernization project. The Committee recommends no change from the Mayor's proposed budget.

SK120C – ATHLETIC FACILITIES

	Source	FY18	FY19	FY20	FY21	FY22	FY23	TOTAL
Proposed	GO Bonds	1,500,000	0	0	0	0	1,000,000	2,500,000
Committee	GO Bonds	1,500,000	0	0	0	0	1,000,000	2,500,000
Variance	GO Bonds	0	0	0	0	0	0	0

This Committee recommends no change from the Mayor's proposed budget

YY177C – BANCROFT ES

	Source	FY18	FY19	FY20	FY21	FY22	FY23	TOTAL
Proposed	GO Bonds	26,147,000	0	0	0	0	0	26,147,000
Committee	GO Bonds	26,147,000	0	0	0	0	0	26,147,000
Variance	GO Bonds	0	0	0	0	0	0	0

Bancroft Elementary School was enhanced in the Mayor's proposed budget by \$2,500,000 in FY18 to provide necessary enhancements to the swing space at Sharpe. The Committee recommends no change from the Mayor's proposed budget.

YY101C – BANNEKER HS

	Source	FY18	FY19	FY20	FY21	FY22	FY23	TOTAL
Proposed	GO Bonds	1,341,000	9,707,000	87,670,000	35,425,000	0	0	134,143,000
Committee	GO Bonds	1,341,000	9,707,000	38,149,000	84,946,000	0	0	134,143,000
Variance	GO Bonds	0	0	-49,521,000	49,521,000	0	0	0
Amendment	GO Bonds	1,165,000	9,707,000	38,325,000	84,946,000	0	0	134,143,000
Amend Var.	GO Bonds	-176,000	0	-49,345,000	0	0	0	0

The Mayor's proposed budget did not include any changes to Banneker HS compared to the FY17 budget. However, in order to accelerate the modernization of Jefferson MS, the Committee directs a reduction of \$49,521,000 in FY20 with \$22,916,000 to Eliot-Hine MS and \$26,605,000 to Jefferson MS. In FY21 the Committee directs \$49,521,000 from Jefferson MS to Banneker HS. This represents no change in the six-year CIP total for Banneker of \$134,143,000 and no change on when Banneker will be completed.

At the mark-up Councilmember Robert White offered an amendment to reduce the Banneker budget by \$176,000 in FY18 to accelerate planning for the modernization of West EC. The amendment enhances Banneker's budget in FY20 by \$176,000 from the West project line. The amendment was accepted as friendly.

GM102C – BOILER REPAIRS

	Source	FY18	FY19	FY20	FY21	FY22	FY23	TOTAL
Proposed	GO Bonds	4,000,000	4,000,000	2,000,000	2,500,000	2,000,000	3,000,000	17,500,000
Committee	GO Bonds	4,000,000	4,000,000	2,000,000	2,500,000	2,000,000	3,000,000	17,500,000
Variance	GO Bonds	0	0	0	0	0	0	0

The proposed work plan for Boiler/HVAC Repairs for FY18 provided by DCPS with rough orders of magnitude includes the following:

- Smothers Multipurpose Room HVAC, \$400,000
- Sharpe Health Annex, \$950,000
- Hendley Multipurpose Room and Cafeteria, \$650,000
- Emergencies, \$750,000
- Design for steam elimination at Nalle, Ketcham, Thomas, Bunker Hill, and Truesdell, \$325,000
- TBD Multipurpose Room HVAC, \$650,000
- Contingency, \$275,000

The Committee makes no change to the Mayor's proposed budget.

YY108C – BROWNE EC

	Source	FY18	FY19	FY20	FY21	FY22	FY23	TOTAL
Proposed	GO Bonds	0	0	0	0	0	3,622,000	3,622,000
Committee	GO Bonds	0	0	0	0	0	10,022,000	10,022,000
Variance	GO Bonds	0	0	0	0	0	6,400,000	6,400,000

The Mayor's proposed budget included an increase of \$3,622,000 in FY23 for modernization at Browne EC. With funds provided by the Committee on Transportation and the Environment, the Committee directs an increase of \$6,400,000 in FY23 to Browne EC for construction.

YY1SPC – CENTRALIZED SWING SPACE

	Source	FY18	FY19	FY20	FY21	FY22	FY23	TOTAL
Proposed	GO Bonds	14,300,000	4,921,000	0	0	1,800,000	0	21,021,000
Committee	GO Bonds	13,800,000	4,921,000	0	0	1,800,000	0	20,521,000
Variance	GO Bonds	-500,000	0	0	0	0	0	-500,000

The Committee directs a reduction of \$500,000 from Centralized Swing Space to fund a public private partnership study for Capitol Hill Montessori at Logan. Centralized Swing Space has an unspent allotment balance of \$11,952,727 from FY17.

NX837C – COOLIDGE HS

	Source	FY18	FY19	FY20	FY21	FY22	FY23	TOTAL
Proposed	GO Bonds	74,757,000	73,958,000	0	0	0	0	148,715,000
Committee	GO Bonds	74,757,000	73,958,000	0	0	0	0	148,715,000
Variance	GO Bonds	0	0	0	0	0	0	0
Amendment	GO Bonds	73,933,000	74,782,000	0	0	0	0	148,715,000
Amend. Var.	GO Bonds	-824,000	824,000	0	0	0	0	0

The Mayor's proposed FY18 budget represents no change from the FY17 budget for Coolidge HS. The Committee makes no changes to the Mayor's proposed budget.

Councilmember Robert White offered an amendment at the mark-up to reduce the FY18 Coolidge budget by \$824,000 to accelerate planning for West EC. The amendment also increases the FY19 Coolidge budget by \$824,000 removing those funds from the West project. The amendment was accepted as friendly.

YY178 – CW HARRIS ES

	Source	FY18	FY19	FY20	FY21	FY22	FY23	TOTAL
Proposed	GO Bonds	2,493,000	22,771,000	16,279,000	0	0	0	41,543,000
Committee	GO Bonds	2,493,000	22,771,000	16,279,000	0	0	0	41,543,000
Variance	GO Bonds	0	0	0	0	0	0	0

The Mayor's proposed FY18 budget represents no change from the FY17 budget for CW Harris. The Committee makes no changes to the Mayor's proposed budget.

T2247C – DCPS DCSTARS HW UPGRADE

	Source	FY18	FY19	FY20	FY21	FY22	FY23	TOTAL
Proposed	GO Bonds	3,000,000	0	0	0	0	0	3,000,000
Committee	GO Bonds	3,000,000	0	0	0	0	0	3,000,000
Variance	GO Bonds	0	0	0	0	0	0	0

The Mayor's proposed FY18 budget represents a decrease of \$13,400,000 in the six-year CIP for this upgrade. At the budget hearing, DCPS noted that there is IT work being done in partnership with the Office of the Chief Technology Officer which is no longer reflected in the DCPS budget. The Committee makes no changes to the Mayor's proposed budget.

N8005 – DCPS IT INFRASTRUCTURE UPGRADE

	Source	FY18	FY19	FY20	FY21	FY22	FY23	TOTAL
Proposed	GO Bonds	500,000	2,200,000	3,000,000	1,000,000	1,000,000	3,000,000	10,700,000
Committee	GO Bonds	500,000	2,200,000	3,000,000	1,000,000	1,000,000	3,000,000	10,700,000
Variance	GO Bonds	0	0	0	0	0	0	0

The Mayor's proposed FY18 budget represents a decrease of \$4,300,000 in the six-year CIP for this upgrade. At the budget hearing, DCPS noted that there is IT work being done in partnership with the Office

of the Chief Technology Officer which is no longer reflected in the DCPS budget. The Committee makes no changes to the Mayor's proposed budget.

YY1DHC – DOROTHY HEIGHT ES

	Source	FY18	FY19	FY20	FY21	FY22	FY23	TOTAL
Proposed	GO Bonds	0	0	0	0	4,173,000	31,000,000	35,173,000
Committee	GO Bonds	0	0	0	0	4,173,000	31,000,000	35,173,000
Variance	GO Bonds	0	0	0	0	0	0	0

The Mayor's proposed FY18 budget includes an increase of \$31,000,000 for the modernization of Dorothy Height Elementary School in FY23. The Committee makes no changes to the Mayor's proposed budget.

G15PKC – EARLY ACTION PRE-K INITIATIVES

	Source	FY18	FY19	FY20	FY21	FY22	FY23	TOTAL
Proposed	GO Bonds	500,000	500,000	0	500,000	1,500,000	0	3,000,000
Committee	GO Bonds	500,000	500,000	0	500,000	1,500,000	0	3,000,000
Variance	GO Bonds	0	0	0	0	0	0	0

The Committee makes no changes to the Mayor's proposed budget.

YY180C – EATON ES

	Source	FY18	FY19	FY20	FY21	FY22	FY23	TOTAL
Proposed	GO Bonds	0	0	0	0	3,000,000	25,900,000	28,900,000
Committee	GO Bonds	23,000,000	7,000,000	0	0	0	0	30,000,000
Variance	GO Bonds	23,000,000	7,000,000	0	0	-3,000,000	-25,900,000	1,100,000

The Mayor's proposed FY18 budget includes an increase of \$25,900,000 in FY23 for the modernization of Eaton Elementary School for a six-year total of \$28,900,000 in the CIP. The Committee accepts a transfer from the Committee on Transportation and the Environment in the amounts of \$23,000,000 in FY18 and \$7,000,000 in FY19 to accelerate this modernization. The transfer includes an increase of \$1,100,000 for the project. The Committee transfers \$3,000,000 in FY22 and \$25,900,000 in FY23 back to the Committee on Transportation and the Environment.

YY181C – ELIOT HINE JHS

	Source	FY18	FY19	FY20	FY21	FY22	FY23	TOTAL
Proposed	GO Bonds	4,812,000	49,247,000	30,159,000	0	0	0	84,218,000
Committee	GO Bonds	4,812,000	38,331,000	41,075,000	0	0	0	84,218,000
Variance	GO Bonds	0	-10,916,000	10,916,000	0	0	0	0

The Mayor's proposed FY18 budget includes a small decrease of \$2,316,000 in FY19 for the modernization of Eliot-Hine Middle School. In order to accelerate the modernization of another Ward 6 school, Jefferson Middle School, the Committee recommends a decrease of \$22,916,000 in FY19 from Eliot Hine to enhance the Jefferson project. The Committee also recommends an increase of \$22,916,000 in FY20 for Eliot Hine from the Banneker High School project. The six-year CIP total remains the same at \$84,218,000 and there will be no change to the completion date of the project.

GM312C – ES/MS MODERNIZATION CAPITAL LABOR

	Source	FY18	FY19	FY20	FY21	FY22	FY23	TOTAL
Proposed	GO Bonds	7,500,000	8,534,950	7,951,698	9,679,282	11,736,746	8,000,000	53,402,676
Committee	GO Bonds	7,500,000	8,534,950	7,951,698	9,679,282	11,736,746	8,000,000	53,277,676
Variance	GO Bonds	0	0	0	0	0	0	0

The Committee makes no change to the Mayor's proposed budget.

YY103C – FRANCIS STEVENS ES

	Source	FY18	FY19	FY20	FY21	FY22	FY23	TOTAL
Proposed	GO Bonds	0	0	0	0	3,000,000	41,977,000	44,977,000
Committee	GO Bonds	0	0	0	0	3,000,000	41,977,000	44,977,000
Variance	GO Bonds	0	0	0	0	0	0	0

The Mayor's proposed FY18 budget includes an increase of \$41,977,000 in FY23 for the modernization of the Francis Stevens facility. The Committee recommends no changes to the Mayor's proposed budget.

YY182C – GARFIELD ES

	Source	FY18	FY19	FY20	FY21	FY22	FY23	TOTAL
Proposed	GO Bonds	0	0	0	0	3,210,000	24,273,000	27,483,000
Committee	GO Bonds	0	0	0	0	3,210,000	24,273,000	27,483,000
Variance	GO Bonds	0	0	0	0	0	0	0

The Mayor's proposed FY18 budget includes an increase of \$24,273,000 in FY23 for the school's modernization. The Committee recommends no changes to the Mayor's proposed budget.

GM120C – GENERAL MISCELLANEOUS REPAIRS

	Source	FY18	FY19	FY20	FY21	FY22	FY23	TOTAL
Proposed	GO Bonds	5,500,000	4,000,000	3,000,000	4,800,000	4,000,000	4,000,000	25,300,000
Committee	GO Bonds	5,500,000	4,000,000	3,000,000	4,800,000	4,000,000	4,000,000	25,300,000
Variance	GO Bonds	0	0	0	0	0	0	0

The proposed work plan submitted by DCPS for General Repairs for FY18 with rough orders of magnitude includes the following:

- Burroughs Exterior Doors, \$500,000
- Burrville Exterior Doors, \$350,000
- Francis Stevens Exterior Doors, \$450,000
- Green Exterior Doors, \$400,000
- Langley Exterior Doors, \$350,000
- Tubman Bathroom Modernization, \$1,250,000
- Tubman Welcome Center, \$1,500,000
- Ketcham Perimeter Fencing, \$300,000
- Contingency, \$400,000

The Committee makes no change to the Mayor's proposed budget.

GM311C – HIGH SCHOOL LABOR

	Source	FY18	FY19	FY20	FY21	FY22	FY23	TOTAL
Proposed	GO Bonds	3,500,000	4,868,850	5,502,293	1,600,000	0	0	15,471,143
Committee	GO Bonds	3,250,000	4,868,850	5,502,293	1,600,000	0	0	15,221,143
Variance	GO Bonds	-250,000	0	0	0	0	0	-250,000

The Committee recommends a reduction of \$250,000 in FY18 from High School labor program management to fund a public private partnership feasibility study for Capitol Hill Montessori at Logan.

YY144C – HOUSTON ES

	Source	FY18	FY19	FY20	FY21	FY22	FY23	TOTAL
Proposed	GO Bonds	2,655,000	24,127,000	16,279,000	0	0	0	43,061,000
Committee	GO Bonds	2,655,000	24,127,000	16,279,000	0	0	0	43,061,000
Variance	GO Bonds	0	0	0	0	0	0	0

The Committee recommends no change to the Mayor's proposed budget.

YY164C – HYDE ES

	Source	FY18	FY19	FY20	FY21	FY22	FY23	TOTAL
Proposed	GO Bonds	4,000,000	0	0	0	0	0	4,000,000
Committee	GO Bonds	4,000,000	0	0	0	0	0	4,000,000
Variance	GO Bonds	0	0	0	0	0	0	0

The Mayor's proposed FY18 budget included a \$4,000,000 enhancement to Hyde to cover increased costs related to the addition of a "Gymatorium," additional classrooms, media center, and administrative offices. The Committee recommends no changes to the Mayor's proposed budget.

YY165C – JEFFERSON MS

	Source	FY18	FY19	FY20	FY21	FY22	FY23	TOTAL
Proposed	GO Bonds	0	2,729,000	25,645,000	49,521,000	0	0	77,895,000
Committee	GO Bonds	2,466,589	13,645,000	64,250,000	0	0	0	80,361,589
Variance	GO Bonds	2,466,589	10,916,000	38,605,000	-49,521,000	0	0	2,466,589

The Mayor's proposed FY18 budget accelerated the completion of the Jefferson MS project by a full year finishing in FY21 instead of FY22. The Committee has heard testimony over the previous two years from the Executive, including DCPS, about the need to prioritize the modernization of free standing middle schools. With this acceleration, all free standing middle schools will be modernized when both Eliot Hine and Jefferson are completed in FY20. The Committee also heard testimony about the need to accelerate Jefferson from the community, citing concerns about the ability to swing on-site with the school's growing enrollment. DCPS confirmed that there is an internal concern regarding the ability to swing on-site. The Committee accelerates the project to begin in FY18 and conclude in FY20, and enhances the project by \$2,466,588.51 to provide funding for swing space. In FY18, the Committee directs funds swept from other capital projects with unspent allotments to the Jefferson project. In FY19 the project is enhanced by \$10,916,000 transferred from the Eliot Hine project. In FY20 Jefferson is enhanced by \$38,605,000 transferred from the Banneker project. In FY21 \$49,521,000 is transferred from Jefferson to Banneker. Neither the timing nor the total dollars for Banneker or Eliot Hine will change as a result of the Jefferson acceleration.

YY185C – KIMBALL ES

	Source	FY18	FY19	FY20	FY21	FY22	FY23	TOTAL
Proposed	GO Bonds	17,000,000	0	0	0	0	0	17,000,000
Committee	GO Bonds	17,000,000	0	0	0	0	0	17,000,000
Variance	GO Bonds	0	0	0	0	0	0	0

The Committee recommends no changes to the Mayor's proposed budget.

GM304C – LIFE SAFETY

	Source	FY18	FY19	FY20	FY21	FY22	FY23	TOTAL
Proposed	GO Bonds	800,000	1,425,000	1,500,000	2,000,000	1,500,000	1,500,000	8,725,000
Committee	GO Bonds	800,000	1,425,000	1,500,000	2,000,000	1,500,000	1,500,000	8,725,000
Variance	GO Bonds	0	0	0	0	0	0	0

The proposed work plan submitted by DCPS for Life Safety for FY18 with rough orders of magnitude includes the following:

- Washington Met Fire Alarm, \$350,000
- Aiton Fire Alarm, \$350,000
- Contingency, \$100,000

The Committee recommends no changes to the Mayor's proposed budget.

YY107C – LOGAN ES

	Source	FY18	FY19	FY20	FY21	FY22	FY23	TOTAL
Proposed	GO Bonds	0	0	0	0	0	2,763,000	2,763,000
Committee	GO Bonds	750,000	0	0	0	0	2,763,000	3,513,000
Variance	GO Bonds	750,000	0	0	0	0	0	750,000

The Mayor's FY18 proposed budget includes \$2,763,000 in FY23 for the modernization of the facility. The Committee recognizes Capitol Hill Montessori at Logan is in need of some degree of modernization to meet the standards of other District schools. Its growing middle school classes are housed in trailers outside the main building. This is not a suitable learning environment.

The current Logan School building was constructed in 1934 at 215 G Street NE to replace a smaller building across the street at 301 G Street, NE (which now houses condos). Capitol Hill Montessori has been in this building since 2011, and currently has 330 students from preschool through 8th grade. It is a city-wide school, drawing students from all 8 wards without any neighborhood or proximity preference in admissions.

This school sits on a relatively large lot (Square 0753, Lots 0827 & 0828) that can accommodate additional building space. The main school building, which houses the elementary grades, is on the Eastern portion of the site. This area is zoned RF-1, which encourages row houses and institutional buildings such as schools. The Western portion of the site has split ownership, between the larger District-owned portion of the North half and a smaller Federal-owned section at the South. The District-owned area is used as a large parking lot while the Federal area houses the middle school grade trailers.

This surface parking lot is zoned MU-4, which can accommodate larger scale mixed-use development. This is an appropriate zoning classification for this portion of the larger school site because it is across from two new developments: the Station House apartment building to the North and Station Place offices to the West. Each rises to over 100 feet high and Station Place in particular is connected to Union Station, WMATA's busiest station and a major train and bus station.

A joint development opportunity for the Western portion of the Capitol Hill Montessori site could provide additional classrooms, play areas, underground parking, and other needs. Some of the costs of this work could be paid for as a part of the potential public-private partnership that would allow offices, apartments, or other uses along 2nd Street NE above or adjacent to school uses. There are many questions as to how this site should be developed and the school modernized, and therefore the Committee is providing funding for analysis of the school and site conditions, formulation of a public private partnership for alternatives and conceptual designs, and development of a "Request for Information" or "Request for Proposal" to potential developer partners.

Some questions to be answered as part of this study and analysis may include:

- The current and future space needs for Capitol Hill Montessori at Logan;
- Maximum development envelope for the Western portion of the site;

- Community preferences (including the school community as well as the surrounding neighborhood) for new development on the site;
- Land ownership issues including what may be built on the Federal portion;
- Zoning analysis;
- Subsurface investigation including geotechnical studies;
- Formulation of potential options including conceptual designs;
- Financial analysis for construction concepts and joint development; and
- Creation of information and bidding packages for seeking developer partners.

The Committee directs \$750,000 toward this analysis in FY18 from reductions in Centralized Swing Space, ES/MS Modernization Capital Labor, and High School Labor Program Management.

GM121C – MAJOR REPAIRS/MAINTENANCE

	Source	FY18	FY19	FY20	FY21	FY22	FY23	TOTAL
Proposed	GO Bonds	3,400,000	2,000,000	3,100,000	4,900,000	5,000,000	2,500,000	20,900,000
Committee	GO Bonds	3,400,000	2,000,000	3,100,000	4,900,000	5,000,000	2,500,000	20,900,000
Variance	GO Bonds	0	0	0	0	0	0	0

The Committee recommends no change to the Mayors proposed budget.

MR337C – MAURY ES

	Source	FY18	FY19	FY20	FY21	FY22	FY23	TOTAL
Proposed	GO Bonds	15,000,000	0	0	0	0	0	15,000,000
Committee	GO Bonds	15,000,000	0	0	0	0	0	15,000,000
Variance	GO Bonds	0	0	0	0	0	0	0

The Mayor's proposed FY18 budget includes a \$14,000,000 enhancement in FY18 for an addition at Maury. The enhancement is necessary due to increasing enrollment associated with the recent boundary change process necessitating a change in scope of the project. The Committee recommends no changes to the Mayor's proposed budget.

YY1W4C – MCFARLAND MIDDLE SCHOOL

	Source	FY18	FY19	FY20	FY21	FY22	FY23	TOTAL
Proposed	GO Bonds	16,914,000	0	0	0	0	0	16,914,000
Committee	GO Bonds	16,914,000	0	0	0	0	0	16,914,000
Variance	GO Bonds	0	0	0	0	0	0	0

The Committee recommends no changes to the Mayor's proposed budget.

YY170C – ORR ES

	Source	FY18	FY19	FY20	FY21	FY22	FY23	TOTAL
Proposed	GO Bonds	14,636,000	0	0	0	0	0	14,636,000
Committee	GO Bonds	14,636,000	0	0	0	0	0	14,636,000
Variance	GO Bonds	0	0	0	0	0	0	0

The Committee recommends no changes to the Mayor's proposed budget.

YY193C – RAYMOND ES

	Source	FY18	FY19	FY20	FY21	FY22	FY23	TOTAL
Proposed	GO Bonds	0	0	0	3,000,000	24,662,000	38,538,000	66,200,000
Committee	GO Bonds	0	0	0	3,000,000	24,662,000	38,538,000	66,200,000
Variance	GO Bonds	0	0	0	0	0	0	0

The Mayor's proposed FY18 budget accelerates the Raymond modernization by one year. The Committee recommends no changes to the Mayor's proposed budget.

GM101C – ROOF REPAIRS

	Source	FY18	FY19	FY20	FY21	FY22	FY23	TOTAL
Proposed	GO Bonds	4,948,000	3,280,000	6,209,000	6,249,000	3,000,000	4,000,000	27,686,000
Committee	GO Bonds	4,948,000	3,280,000	6,209,000	6,249,000	3,000,000	4,000,000	27,686,000
Variance	GO Bonds	0	0	0	0	0	0	0

The work plan for roof repairs as submitted by DCPS for FY18 with rough orders of magnitude includes the following:

- Phelps Partial Replacement, \$1,500,000
- Plummer Full Replacement \$850,000
- J.O. Wilson Design and Replacement, \$883,500
- Sharpe Health Annex Restoration \$132,500
- Powell Slate \$1,000,000
- Park View Slate \$400,000
- Johnson Design \$120,000
- Contingency, \$62,000

The Committee recommends no change from the Mayor's proposed budget.

YY195C – SMOTHERS ES

	Source	FY18	FY19	FY20	FY21	FY22	FY23	TOTAL
Proposed	GO Bonds	0	0	0	2,843,000	20,000,000	26,000,000	48,843,000
Committee	GO Bonds	0	0	0	2,843,000	20,000,000	26,000,000	48,843,000
Variance	GO Bonds	0	0	0	0	0	0	0

The Mayor's proposed FY18 budget accelerates the Smothers modernization by one year. The Committee recommends no changes to the Mayor's proposed budget.

GM313C – STABILIZATION CAPITAL LABOR

	Source	FY18	FY19	FY20	FY21	FY22	FY23	TOTAL
Proposed	GO Bonds	2,000,000	2,250,000	2,250,000	2,250,000	3,100,000	1,500,000	13,350,000
Committee	GO Bonds	2,000,000	2,250,000	2,250,000	2,250,000	3,100,000	1,500,000	13,350,000
Variance	GO Bonds	0	0	0	0	0	0	0

The Committee recommends no change from the Mayor's proposed budget.

AFM04C – TECHNOLOGY MODERNIZATION INITIATIVE

	Source	FY18	FY19	FY20	FY21	FY22	FY23	TOTAL
Proposed	Short Term Bonds	638,000	0	0	0	0	0	638,000
Committee	Short Term Bonds	638,000	0	0	0	0	0	638,000
Variance	Short Term Bonds	0	0	0	0	0	0	0

The Committee recommends no changes to the Mayor's proposed budget.

YY173C – WEST ES

	Source	FY18	FY19	FY20	FY21	FY22	FY23	TOTAL
Proposed	GO Bonds	0	824,000	6,120,000	33,316,000	42,148,000	0	82,408,000
Committee	GO Bonds	0	824,000	6,120,000	33,316,000	42,148,000	0	82,408,000
Variance	GO Bonds	0	0	0	0	0	0	0
Amendment	GO Bonds	1,000,000	0	5,944,000	33,316,000	42,148,000	0	82,408,000
Amend. Var.	GO Bonds	1,000,000	-824,000	-176,000	0	0	0	0

West is number 5 on the Committee's prioritization matrix and the Committee would have liked to accelerate the project to begin in FY18 and conclude in FY20. However, without more capital allotments available the Committee was unable to do so without negatively impacting other schools. With the Orr project imminently underway, West will be the only open-classroom school remaining in the District of Columbia. The Committee recommends no change to the Mayor's proposed budget in the Committee mark-up. However, the Committee intends to work with the Committee of the Whole to identify ways to accelerate the West modernization.

At the mark-up, Councilmember Robert White offered an amendment to accelerate West's planning to FY18 by transferring \$824,000 from the Coolidge project and \$176,000 from the Banneker project. In FY19 \$824,000 is transferred from West to Coolidge, and in FY20 \$176,000 is transferred from West to Banneker. The amendment was accepted as friendly.

SG106 – WINDOW REPLACEMENT

	Source	FY18	FY19	FY20	FY21	FY22	FY23	TOTAL
Proposed	GO Bonds	2,700,000	1,000,000	1,500,000	4,500,000	4,660,929	0	14,360,929
Committee	GO Bonds	2,700,000	1,000,000	1,500,000	4,500,000	4,660,929	0	14,360,929
Variance	GO Bonds	0	0	0	0	0	0	0

The work plan as submitted by DCPS for Window Replacement for FY18 with rough orders of magnitude includes the following:

- Adams, \$1,750,000
- Sharpe Health Annex, \$750,000
- Contingency, \$200,000

The Committee recommends no change to the Mayor's proposed budget.

POLICY RECOMMENDATIONS

The Committee recommends the following policy changes based on the analysis and discussion above and issues brought up during DCPS performance and budget oversight hearings this year.

1. Greater Budget Transparency and Improved Student and Community Engagement

DCPS has certainly made significant progress over the years with efforts to demystify its budget formulation process. However, there is always room for improvement, which the Chancellor recognized during the budget oversight hearing. The Committee supports his goal of increasing transparency and ease of understanding for both the overall DCPS budget and individual school budgets. Over the years, the Committee has heard from many students about the importance of increased student engagement in the budget process. Therefore, the Committee recommends that DCPS explore more inclusive ways to garner feedback and input from students, and the community, during the budget process. Critical to this effort would be greater transparency and provision of tools for understanding the budget and its formulation. The Committee recommends that the upcoming DCPS Strategic Plan include specific goals and outcomes with regards to improving budget transparency and heightening engagement. The Committee recommends that

DCPS articulate its theoretical framework for developing the budget, its rationale for that framework, and any intentions to change it for the forthcoming budget.

2. Targeted Support for LGBTQ Students of Color

Last year, some Councilmembers and many public witnesses urged DCPS to expand the already launched Empowering Males of Color initiative to include young women as well. Recognizing that the challenges young women face are very different than young men, the Committee instead recommended that DCPS study and understand the specific challenges facing young women of color in its schools, and develop an appropriate strategy to address those needs and ensure that proposed programs or interventions are properly resourced. The Committee recommends that DCPS examine its approach to gender-specific programming and ensure that it accounts for the existence of transgender, gender non-conforming and non-binary students of color. While they may represent a small portion of students, the research shows clearly that LGBTQ students are on the wrong side of the achievement gap as well. DCPS must be sure that the needs of these students are also being addressed.

3. Reporting on EMOC and Reign initiatives

While the Committee is supportive of the work of DCPS on its EMOC and Reign initiatives, which are critical to advancing equity and reducing the achievement gap, it is also important to track the impact of these efforts. The Committee recommends that DCPS work with the Committee to develop a process for reporting on the efficacy and success of these initiatives, on at least an annual basis.

4. Fidelity of implementation of restorative justice practices

The Committee is appreciative of the progress that has been made at DCPS and across the educational spectrum to transform our approach to student discipline, and the embrace of restorative justice practices. The commitment of DCPS to this work is to be commended and the faster than expected expansion of restorative justice practices is an exciting development. However, the Committee is concerned about fidelity of implementation with the effort to increase the number of schools from 20 to 74 without specific budget enhancements. While the Chancellor's testimony on the necessity of a whole school approach to this work is heartening, the Committee wishes to ensure that this work is rolled out in a way that is effective and not set up to fail. The Committee recommends that DCPS take particular care with this effort and recommends a regular update on progress. This transformation is simply too important to allow it to fail.

5. Capitol Hill Montessori Public Private Partnership

The Committee recommends that DCPS partner with the necessary government agencies (DGS, the Office of Public Private Partnerships, or others) for analysis of the Logan school and site conditions, formulation of a public private partnership for alternatives and conceptual designs, and development of a "Request for Information" or "Request for Proposal" to potential developer partners.

Some questions to be answered as part of this study and analysis may include:

- The current and future space needs for Capitol Hill Montessori at Logan;
- Maximum development envelope for the Western portion of the site;
- Community preferences (including the school community as well as the surrounding neighborhood) for new development on the site;
- Land ownership issues including what may be built on the Federal portion;
- Zoning analysis;
- Subsurface investigation including geotechnical studies;

- Formulation of potential options including conceptual designs;
- Financial analysis for construction concepts and joint development; and
- Creation of information and bidding packages for seeking developer partners.

6. Updated budgets resulting from the Committee's Increase to the UPSFF

By September 1, 2017 DCPS shall submit to the Committee a report that reflects how the increase to the UPSFF impacted school budgets, including increases to staff, programming, and a detailed analysis of the changes to the use of at-risk funding.

7. Shaw Middle School Report

As part of the FY16 budget report, the Committee required a feasibility study for a public private partnership to redevelop the Shaw Middle School site in Ward 6. At the budget hearing, DCPS noted that this feasibility study was never completed. However, the Chancellor noted that he has toured the Shaw Middle School site and has ideas on how to better utilize the space and will report back. The Committee recommends a report on the Chancellor's ideas for the Shaw Middle School site by October 15, 2017, including whether or not Washington Metropolitan could move into that space.

B. OFFICE OF THE STATE SUPERINTENDENT OF EDUCATION

The mission of the Office of the State Superintendent of Education (OSSE) is to remove barriers and create pathways so District of Columbia residents receive an excellent education and are prepared for success in college, careers, and life.

OSSE serves as the District of Columbia's State Education Agency (SEA). In this role, OSSE manages and distributes federal funding to education providers and exercises oversight responsibility over federal education programs and related grants administered in the District of Columbia to ensure quality and compliance.

In addition to its responsibilities as the SEA, OSSE has responsibility for developing and setting state-level standards and annually assessing student proficiency, ensuring universal access to childcare and pre-k programs, and providing funding and technical assistance to adult education providers and Local Education Agencies (LEAs) in achieving objectives. OSSE further ensures that the District of Columbia collects accurate and reliable data, and assesses meaningful interventions to ensure quality improvements and compliance with state and federal law.

OSSE is organized into the following divisions:

- Division of Early Learning
- Division of Elementary, Secondary, and Specialized Education
- Division Postsecondary and Career Education
- Division Data, Assessment & Research
- Operations
- Systems Technology
- Student Transportation
- Division of Health and Wellness
- Chief of Staff
- General Counsel

NOTE: OSSE also administers the budgets for Special Education Transportation; Non-Public Tuition; and District of Columbia Public Charter School payments.

FISCAL YEAR 2018 OPERATING BUDGET

Mayor's Proposed Budget

The Office of the State Superintendent's (OSSE) proposed FY 2018 gross budget is \$498,318,338, which represents a less than 1.0 percent increase over its FY 2017 approved gross budget of \$495,306,485.

Local Funds (100)

The proposed FY18 budget for OSSE included \$160,876,134 in local funds, an \$18,353,134 increase from the FY17 approved budget. The adjustment includes a one-time increase of \$15,000,000 in funding for child care initiatives; and \$235,000 for Advance Placement (AP) testing fees for eligible students.

Dedicated Taxes (110)

The proposed FY18 budget for OSSE included \$4,275,765 in dedicated taxes, a \$6,235 decrease from the FY17 approved budget. This decrease is due to projected adjustments in personal services costs.

Federal Grants (200)

The proposed FY18 budget for OSSE included \$234,317,038 in federal grants, a \$26,485,962 decrease from the FY17 approved budget.

Federal Payments (250)

The proposed FY18 budget for OSSE included \$60,000,000 in federal payments. This is no change from the FY17 approved budget.

Private Grants (400)

The proposed FY18 budget for OSSE included \$0 in private grants. This is no change from the FY17 approved budget.

Special Purpose Revenue Funds (600)

The proposed FY18 budget for OSSE included \$1,047,018 in special purpose revenue funds, an \$18 increase from the FY17 approved budget.

Intra-District Funds (700)

The proposed FY18 budget for OSSE included \$37,802,382 in intra-district funds, an increase of \$382 from the FY17 approved budget. This increase is due to aligning resources with operational spending goals.

Committee Comments & Analysis

Early Literacy Intervention

The Mayor's FY18 proposed budget eliminates the funding for the Early Literacy Intervention Initiative. One of OSSE's stated goals for FY16 was to ensure that 75% of third-graders were proficient or advanced in reading by school year 2016-2017. Across both DCPS and public charter schools, third-grade proficiency scores had been among the lowest of tested grades, at 25%. Third-grade reading proficiency is a key determinant of longer term student achievement—it is the point at which a student should transition from learning to read to reading to learn. While the Committee applauded the goal of OSSE, at the time, it was unable to identify any targeted investments included in the OSSE operating budget that would provide additional support to LEAs to make strides towards the 75% proficiency goal. Thus, the Committee was able to identify \$1,600,000 in FY16 for OSSE to implement an early literacy grant program targeting third-grade reading success. The program was directed toward organizations that provide a full continuum of early literacy intervention services for grades Pre-K through third and consist of developmentally appropriate components for all of these grades. While the foundational literacy work happens in classrooms and with interventions formulated by each LEA, the Committee felt that a further targeted intervention to accelerate the progress of students who are behind grade level was appropriate. The Committee was pleased that OSSE was able to plan for and administer the grant competition for the Early Literacy Grant so that funds could be distributed in October at the start of FY16.

One of the Early Literacy grant recipients, The Literacy Lab, hired 26 full-time literacy tutors at 13 sites and delivered summer literacy tutoring at seven DCPS and charter summer school sites. With this funding, in FY16 the Literacy Lab provided daily, evidence-based literacy intervention to an additional 479 children attending DCPS schools as well as three new charter partners during the year and to an additional 332 children for five weeks during the summer. An average of 60% of participating K-third students surpassed

the target growth rate, which is correlated with third-grade reading proficiency and acceptance into a 4-year college. Several sites had averages well above this: Miner ES had 85% of participants' above-target growth rate, Takoma had 83%, and Garrison had 79%. Students made growth in all grade levels, in many cases doubling their scores on benchmark assessments between those given in the winter and spring. Additionally, The Literacy Lab has made an impact on the District of Columbia's education ecosystem at-large by partnering with DCPS to recruit recent high school graduates who are young men of color into the early education field, and then provides intensive training and coaching in evidence-based literacy instruction. The Chairperson visited a Literacy Lab site at C.W. Harris and was impressed by the impact that this has both on the young learners being tutored and these new educational professionals.

The other grant recipient, Reading Partners, in FY16 deployed 955 weekly volunteer tutors served 901 struggling readers at 18 Title I elementary schools across four local LEAs, exceeding the enrollment goal of 850. These students received 90 minutes of one-on-one literacy tutoring each week. Apparently Mayor Bowser also volunteered as a tutor. According to OSSE's FY16 performance oversight response, the average student received 38 sessions throughout the 2015-16 school year and maintained an average attendance rate of 91.2%. Further, 94% of K-2 grade target students mastered grade-appropriate foundational literacy skills, putting them on track to read at or about grade level by third-grade. 69% of third-grade target students demonstrated growth compared to a national group of peers in the same grade.

In the FY17 budget, OSSE maintained funding for the Early Literacy Grant at \$1.6 million. However, the Committee on Education was dismayed to learn that the Mayor did not include funding in the FY18 proposed budget for this successful program. To date, the Mayor has not given a valid explanation as to why this grant program was not funded. The Committee has identified funds that can be reallocated to ensure there is \$1.6 million dollars to maintain funding for this important program.

Early Learning Enhancements

The Mayor's FY18 budget proposal includes an enhancement to the Division of Early Learning ("DEL") of \$15M in one-time funding for various childcare initiatives.

Needs Assessment and Technical Assistance

The Mayor's FY18 budget proposal includes \$560,000 for OSSE to contract with a vendor to assess the capacity and feasibility of existing providers to expand or add slots, barriers to expansion, and areas in the city in greatest need of additional childcare options for infants and toddlers. OSSE indicated that it would allow the evidence and conclusions of the needs assessment to drive the policy and design of the competitive expansion grant program, and, specifically, where to invest the \$13M in new or existing facilities. OSSE anticipates that the needs assessment will be completed by January 2018. The Committee supports funding a needs assessment because it will help OSSE to make smart and efficient investments in building capacity of existing early learning providers and new providers.

The proposal also includes two contractors to help expedite the process of acquiring a child development facility license. Many advocates have voiced frustrations with the Committee over the past year about how difficult it is to acquire and maintain a license, especially in light of the new child development facility regulations that OSSE issued in December of 2016.¹⁰ The Committee believes this additional support is long overdue and hopes the Mayor will convert these positions into sustainable FTEs in the future.

Increase the number of high-quality infant and toddler seats

¹⁰ 5A-1 DCMR

The Mayor's FY18 budget proposal includes \$13M in additional one-time funding to establish a grant competition for new or existing facilities to open or expand their available space to more than 1,300 infants and toddlers. The grant competition would allow early learning providers to utilize the grant for the following purposes: capital costs for renovation and construction, personnel costs including the hiring and retention of new staff associated with expansion efforts, and goods and services related to expansion or start up. The grant competition would also award priority points to those providers that commit to enrolling District residents first or who have a record of serving predominantly or exclusively District residents. Estimates from 2017 show that there are only 6,950 licensed childcare slots for a total of 22,000 children under the age three.¹¹ This covers approximately 30% of the need. Increasing the supply of infant and toddler care by 1,300 would mean closer to 40% of the need will be met.

Additionally, the Mayor's proposal would renovate three District-owned buildings so that early learning providers would be able to lease the facilities from the DGS. To date the Mayor has only identified two of the three District-owned buildings that meet the complex regulatory requirements for infant and toddler care: the UDC Flagship Campus in Van Ness (Ward 3) and the Deanwood Recreation Center (Ward 7).

During the budget oversight hearing for OSSE, Councilmember Silverman asked Superintendent Kang why there was a focus on increasing access to market rate childcare and not increasing access to subsidized childcare and market rate childcare. Superintendent Kang emphasized that there are other ways that OSSE has been working to make childcare affordable so OSSE believes this is an additional need that they should address. While the Committee acknowledges that there is a shortage of high-quality child-care options for infants and toddlers in the District of Columbia, the Committee is also concerned that this plan does not increase the number of *high-quality affordable* childcare options. The increased supply of childcare is of limited efficacy if families cannot afford the slots.

According to Child Care Aware of America, the annual cost of infant care in a center in the District of Columbia is \$22,658, and the cost of infant care in a home is \$16,025, among the highest in the nation.¹² There are complex reasons why childcare costs are so expensive in the District of Columbia. The cost of rental space for childcare facilities is high and amounts to 20% of providers' expenses. OSSE's regulations on child development facilities requires providers to care for non-ambulatory children on the first floor of buildings, which adds to the complexity of finding affordable rent. Further, OSSE's licensing requirements prescribe specific teacher-to-student ratios that make staffing very expensive for providers. Providers have indicated that this is their number one expense. In OSSE's report titled, "Modeling the Cost of Child Care in the District of Columbia," the agency found that infant and toddler care, and care for children with special needs, requires very small teacher-to-student ratios, which make earning a profit very difficult.¹³ Without additional Pre-K slots, which offset the cost of providing care for infants and toddlers, many community-based organizations struggle financially. For all of these reasons, the Committee recommends that at least 50% of amounts expended to improve the supply of child care is used to specifically improve the supply of child care services for infants and toddlers eligible for subsidized child care.

Additionally, OSSE has not articulated how they plan to spend \$13M in one fiscal year. In fact, in the Mayor's FY18 budget errata letter, dated May 11, 2017, she requests that the Council establish the Child Care Quality Access Fund, administered by OSSE, to allow the \$15M of one-time funding to be carried

¹¹ OSSE response to performance oversight FY16 pre-hearing questions.

¹² Child Care Aware of America. <http://www.usa.childcareaware.org/advocacy-public-policy/resources/reports-and-research/costofcare/>

¹³ Office of the State Superintendent of Education, "Modeling the Cost of Child Care in the District of Columbia." March 11, 2016. https://osse.dc.gov/sites/default/files/dc/sites/osse/publication/attachments/Modeling%20the%20Cost%20of%20Child%20Care%20in%20the%20District%20of%20Columbia%20-%202016_0.pdf

over in a non-lapsing fund. One can infer from the creation of this fund that OSSE plans to use this funding for multiple years. Additionally, during an Education Committee hearing on B22-0076, the “District of Columbia Child Development Facilities Expansion Amendment Act of 2017,” the Committee learned that renovating a building for childcare is a time consuming process. OSSE would first have to open up a grant competition for providers and then award the grants to eligible provider(s). Then the provider would have to design the space and DGS would need to renovate the space, which could take more than a year. The Mayor has not clearly identified the third District of Columbia government-owned or leased site to renovate for childcare. The Committee has realized a compelling argument as to why OSSE will not be able to use all of the funding in FY2018. However, the Committee believes that an effort to increase slots at child development facilities is important, and believes that while it may not happen as quickly as the Committee would like, the Mayor’s enhancement is generally a prudent use of one-time funds. In an effort to leverage a small portion of these funds to more quickly increase capacity, the Committee has reallocated \$2M to expand the number of slots in the Pre-K Enhancement and Expansion program. As noted above, the ability of Pre-K Enhanced CBOs to add more infant and toddler slots can be improved by adding Pre-K slots, which help subsidize the younger children’s care.

Strengthening the Early Learning Workforce

The Mayor’s FY18 budget proposal includes \$120,000 in one-time funding to the First Step program, \$750,000 in one-time funding for the Teacher Education and Compensation Helps (TEACH) program, and \$320,000 in one-time funding for the CDA Training, Scholarship, and Promotion program. First Step gives high school students the opportunity to graduate with their CDA credential and high school diploma at the same time. The proposed FY18 budget would support 41 student participants, roughly the same as FY17. The TEACH grant program is a nationally recognized program for improving staff credentials, compensation, and retention. The proposed \$750,000 funding to the National Black Child Development Institute for this program would result in 73 students working toward their Associates degree and 11 students working toward their Bachelor’s degree. The CDA Training, Scholarship, and Promotion program provides grants to support individual CDA candidates to complete their certification during evening or weekend courses within one year. Often these candidates work in child care homes. The proposal of \$320,000 would support 175 students in seven cohorts. Three cohorts are for Spanish-speakers, and four cohorts are for English-speakers. Throughout the budget oversight process, people have raised concerns that there are not enough educational opportunities for Spanish-speaking courses. The Committee takes these concerns very seriously and will be monitoring ways to expand offerings for providers who do not speak English.

The Committee is supportive of investments in the First Steps, TEACH, and the CDA programs. Early care and learning workers are some of the most poorly paid workers in education. The average annual income of early care and learning workers in D.C. is \$26,900. Approximately 90% of early care and learning employees do not make enough to afford the basic cost of living in the metropolitan area, so paying for advanced credentials or education is out of reach for many workers without additional support.

Capital Quality

OSSE is in the process of replacing the current Quality Rating Improvement System (“QRIS”), Going for the Gold, with an Enhanced QRIS system named Capital Quality. The Mayor’s FY18 proposed budget adds three FTEs as program quality specialists, which were created to support the implementation of Capital Quality. The Capital Quality pilot was launched in April 2016 to advance and align quality standards across DC’s early care and education system as a result of an increased need for a common measure of quality across all education sectors. To support this effort, OSSE awarded a competitive grant to Hurley and Associates to hire Quality Facilitators with experience.

Capital Quality has three components: a summative rating, a continuous quality improvement (CQI) process, and a public-facing profile for child development facilities and schools. Capital Quality consists of four tiers of quality and uses a combination of the CLASS Pre-K, the Environmental Rating Scales (ERS) for infants and toddlers, and in-seat attendance (for pre-K programs only) to rate programs. The CQI plan includes a set of quality standards that are common to all programs that serve children birth to age five. The quality indicators in the CQI plan include a mission statement, attendance policies, family engagement, child progress monitoring and assessment, use of curriculum, culturally and linguistically responsive practice, inclusion practices, and professional development. The proposed timeline for the full implementation of Capital Quality will take place over a three-year period through 2019.

Strong Start and Early Intervention

The Mayor's FY18 proposed budget includes an addition of 22 FTEs¹⁴ to support the District of Columbia's early intervention program ("DC EIP"), Strong Start. However, these additional FTEs have no impact on the budget because the Mayor is moving Strong Start's early intervention dedicated service coordination from contracts to FTEs. Public witnesses testified to the importance of such a step. OSSE notes that this increase is to ensure consistency and continuity in service coordination for Strong Start families, to improve ongoing monitoring for compliance and results, and to support programmatic alignment and increase efficiency in service delivery. The FY18 proposal includes \$14,496,603, which is an increase of \$1,009,420, or 7.48%.

Over the past few years, OSSE has significantly expanded the pool of children served by Strong Start. About 929 children are currently receiving early intervention services.¹⁵ This is an increase of approximately 366 children compared to two years ago. Strong Start has 341 individual service providers, which deliver services through 59 different companies. This represents an increase of 110 providers since October 1, 2016. In addition, Strong Start has six companies that provide multidisciplinary evaluators for children referred to DC EIP. Currently, Strong Start is analyzing capacity of these companies to provide timely evaluations and reports and is considering how to reduce or consolidate contracts to increase efficiency. The Committee recognizes that there does seem to be a large number of providers that OSSE uses, so it hopes that this evaluation will result in efficiency and not a reduction in service. The Committee will be monitoring this situation throughout the fiscal year.

During last year's performance and budget oversight process, the Committee explored concerns about a budget pressure for the Strong Start program. As described in last year's budget report, OSSE eventually revealed that Strong Start did, in fact, have a \$2.3M budget pressure for FY16. The agency proposed using Healthy Tots money to fix the gap. The Committee is not confident that the spending pressure will be eliminated in FY17 or FY18, so the Committee sent a letter on August 19, 2016 to the Office of the D.C. Auditor requesting that the office examine the budgeting practices and fiscal management of the program, and the office accepted. On May 1, 2017, the Auditor's office held a kickoff meeting with OSSE. Four meetings have been set for the month of May 2017 with OSSE management and staff. Topics for discussion include the following: D.C. Early Intervention Program management, monitoring and reporting; budgeting process; billing, payment and reimbursement processes; and cost models and eligibility expansion. The Committee will continue to monitor OSSE's revised FY18 numbers and looks forward to the results of the audit.

During this year's budget oversight hearing, Chairperson Grosso asked OSSE to provide the number and percentage of children receiving services via the fee-for-service payment model through Medicaid (under the new memorandum of agreement with the Department of Health Care Finance), and the amount of

¹⁴ Initially, the Mayor indicated that the DEL was increased to 34 FTEs but this was incorrect. 9 of the 34 FTEs are a conversion of IT contractors, which would be moved to Systems Technology Division.

¹⁵ OSSE's response to FY16 performance oversight pre-hearing questions.

money that can be claimed. OSSE stated that in FY15, OSSE served 1,388 children, of whom 83 were Medicaid FFS eligible. The cost was estimated at about \$400,000. In FY16, DC EIP served 1,566 children, of whom 114 were Medicaid FFS eligible and received one or more services totaling an estimated \$700,000. In their responses, OSSE notes that if a DC EIP provider did not have a National Provider Identification (NPI) number at the time services were rendered, Medicaid would not reimburse for those services. The Committee will be closely monitoring Strong Start during the fiscal year to ensure that they better manage this issue so the District of Columbia can be properly reimbursed by the federal government.

Enhanced Special Education Services Amendment Act of 2014

From the budget process in 2016, through a roundtable held by the Committee in the fall of that year, to performance oversight this year, the implementation of the Enhanced Special Education Services Act of 2014 has been a consistent and important focus for the Committee, community members, and schools. The law has the following three main components:

- **Expands Early Intervention Services:** A child between birth and three years of age who demonstrates a 25% delay or more developmental delay in specified area shall be eligible for assistance pursuant to Part C of the Individuals with Disabilities of Education Act. Currently, infants and toddlers are eligible for these services if they have a delay of 50% in one area or 25% in two or more areas.
- **Lowens the Age for the Adulthood Transition Plan:** When a student with a disability reaches 14 years old, the student's next individualized education program ("IEP") must include postsecondary education goals and transition assessments. Currently a student with a disability is not able to receive a transition until they reach 16 years old.
- **Reduced Time between Referral and Evaluation:** A local education agency ("LEA") is required to assess a student who may have a disability and who may require special education services within 60 days of parental consent to an assessment or within 90 days of a referral for an assessment. Currently, LEAs have up to 120 days of a referral for an assessment, which is one of the longest in the country.

According to the agency's pre-hearing responses, OSSE is on track to implement all three of these sections of the law by July 2018. As that represents the final quarter of FY18, OSSE stated during the budget oversight hearing that the agency is able to absorb the costs of implementation, and it is not reflected in enhancements in the Mayor's FY18 proposed budget. This is concerning to the Committee and community members, based on the law's history.

Although the legislation became effective on March 10, 2015, it was subject to appropriations, preventing its implementation until the inclusion of funds in the budget and financial plan. A revised fiscal impact statement issued by the CFO in the fall of 2014 concluded that the annual cost of implementation was the following: \$0 in FY2015, \$55,000 in FY2016, \$7M to \$10M in FY2017, and \$25M to \$39M in FY2018 for a total of \$32M to \$49M. Advocates and even OSSE have since suggested that those numbers are incorrect. However, as of the date of this report, the Committee has not received a revised fiscal impact statement from the CFO, making it impossible to fund the entire law in the FY2018 budget. In its budget oversight prehearing response, OSSE stated that significant progress is being made but due to the complexity of the work, it is challenging to determine accurate and sustainable fiscal estimates. Nonetheless, the Committee feels cautiously optimistic due to updates received from OSSE, DCPS and the PCSB during budget oversight hearings.

Expanding Eligibility--Early Intervention

OSSE anticipates that it would be able to fully implement expanded eligibility for Strong Start, DC's Early Intervention Program by July 1, 2018. The funding to comply with this portion of the Act would be absorbed by the proposed FY18 budget (only three months of the fiscal year) and funding for ongoing sustainability would be reflected in future years' budgets. OSSE indicated that it would provide the CFO with updated data for a revised fiscal impact statement later this year. As a result, the CFO does not recommend removing the subject to appropriations language until that data has been provided.

As required by Section 4142(c) of the Fiscal Year 2017 Budget Support Act of 2016, OSSE is to report to the Council on the implementation of the expanded eligibility requirements of this program. The Committee thanks OSSE for submitting two quarterly reports so far. OSSE projects that the expanded eligibility will increase the number of children receiving early intervention services by 300 to 400 children. The Committee is skeptical about Strong Start's projections about the number of children the program expects to serve once eligibility is expanded. In FY17, advocates stated that more than a thousand children would likely become eligible under the expanded eligibility, which would double the program and require more staff.

The Committee would add more funding to Strong Start but OSSE has been unable to provide the Committee or the CFO's office with data. Therefore, the subject to appropriation language on the bill remains intact. However, OSSE has indicated it plans to send data later this year. The Committee will continue to closely monitor this development over the summer and will do all it can to ensure that this crucial reform happens on, or before, July 1, 2018.

Lowering the Age for the Adulthood Transition Plan from 16 years of age to 14, and Reducing Time between Referral and Evaluation

The lack of alignment between the fiscal year and the school year has caused some confusion over OSSE's goals to implement these provisions—the agency plans to have schools fully compliant for the start of FY19, which logistically means having everything in place for the last quarter of FY18. While OSSE has the staff and administrative funding to cover the state education agency level implementation, the two requirements have a direct fiscal impact on LEAs. Through monitoring, feedback and technical assistance, OSSE has been engaging with LEAs to prepare for the transition to these new requirements. During the budget oversight hearing, Chairperson Grosso asked several questions about implementation of these requirements. OSSE said that significant progress has been made, but the work is complex, and accurate and sustainable fiscal estimates are challenging to determine. OSSE maintained that the costs associated with implementing these requirements will be higher in year one because of the need for intensive training, and because the actual amount of secondary transition plans that need to be completed will be much higher in year one than in later years. Lowering the age will require a one-time need to complete three years' worth of plans to catch up with the requirement. After that first year, schools return to completing one years' worth of secondary transition plans at a time. Secondly OSSE noted that LEAs resources will vary based on size. Lastly, current procedures managing the evaluation and secondary transition process among LEAs vary greatly as well, so there is no "one size fits all" approach.

To support LEAs in addressing costs associated with implementing the changes required by the two laws, OSSE is providing funding via grants from the Special Education Enhancement Fund. In FY17, OSSE plans to release \$3.7M through a per-pupil formula grant to LEAs to support transition to the new requirements. OSSE would also implement a competitive grant of \$1.5M to increase special education capacity and improve student outcomes. In FY18 OSSE would implement similar grants. LEAs that access these funds would engage with OSSE on a biannual data review process using metrics related to evaluation

timelines and middle school/secondary transition, and they would receive technical assistance support to help meet the new requirements.

The Committee remains cautiously optimistic that the law will be implemented with fidelity in July 2018. During the budget oversight hearing for DCPS, Chancellor Wilson indicated that DCPS is implementing all parts of the Enhanced Special Education law this summer. Further, Executive Director Scott Pearson, during the budget oversight hearing for the Public Charter School Board, indicated that a number of charter LEAs have already implemented the law, and some are on track to implement it by the deadline. In follow-up questions after the budget oversight hearing, OSSE stated that LEAs range from 75% to less than 20% of evaluations completed within the 60 day timeline proposed under the new law. During the budget oversight hearing, Chairperson Grosso asked OSSE to submit regular updates on this effort. OSSE plans to send a biannual report to the Council.

Data Infrastructure and Investments

It has now been 10 years since the Council approved the major transformation of the education sector in D.C., with DCPS directly under control of the Mayor, and a significant shift in responsibility for OSSE. The National Academy of Sciences National Research Council's ("NRC") 2015 evaluation of the initial five years after Mayoral control¹⁶ recommended that D.C. have a comprehensive data warehouse that makes basic information about the school system available in one place. Since that report, the Committee has consistently raised OSSE's role in regards to development of such a data warehouse. During the FY16 performance oversight hearing, Chairperson Grosso and OSSE discussed the high number of data requests that OSSE made during school year 2015-2016 to which responses were untimely or never submitted by the LEA. OSSE committed to bring this number down with more detailed deadlines for how to communicate to LEAs to make sure school leaders know the dates and expectations—at the budget oversight hearing Superintendent Kang stated she has made progress on this through collaboration with the Public Charter School Board.

For FY18, Superintendent Kang stated that the operating and capital funding in the budget allows OSSE to take strategic approach to overhauling data systems. The coming investments will focus on tools for enterprise architecture, data requests, and data visualizations. The data visualization tool is particularly important as there is a high demand from schools for it—the Committee finds that encouraging, as it shows OSSE is not only doing a better job of collecting data but schools want to access it and analyze it. The architecture of OSSE's data systems is critical as they are identifying silos and how to break them down, stated Assistant Superintendent Darryl Ashton. The Chairperson agreed and asked whether they were also in conversation with the Deputy Mayor for Education on the launching of the new Office of Out of School Time Grants and Youth Outcomes, so as to not create new silos. He also noted that some public witnesses had testified about challenges with getting data from OSSE. Superintendent Kang responded that already have some strong partnerships, but will continue to create more. She noted that OSSE did have a legal roadblock before, which has been resolved, and now they are looking at how to move forward, including conversations with the interim director at the OST office.

Restorative Justice

For the past five years, the Committee has sought to promote alternatives to suspensions and expulsions in our public schools. OSSE has helped in this regard through its work to expose teachers and school communities to restorative justice practices. The work that OSSE has funded has resulted in a remarkable decrease in suspensions at high schools and middle schools. In its pre-hearing responses OSSE noted that

¹⁶ National Academy of Sciences National Research Council, *An Evaluation of Public Schools of the District of Columbia: Reform in a Changing Landscape*, 2015.
<http://www.dcauditor.org/sites/default/files/An%20Evaluation%20of%20the%20Public%20Schools%20of%20the%20District%20of%20Columbia.pdf>

it has created a community of practice open to all schools interested in implementing restorative justice practices, and has professional development opportunities available. Although Superintendent Kang testified on plans to expand the work in FY18, it is flat-funded. The Chairperson expressed his inability to understand why the Mayor has chosen not to invest in this program, as the work is about creating, collaborating, disseminating, and evaluating in a cross-sector approach. OSSE noted that the evaluation work is happening currently and will continue in FY18—although they may not publish a separate report on this, OSSE plans to include it in the next discipline report. Chairperson Grosso noted that school leaders are clamoring to implement restorative justice practices, and with fidelity, which requires support, and without additional funds it is not clear how that can happen. He stated that when we look at the results of these efforts we have to ask why we ever did it any other way. The Committee has identified funds that can be reallocated to support expansion of this work, and will continue to monitor and seek other ways to support OSSE and schools in this effort.

Community Schools

During the agency's FY16 performance oversight hearing, OSSE spoke about evaluation of its community schools grant program, which resulted in several recommendations. Superintendent Kang expressed support for those recommendations, and Chairperson Grosso asked during the budget oversight hearing how those recommendations are reflected in the budget and plans for FY18. Assistant Superintendent Amy Maisterra stated that they are working to incorporate the programmatic recommendations into the work for FY18, and that they have established a community of practice for schools operating under a community schools framework, regardless of whether they are funded through OSSE's grants, DCPS funding, or other resources. The agency's pre-hearing responses outlined a plan to open a competitive bidding process for the funds that currently go to the first cohort of six community schools partnerships. While the Committee supports this idea in theory, it is being done without additional funds, which could result in one or more of the current partnerships losing funding. A number of public witnesses raised this during the budget oversight hearing. Superintendent Kang stated that OSSE has been in communication with current grantees for a year about this plan and about sustainability efforts. She stated that there are different models for this work and some are more effective than others, so a competitive process would help ensure funding is going to the programs producing results.

The Chairperson said that he understands that but could not understand the failure to add more money, particularly when there is currently only one grant going to a school east of the Anacostia River, and noted the Mayor's stated goal of increasing the number of community schools partnerships to 12, from the current 8. Superintendent Kang said that they will be able to expand the work and the number of schools included without more funding, and that the budget allows OSSE to continue to expand the work. Chairperson Grosso reiterated his support for this work and what OSSE has done to date, but expressed his frustration that the Mayor chose to not put more money into it, just as she had done with a number of key areas in the education budget. The Committee has identified funds that can be reallocated to support expansion of this work.

The Chairperson also noted that OSSE was supposed to identify a school with a high homeless student population for a community partnership program, but that that had not happened. The number of homeless students in public schools has been steadily increasing over the last few years: in school year 2014-15, 3,130 students were reported as homeless, and for school year 15-16, that number was 4,852. OSSE has developed a series of measurable goals against which to monitor the progress of homeless students of which the first evaluation was to be completed in the summer of 2016. OSSE missed that deadline but in during the performance oversight hearing, the agency stated that the report would be ready in April. During the budget oversight hearing, Assistant Superintendent Amy Maisterra stated that the report was going through the quality assurance process, and would be shared soon. She stated it sets a baseline across five goals, and sets strategy based on OSSE's data. Additionally, Superintendent Kang stated that OSSE has a new data

sharing partnership with the Community Partnership on Homelessness, the non-profit partner that works with the Department of Human Services to collect data on homeless families and individuals. The Committee looks forward to receiving the report but notes that it will come after the budget process is underway, limiting the ability to ensure resources are in place to address issues identified in it.

Student Wellness and Nutrition

Healthy Tots

In 2014, the Healthy Tots Act of 2013 was passed as part of the Budget Support Act of 2014. The Healthy Tots program provided subsidies to early childhood education centers for each healthy meal served and reimburses schools for additional meals that are not covered under federal school food programs. This enabled early care centers and homes to provide students with healthy food alternatives and additional meals. Based on the history around this program and the underspending at OSSE, the Chairperson stated that things for FY18 look almost the same as they did for last year's budget. Assistant Superintendent Donna Anthony stated that this was not true, and that they are on course to finally begin issuing grants for child development facilities participating in the federal Child and Adult Care Food Program ("CACFP") to support physical activity, nutrition, gardens, natural play areas, and farm-to-preschool programs; and incentives to increase participation in the Child and Adult Care Food Program by helping pay for costs associated with licensing, renewal, and other related expenses. She stated that OSSE approached FY16 as the year for program set up, FY17 was for needs assessment, technical assistance, and engagement as there are new CACFP meal requirements, and FY18 would be focused on rolling out the funding. Chairperson Grosso stated his support of this progress and asked whether the lag in implementation had meant the federal regulations had caught up to our standards. Assistant Superintendent stated that the federal guidelines are getting closer to D.C.'s, which are considered cutting edge. Nonetheless, with some major enhancements proposed by the Mayor to this and other programs in the health and wellness division, the Committee is not clear how OSSE will get the money out the door. The Committee will continue to monitor OSSE's implementation of Healthy Tots.

Athletics

The District of Columbia State Athletics Consolidation Act of 2016 became law April 7, 2017, but its applicability was subject to appropriations. According to the CFO, funds were not sufficient until spending authority is transferred from DCSAA to the new D.C. State Athletics Commission created by the law. While the proposed transfer is not reflected in the Mayor's proposed budget, the budget does include a repeal of the subject to appropriations clause. OSSE stated that this is because as the agency has plans in place to set up the Commission and transfer the authority after the first meeting. In its pre-hearing responses, OSSE noted the establishment of an Athletics Consolidation Working Group to ensure a smooth transition to the Commission. Assistant Superintendent Anthony stated that the agency is working to identify candidates for the Commission and get it into place for the start of FY18. The Committee is pleased to see progress on this front and will remain engaged.

Committee Recommendations

The Committee recommends a gross operating budget of \$498,316,757 and 451.76 FTEs for OSSE. This is a \$1,581 decrease from the Mayor's proposed budget.

	FY17 Approved	FY18 Proposed	Variance	FY18 Committee Revised
FEDERAL GRANT FUND	245,970,278	234,317,038		234,317,038
SPECIAL PURPOSE REVENUE FUNDS	1,047,018	1,047,018		1,047,018
PRIVATE GRANT FUND	0			0
PRIVATE DONATIONS	0			0
OPERATING INTRA-DISTRICT FUNDS	37,802,382	37,802,382		37,802,382
FEDERAL PAYMENTS	60,000,000	60,000,000		60,000,000
DEDICATED TAXES	4,282,274	4,275,765		4,275,765
LOCAL FUND	146,204,533	160,876,134	(1,581)	160,874,553
Total Fund	495,306,485	498,318,338	(1,581)	498,316,757

Fiscal Year 2018 Full-Time Equivalents, By Revenue Type

	FY17 FTE	FY18 Proposed FTE	FTE Change	Budget - FTE
DEDICATED TAXES	16.03	19.91		19.91
FEDERAL GRANT FUND	106.23	108.35		108.35
FEDERAL PAYMENTS	17.84	19.05		19.05
LOCAL FUND	257.36	291.65	7.00	298.65
OPERATING INTRA-DISTRICT FUNDS	3.40	2.40		2.40
SPECIAL PURPOSE REVENUE FUNDS	0.40	3.40		3.40
Total Fund	401.26	444.76	7.00	451.76

Fiscal Year 2018 Operating Budget, By Comptroller Source Group (Gross Funds)

	FY17 Approved	FY18 Proposed	Variance	FY18 Committee Revised
11-REGULAR PAY - CONT FULL TIME	33,375,078	37,132,137	571,580	37,703,717
12-REGULAR PAY - OTHER	934,528	543,800		543,800
14-FRINGE BENEFITS - CURR PERSONNEL	7,204,592	8,725,179	120,032	8,845,211
Personal Services	41,514,198	46,401,116	691,612	47,092,728
20-SUPPLIES AND MATERIALS	351,873	360,300	(20,000)	340,300
30-ENERGY, COMM. AND BLDG RENTALS	17,367	21,171		21,171
31-TELEPHONE, TELEGRAPH, TELEGRAM, ETC	626,235	567,208	(2,000)	565,208
32-RENTALS - LAND AND STRUCTURES	4,855,923	5,237,300		5,237,300
34-SECURITY SERVICES	31,133	45,101		45,101
35-OCCUPANCY FIXED COSTS	25,783	100,678		100,678
40-OTHER SERVICES AND CHARGES	3,302,854	4,576,135	(100,000)	4,476,135
41-CONTRACTUAL SERVICES - OTHER	26,993,230	25,157,029	(295,000)	24,862,029
50-SUBSIDIES AND TRANSFERS	416,815,622	414,701,792	(803,914)	413,897,878
70-EQUIPMENT & EQUIPMENT RENTAL	772,268	1,150,509	(30,000)	1,120,509
Nonpersonal Services	453,792,288	451,917,222	(1,250,914)	450,666,308
Gross Funds	495,306,485	498,318,338	(559,302)	497,759,036

Fiscal Year 2018 Operating Budget, By Program

	FY17 Approved	FY18 Proposed	Variance	FY19 Committee Revised
100F	1,939,209	2,029,641	(10,000)	2,019,641
E100	2,254,067	2,766,930	(15,000)	2,751,930
E200	12,666,750	15,131,197	(155,000)	14,976,197
E300	11,432,414	11,783,455	939,333	12,722,788
E400	6,476,796	5,414,776	(1,020,000)	4,394,776
E500	77,406,249	69,175,748	(115,000)	69,060,748
E600	185,436,614	180,286,961	494,086	180,781,047
E700	61,219,237	61,059,237	(210,000)	60,849,237
E800	135,110,812	149,267,861	90,000	149,357,861
E900	1,364,338	1,402,534		1,402,534
Total Program	495,306,485	498,318,338	(1,581)	498,316,757

Committee Adjustments to the Operating Budget

The Committee makes the following adjustments to the proposed FY18 operating budget for OSSE:

PROGRAM: *Agency Financial Operations (100F/110F)*

APPROPRIATION TITLE: Local Funds

CSG20 (Supplies and Materials)

The Committee directs a decrease of \$10,000 in supplies and materials for Accounting Operations within the Agency Financial Operations program, as a result of historic underspending.

PROGRAM: *Front Office (E100/E102)*

APPROPRIATION TITLE: Local Funds

CSG40 (Other Services and Charges)

The Committee directs a decrease of \$10,000 in other services and charges for the Office of the Chief of Staff within the Front Office program, as a result of historic underspending and enhancements proposed by the Mayor.

CSG70 (Equipment and Equipment Rental)

The Committee directs a decrease of \$5,000 in equipment and equipment rental for the Office of the Chief of Staff within the Front Office program, as a result of historic underspending and enhancements proposed by the Mayor.

PROGRAM: *Data, Assessments, and Research (E200/E201)*

APPROPRIATION TITLE: Local Funds

CSG40 (Other Services and Charges)

The Committee directs a decrease of \$5,000 in other services and charges for the Office of the Assistant Superintendent within the Data, Assessments, and Research program, as a result of historic underspending

PROGRAM: *Data, Assessments, and Research (E200/E202)*

APPROPRIATION TITLE: Local Funds

CSG41 (Contractual Services - Other)

The Committee directs a decrease of \$150,000 in contractual services - other for the Office of Assessments and Accountability within the Data, Assessments, and Research program, as a result of historic underspending and enhancements proposed by the Mayor.

PROGRAM: *Business Operations (E300/E301)*

APPROPRIATION TITLE: Local Funds

CSG20 (Supplies and Materials)

The Committee directs a decrease of \$10,000 in supplies and materials for the Office of the Chief Operating Officer within the Business Operations program, as a result of historic underspending.

CSG11 (Regular Pay)

The Committee directs an increase of \$571,580 which funds associated with the increase of 7.0 FTEs associated with the My School DC program, per the Mayor's errata letter.

CSG14 (Fringe)

The Committee directs an increase of \$120,032 which funds associated with the increase of 7.0 FTEs associated with the My School DC program, per the Mayor's errata letter.

CSG41 (Contractual services)

The Committee directs an increase of \$407,721 in contractual services for the Office of the Chief Operating Officer within the Business Operations program to be used for the My School DC program, per the Mayor's errata letter.

PROGRAM: *Business Operations (E300/E305)*

APPROPRIATION TITLE: Local Funds

CSG41 (Contractual Services - Other)

The Committee directs a decrease of \$150,000 in contractual services – other for the Office of Enrollment and Residency within the Business Operations program, as a result of historic underspending and the proposed change to OSSE's requirement of retaining an external auditor.

PROGRAM: *Systems Technology (E400/E401)*

APPROPRIATION TITLE: Local Funds

CSG41 (Contractual Services - Other)

The Committee directs a decrease of \$20,000 in contractual services - other for the Office of the Chief Information Officer within the Systems Technology program, as a result of historic underspending.

CSG50 (Subsidies and Transfers)

The Committee directs a decrease of \$1,000,000 in subsidies and transfers for the Office of the Chief Information Officer within the Systems Technology program. Chairperson Grosso raised this issue during the OSSE and DCPS budget oversight hearings, and two school community members testified about lack of access to computers. Upon further investigation, the Committee has determined that this fund was not meant to address the basic technology needs of schools, but rather to support them in administering PARCC and other assessments which are computer-based.

Coupled with the urgent need to increase the UPSFF, which would give schools additional funds for technology needs if appropriate, the Committee has determined this reduction is appropriate.

PROGRAM: *Health and Wellness (E500/E501)*

APPROPRIATION TITLE: Local Funds

CSG40 (Other Services and Charges)

The Committee directs a decrease of \$25,000 in other services and charges for the Office of Health and Wellness within the Health and Wellness program, as a result of historic underspending and enhancements proposed by the Mayor.

CSG41 (Contractual Services - Other)

The Committee directs a decrease of \$75,000 in contractual services – other for the Office of Health and Wellness within the Health and Wellness program, as a result of historic underspending and enhancements proposed by the Mayor.

CSG70 (Equipment and Equipment Rental)

The Committee directs a decrease of \$15,000 in equipment and equipment rental for the Office of Health and Wellness within the Health and Wellness program, as a result of historic underspending and enhancements proposed by the Mayor.

PROGRAM: *Elem., Sec., and Specialized Education (E600/E601)*

APPROPRIATION TITLE: Local Funds

CSG50 (Subsidies and Transfers)

The Committee directs a decrease of \$1,500,000 in subsidies and transfers for the Office of the Assistant Superintendent within the Elem., Sec., and Specialized Education program as a result of historic underspending and enhancements proposed by the Mayor. The Committee has identified this reduction as not having an adverse impact on students, and instead will direct the funds to maintain the Early Literacy Intervention Initiative, which has had a significant impact on closing the achievement gap.

PROGRAM: *Elem., Sec., and Specialized Education (E600/E603)*

APPROPRIATION TITLE: Local Funds

CSG50 (Subsidies and Transfers)

The Committee directs an increase of \$1,600,000 in subsidies and transfers for the Office of Teaching and Learning within the Elem., Sec., and Specialized Education program to be used for early literacy intervention grants.

PROGRAM: *Elem., Sec., and Specialized Education (E600/E605)*

APPROPRIATION TITLE: Local Funds

CSG41 (Contractual Services - Other)

The Committee directs an increase of \$100,000 in contractual services – other for Office of Special Programs within the Elem., Sec., and Specialized Education program to be used for restorative justice programming.

CSG50 (Subsidies and Transfers)

The Committee directs an increase of \$100,000 in one-time funds and \$196,000 in recurring funds in subsidies and transfers for Office of Special Programs within the Elem., Sec., and Specialized Education program to be used to augment the community schools program.

PROGRAM: *Elem., Sec., and Specialized Education (E600/E607)*

APPROPRIATION TITLE: Local Funds

CSG31 (Telephone, Telegraph, Telegram, etc.)

The Committee directs a decrease of \$2,000 in telephone, telegraph, telegram, etc. for the Office of Strategic Operations within the Elem., Sec., and Specialized Education program, as a result of historic underspending.

PROGRAM: *Post Secondary and Career Education (E700/E701)*

APPROPRIATION TITLE: Local Funds

CSG40 (Other Services and Charges)

The Committee directs a decrease of \$20,000 in other services and charges for the Office of the Assistant Superintendent within the Post Secondary and Career Education program, as a result of historic underspending and enhancements proposed by the Mayor.

PROGRAM: *Post Secondary and Career Education (E700/E703)*

APPROPRIATION TITLE: Local Funds

CSG40 (Other Services and Charges)

The Committee directs a decrease of \$40,000 in other services and charges for the Office of Adult and Family Education within the Post Secondary and Career Education program, as a result of historic underspending and enhancements proposed by the Mayor.

CSG50 (Subsidies and Transfers)

The Committee directs a decrease of \$150,000 in subsidies and transfers for the Office of Adult and Family Education within the Post Secondary and Career Education program, as a result of historic underspending and enhancements proposed by the Mayor.

PROGRAM: *Early Learning (E800/E801)*

APPROPRIATION TITLE: Local Funds

CSG70 (Equipment and Equipment Rental)

The Committee directs a decrease of \$10,000 in equipment and equipment rental for the Office of the Assistant Superintendent within the Early Learning program, as a result of historic underspending and enhancements proposed by the Mayor.

PROGRAM: *Early Learning (E800/E802)*

APPROPRIATION TITLE: Local Funds

CSG50 (Subsidies and Transfers)

The Committee directs a decrease of \$2,000,000 in one-time funds in subsidies and transfers for the Office of Licensing and Compliance within the Early Learning program.

PROGRAM: *Early Learning (E800/E804)*

APPROPRIATION TITLE: Local Funds

CSG50 (Subsidies and Transfers)

The Committee directs an increase of \$150,000 in one-time funds in contracts for the Office of Licensing within the Early Learning program to be used for the implementation of the B22-0103, the Child Care Study Act. This additional funding was identified by the Committee on Business and Economic Development.

PROGRAM: *Early Learning (E800/E805)*

APPROPRIATION TITLE: Local Funds

CSG50 (Subsidies and Transfers)

The Committee directs a decrease of \$50,000 in subsidies and transfers for the Office of Professional Development within the Early Learning program, as a result of historic underspending and enhancements proposed by the Mayor.

PROGRAM: *Early Learning (E800/E806)*

APPROPRIATION TITLE: Local Funds

CSG50 (Subsidies and Transfers)

The Committee directs an increase of \$2,000,000 in one-time funds in subsidies and transfers for the Office of Pre-Kindergarten Enhancement within the Early Learning program to be used for expanded slots and more CBOS participating in Pre-K enhancement.

Committee Adjustments to the FTE Authority

The Committee makes no changes to OSSE's FY18 proposed FTE authority.

FISCAL YEAR 2018 CAPITAL BUDGET

Mayor's Proposed Budget

The Mayor's proposed budget included \$1,500,000 in capital funds for FY18 and a total of \$7,000,000 in capital funds for OSSE in the FY18-FY23 Capital Improvement Plan.

Committee Comments and Analysis

OSSE has become the central education-related data repository and reporting office within the District; however, the existing data systems are old and obsolete. As OSSE expands the scope of the Student Longitudinal Education Data System ("SLED") to include additional data, the need for enhancements in both SLED and the source data systems have become critical. The Committee was concerned that the Mayor's proposed FY16 budget did not allocate funds either in operating or capital to continue to support data systems. Thus, the Committee was supportive of Mayor's proposed \$11.9 million in capital dollars in FY17 six-year CIP to overhaul the OSSE data systems and maintain capacity going forward. It is disappointing, however, that the Mayor's FY18 CIP decreases data infrastructure funding by \$3,000,000 compared to FY17.

Committee Recommendations

The Committee recommends a capital budget of \$1,500,000 in capital funds for OSSE in FY18 and a total of \$7,000,000 in capital funds for OSSE in the FY18-FY23 Capital Improvement Plan. This is no change from the Mayor's request.

POLICY RECOMMENDATIONS

The Committee recommends the following policy changes based on the analysis and discussion above and issues brought up during OSSE performance and budget oversight hearings this year.

1. Early Literacy Grants

The Committee recommends that OSSE continue with the early literacy intervention grant program targeting third-grade reading success. Per the FY16 Budget Support Act of 2015, a successful grantee will provide a full continuum of early literacy intervention services for all grades Pre-K through 3rd and must consist of developmentally appropriate components for all of these grades. The literacy program is to be delivered by professionally coached interventionists. Students must receive direct services daily and data on student progress must be collected at least monthly. The proposed intervention model must be comprehensive and present an evidence base consisting of positive findings in one or more experimental studies. This funding is intended to help bridge the achievement gap and may not be used to supplant existing services. LEAs are not eligible for this funding. This grant should be made available for use immediately in FY18; therefore, the Committee encourages OSSE to release the grant application this summer, if OSSE finds need to re-compete the grant. The Committee also recommends that OSSE publicly release the evaluation findings from Year 2 of the grant.

2. Increase the number of slots in the Pre-K Enhancement and Expansion Program

On July 18, 2008, the Pre-K Enhancement and Expansion Amendment Act of 2008, (D.C. Claw 17-202; D.C. Official Code §38-271.01 et sec.) was passed into law by the Council of the District of Columbia to significantly improve the quality of the Pre-K education system across all sectors and to make Pre-K available to all three- and four-year-old children. In accordance with the Act, OSSE distributes local funding through the uniform per student funding formula (“UPSFF”), for three- and four-year-olds attending DCPS and public charter schools. The FY 2017 rate for Pre-K 3 is \$12,974 and \$12,587 for Pre-K 4. Public school providers receive additional funding if they offer before and after care. Further, additional funding is provided to DCPS and public charter schools for students who are in need of special education services, are English Language Learners (ELL), designated as at-risk, or reside at school. Charter schools participating in the public school program must meet the standards set by the Act, though they have autonomy as granted by the School Reform Act to design their educational program according to their charters. Charter schools also receive a separate facilities allowance per child.

In accordance with the Act, OSSE distributes supplemental funding through the Pre-K Enhancement and Expansion Program to participating CBOs. CBOs who provide Pre-K education services that meet the eligibility requirements and high-quality standards set forth in the Act and its implementing regulations receive funding, per student, in an amount not to exceed the UPSFF. Nearly \$8 million was invested into the program to support CBOs in maintaining high-quality Pre-K standards. Currently there are only 22 CBOs in the program. However, a consequence of the enactment of the Pre-K legislation is that more and more parents have removed their children from CBOs and enrolled them into traditional public and public charter schools largely because public and public charter schools do not charge a fee. Many CBOs have communicated that they want to take on more infants and toddlers but are not able to because they do not have enough three and four year old classrooms to subsidize the cost of caring for infants and toddlers. The Committee recognized that by increasing the number of Pre-K slots in this program, it would help offset the higher costs of caring for infants and toddlers, and more Pre-K CBOs could expand their infant and toddler capacity. The Committee is adding \$1,139,000 in one-time funds to allow the program to increase the number of Pre-K aged students who are able to participate in the program.

On May 16, the Council unanimously passed the Early Learning Equity Amendment Act of 2017 on second reading. The legislation now awaits the signature of the Mayor and approval by Congress. It is expected to become effective in FY18. This legislation would allow CBOs participating in the Pre-K Enhanced and Expansion program to receive supplemental funds for each at-risk child at the same level that public and public charter schools receive, \$15,094 for each at-risk three-year-old and \$14,707 for each at-risk four-year-old. The Committee is also adding \$861,000 in one-time funds to the Pre-K Enhancement and Expansion program to ensure that these high-quality CBOs get additional funding for at-risk students without diminishing resources for students who are not at-risk.

3. Child Care Study Act of 2017

On May 16, the Child Care Study Act of 2017 was unanimously passed on second reading by the Council. The legislation now awaits the signature of the Mayor and approval by Congress. As a result, this legislation will most likely become effective in FY18. This legislation requires OSSE to contract with an entity or entities to perform two studies. One study will determine the number of child development facilities with non-traditional hours in the District of Columbia that is sufficient to meet the needs of families and provide recommendations on how to meet that number. The second study will assess the impact of OSSE's increased education qualifications on staff members and provide recommendations to ameliorate that impact.¹⁷ The legislation requires the Department of Employment Services to coordinate with OSSE to share data and information regarding the District's workforce and workforce development. The Committee has added a BSA subtitle which authorizes the establishment of a non-lapsing fund for the disbursement of funding to support additional child development facility slots among other things, and the subtitle also folds these studies into the needs assessment that will be performed by OSSE to target the increase in infant and toddler seats. During the OSSE budget oversight hearing, Superintendent Kang stated that this would be feasible. The Committee thanks the Business and Economic Development Committee for sending \$150,000 to accomplish this goal.

4. Implementation of the Enhanced Special Education Services Act of 2014

The Enhanced Special Education Services Act of 2014, effective April 3, 2015 (D.C. Law 20-195; D.C. Official Code § 38-2614), expands early intervention services for young children with developmental delays, lowers the age for the adulthood transition plan for students with disabilities, and mandates reduced time between referral and evaluation for students who may have a disability. However, due to the subject to appropriations language it is not fully applicable. Throughout the process of the development of the FY18 budget the Committee heard from advocates, families and educators about the importance of this legislation coming into force in the coming year. OSSE has made important strides toward implementing the expanded early intervention—the Committee notes that during the FY17 budget process, the agency proposed implementation in 2020, but now looks on track to have full implementation by July 2018. While the only specific funding clearly included in the FY18 budget for this work is in the proposed Special Education Enhancement Fund, based on testimony by OSSE, DCPS and PCSB, the Committee feels comfortable that our schools are on track to be fully in compliance with these provisions by the start of SY18-19. To help ease the concerns of the public, the Committee recommends that by October 1, 2017, and again by April 1, 2018, OSSE shall submit to the Council a report on its plan and efforts to implement the remaining sections of the Enhanced Special Education Services Act of 2014. The reports shall include the following:

- (1) A timeline for implementation;
- (2) The OSSE's projected capacity needs to accomplish implementation, with supporting data;

¹⁷ Chapter 1 of Title 5-A DCMR §§ 164-171

(3) A description of barriers to implementation;

(4) Benchmark goals and progress toward them, including percentage and number of schools in each LEA implementing transition at age 14, the percentage and number of schools in each LEA implementing the evaluation timeframe of 60 days, the names of schools who receive grant funding under the Special Education Enhancement Fund and the anticipated outcomes as a result; and

(5) Feedback and insight from LEAs on implementation and how such information is being incorporated into the ongoing effort.

C. DISTRICT OF COLUMBIA PUBLIC CHARTER SCHOOLS

The mission of the District of Columbia Public Charter Schools (DCPCS) is to provide an alternative free education for students who reside in the District of Columbia. Each charter school is a publicly funded, fully autonomous school and serves as its own local education agency. This budget represents the total amount of local funds provided to the charter schools as set forth by the uniform per student funding formula (UPSFF).

DCPCS is organized into the following program(s):

- D.C. Charter Schools

FISCAL YEAR 2018 OPERATING BUDGET

Mayor's Proposed Budget

The Mayor's FY18 budget proposal included \$806,482,683 in gross operating funds for DCPCS, an \$82,765,431 increase from the FY17 approved budget which reflects an 11.4% change, and a \$55,765,431 increase from FY17 revised budget, which reflects a 7.4% increase. The proposed budget supports 1 FTE, which is no change from FY17.

Local Funds (100)

The Mayor's FY18 budget proposal included \$806,482,683 in local funds for DCPCS, an \$82,765,431 increase from the FY17 approved budget which reflects an 11.4% change, and a \$55,765,431 increase from FY17 revised budget, which reflects a 7.4% increase.

Committee Comments and Analysis

Enrollment Projections for FY18

The budget proposal anticipates an increase in student enrollment by 3,408 students, or 8.3 percent, over the FY 2017 proposed enrollment of 40,953. In the FY 2018 UPSFF analysis, the proposed budget also reflects increased projections of 18.3 percent for Special Education and 2.2 percent for At-Risk Students over FY 2017 projections. Charter LEAs had a combined audited enrollment of 41,506 in March 2017, which was 1.3% higher than the projected enrollment. In its response to pre-hearing questions from the Committee, the Public Charter School Board noted that a comparison of the proposed enrollment for charters for FY18 to the audited enrollment figures for school year 2016-17 would show that the proposed enrollment increase is not as large, up 6.9% overall and up by 8.3% for students with IEPs.

Such an increase is closer to, though still higher than, historic trends. Charter LEAs had a combined audited enrollment of 41,506 in March 2017, which was 1.3% higher than the projected enrollment included in the approved FY17 budget, and a 6% increase over audited enrollment for FY16. In preparing the budget for FY16, the Committee identified a trend for the prior two years of overestimation in public charter school enrollment, and reduced the projection included in the approved budget. The Committee looked into the issue, in part, because the actual enrollment increase for FY15 was 1.2% less than what had been projected for the budget process.

Fiscal Year	Projected enrollment adopted in budget	Projected enrollment increase in adopted budget	Audited enrollment	Actual enrollment increase
2015	39,076	4.2% (1,666)	37,684	3% (1,119)
2016 ¹⁸	38,962	-0.3% (-104)	39,905	5.9% (2,221)
2017	40,953	5.1% (1,991)	41,506	4% (1,601)
2018 (proposed)	44,361	8.3% (3,408)	-	-

However, as the chart above only partially reveals, the enrollment projection figures included in the proposed and adopted budget have not always compared apples to apples. Some years, the projection is compared to the previous year's projected number, and other times it is compared to the audited enrollment numbers which is typically released in March, just a few weeks before the Mayor submits the budget to the Council. Despite the statements from the Deputy Mayor for Education, OSSE, and PCSB that a careful review is conducted of each schools' initial enrollment projection which is then adjusted based on actual enrollment history and programmatic changes like adding a grade, the failure of the proposed budgets to accurately capture the expected enrollment coupled with mixed comparisons makes the process indecipherable for the public.

In looking at enrollment projected for FY18, the Mayor has proposed an increase of 2,855 students over the audited enrollment of public charter schools announced in March 2017. This would be considerably higher than the actual enrollment increases over the past four years. In particular this projects an even higher percentage increase in students with IEPs—while the figure is not unfounded, when the Chairperson asked Mr. Pearson about it during the budget oversight hearing, he was unable to provide an explanation. Furthermore, Mr. Pearson stated that the projected increase included in the FY17 budget was 3% for students with IEPs. Compared to the projected growth predicted in the Mayor's proposed budget, that would be a 610% increase; it would still be a 160% increase if the audited enrollment figures for FY17 are taken into account.

Upon further investigation, the Committee discovered that Mr. Pearson was referring to the projected change, not the actual change. In fact, the increase from FY16 to FY17 in students with IEPs was substantial, at 12%. However, this was an outlier during recent years, as the average increase over the past four has been 5.75%. Looking at each level of IEP designation makes this even clearer. While the proposed budget suggests that students with Level 4 IEPs will increase by 304 (36%), the largest increase in recent years was by 182 students in FY17 while in FY16 the number rose by only 57, and before that it was declining. The dynamic is similar for other levels and points to a potential bubble for FY17, but the executive agencies offer no concrete evidence for the drastic increase. It is important to look at each level individually because they have varying rates of change over the years, and each has different gross numbers. Nonetheless, the average annual increase in students over the past four years for each category is far below what is proposed for FY18:

¹⁸ For FY16, the Committee reduced the projected student number after considering reprogrammings made in FY15 as well as the audited enrollment figures for FY15. Both the Committee and OSSE seemed to be comparing the proposed enrollment for FY16 to audited enrollment for FY15, which seems logical, but is not always the point of comparison in budgets. The projected increase when making that comparison would have been 4.7% under the Mayor's original project, and 3.4% under the budget as adopted by the Committee and Council.

IEP	FY14-17 Average		FY18 Proposed	
Level 1	96	9.7%	345	19.7%
Level 2	85	5.5%	217	13.4%
Level 3	(6)	-0.6%	27	4.0%
Level 4	73	8.4%	304	35.8%

The Committee wants to see every student placed in the best position to succeed, particularly students with disabilities. However, an over estimate will not help students and will likely result in funds being reprogrammed to other activities. The Committee believes an increase more in line with the year over year average is appropriate for students with IEPs, and that the overestimate found in the Mayor's proposal can be rededicated to the base UPSFF. This is sure to benefit every single one of these students, whereas a potential overestimate will not. The committee recommends projected increases for each designation of IEP as follows for FY18:

	FY14-17 Average		Committee Adopted	
Level 1	96	9.7%	190	10.0%
Level 2	85	5.5%	86	5.0%
Level 3	(6)	-0.6%	0	0.0%
Level 4	73	8.4%	53	5.0%

The Committee remains doubtful about the overall enrollment numbers proposed for the charter sector, but due to this change, it will not pursue any changes to that number. The Committee does wish to see the enrollment projection and budgeting process improved and made much more transparent to the public. The next performance oversight and budget oversight season will shed light on the accuracy of these projections, but the Committee hopes that to work in the meantime with the relevant agencies to improve these efforts. The Committee also looks forward to an FY19 budget proposal that does not short-change students.

Committee Recommendations

The Committee recommends a gross operating budget of \$809,763,736. Due to the decrease in projected special education enrollment by 110 students for PCS, the Committee recommends a variance of \$2,522,669 for those students based on the UPSFF. The Committee directs those dollars as well as \$6.75M from other reductions within agencies under the Committee's purview to increase the UPSFF foundation by 2.38%. This increase (for both sectors) was aided by a transfer of \$4,202,002 from the Committee on Transportation and the Environment and \$1,218,930 from the Committee on Health.

Fiscal Year 2018 Operating Budget, By Source Type

Fund Type	FY17 Approved	FY18 Proposed	Variance	FY18 Committee Revised
LOCAL FUND	723,717,252	806,482,683	3,281,053	809,763,736
Total Fund	723,717,252	806,482,683	3,281,053	809,763,736

Fiscal Year 2018 Full-Time Equivalents, By Revenue Type

	FY17 FTE	FY18 Proposed FTE	FTE Change	Budget - FTE
LOCAL FUND	1.00	1.00		1.00
Total Fund	1.00	1.00		1.00

Fiscal Year 2018 Operating Budget, By Comptroller Source Groups (Gross Funds)

	FY17 Approved	FY18 Proposed	Variance	FY18 Committee Revised
11-REGULAR PAY - CONT FULL TIME	133,480	133,480		133,480
14-FRINGE BENEFITS - CURR PERSONNEL	34,972	38,442		38,442
Personal Services	168,451	171,922		171,922
40-OTHER SERVICES AND CHARGES	120,001	120,002		120,002
50-SUBSIDIES AND TRANSFERS	723,428,800	806,190,759	3,281,053	809,471,812
Nonpersonal Services	723,548,801	806,310,761	3,281,053	809,591,814
Gross Funds	723,717,252	806,482,683	3,281,053	809,763,736

Committee Adjustments to the Operating Budget

The Committee increases the proposed FY18 UPSFF foundation by 2.38%, which results in an increase of \$3,281,053 in the operating budget for DCPCS, for a final budget of \$809,763,736.

FISCAL YEAR 2018 CAPITAL BUDGET

The proposed FY18 budget included no capital funds for DCPCS. The Committee has no recommended changes.

POLICY RECOMMENDATIONS

The Committee has no policy recommendations.

D. DISTRICT OF COLUMBIA PUBLIC LIBRARY

The District of Columbia Public Library (“DCPL”) supports children and adults with books and other library materials that foster success in school, reading, and personal growth. D.C. Public Library includes a central library and 25 neighborhood libraries that provide services to children, youth, teens, and adults. DCPL is a vibrant center of activity for residents and visitors in the District of Columbia. The library provides environments that invite reading, learning and community discussion and equips people to learn all their lives, to embrace diversity and to build a thriving city. DCPL is a recognized force in the community for engaging the mind, expanding opportunities and elevating the quality of life. Libraries are also engines of human capital development and libraries must plan for the rapidly evolving information and educational needs of the residents of the District of Columbia.

FISCAL YEAR 2018 OPERATING BUDGET

Mayor’s Proposed Budget

The Mayor’s FY18 budget proposal includes \$59,478,844 in gross operating funds for DCPL, a \$796,322 decrease (-1.3%) from the FY17 approved budget. The budget supports 553.3 FTEs, 0.5 more (0.1%) than the FY17 approved budget.

Local Funds (100)

The proposed DCPL budget includes \$56,998,000 in local funds, a \$1,026,000 decrease from the FY17 approved budget. This includes removal of one-time funding and current service funding level adjustments from the FY17 budget. It also includes an increase to align fixed costs with proposed estimates in agency management, and decreases to align resources with operational spending goals, and aligns personal services and fringe benefits with projected costs. Enhancements were made to support the extended hours of operations at neighborhood libraries, and to support training for special police officers. Local funding reflects no change in FTEs.

Federal Grants (200)

The proposed DCPL budget includes \$931,000 in Federal Grants, a net increase of \$7,000, or an increase of 0.8%. This is due to a net increase of \$27,000 in personal services and fringe benefits to align with projected costs, combined with a \$19,000 decrease to partially offset projected adjustments in personal services. The federal portion also reflects an increase of 0.5 FTE.

Private Donations (400)

The proposed FY18 budget includes a transfer-in of \$17,000 of private funds, previously considered to be a Special Purpose Revenue (SPR) fund as the Public Library Trust Fund. Upon review by the Office of Budget and Planning and the Office of Chief Financial Officer the determination was made that the previous treatment of the Library’s trust as SPR was in correct as the funds are not fiduciary in nature, nor held as a trust on behalf of an individual entity. Additionally, it was concluded that the budget authority belonged within the Library’s budget and not as a separate paper agency. This technical adjustment is made in the proposed FY18 budget. The \$17,000 consists of two funds: a bequest of \$10,000 from the Peabody Library Association of Georgetown and \$7,000 from the Theodore W. Noyes Trust fund.

Intra-District Funds (700)

The proposed DCPL budget includes \$17,000 in intra-district funds, which represents no change from the FY17 approved budget. The proposed intra-district funds is based on a Memorandum of Understanding with the D.C. Department on Disability Services’ Rehabilitation Services

Administration to provide blind or low-vision individuals access to state and national papers, magazines, and wire feeds, as well as television listings.

Committee Comments and Analysis

Collections

The FY18 budget proposes a \$476,000 reduction to the Collections budget compared to the FY17 approved budget of \$6,376,000. In their pre-hearing responses, DCPL noted that average wait times for the 500 most popular print titles is 79 days for physical copies and 150 days for e-books. The title-to-holds industry standard ratio for peer libraries is one copy for every five holds, however DCPL's ratio is one copy for every eight holds for physical books, and one copy for every 11 holds for electronic. During performance oversight, the Executive Director testified that "In 2016 alone we had more than 15,000 new e-book users. Readers placed 306,000 holds on e-books alone last year, representing a 33 percent increase when compared to the number of holds placed the year before... There are currently 400,000 active cardholders, the highest the system has had in recent memory." Between FY11 and FY16 overall circulation increased 45.1%, while funding only increased 24.4%. Members of the public testified about the long wait times, and requested an additional \$1 million in recurring funds for the collections budget to address this issue. DCPL also indicated that in order to keep pace with peer libraries and reduce wait times, DCPL would need an additional \$1 million for collections.

Martin Luther King Jr. Memorial Library

The Martin Luther King Jr. Memorial Library ("MLK") has closed for modernization. DCPL is in the process of shifting services to interim locations throughout the city. One location is the "Library Express" located at 1990 K St. NW, where administrative office space is also housed. The Washingtoniana Collection has been disbursed to three locations: Georgetown Library, the Library of Congress, and the Historical Society of Washington, DC. While the Committee did hear concern from the community about the collection being dispersed to three locations, and the need for researchers to plan ahead and make appointments to review documents, the Committee believes that the decisions made regarding Washingtoniana are in the best fiscal interests of the Library and of the District's treasury. A temporary disruption of some service is understandable given the size and scope of the collection and the modernization project.

Expanded Hours

The closure of MLK also provides an opportunity for greater access at neighborhood branches. DCPL has decided to disburse staff from MLK to neighborhood libraries to expand hours and allow all libraries to open on Thursday mornings. Previously, most libraries opened at 1:00pm on Thursdays. It is the hope of the Committee that the Mayor, City Administrator, Chief Financial Officer, and Council can develop a stable funding plan over the next two fiscal years to ensure that our neighborhood libraries can stay open on Thursday mornings when the modernized MLK reopens.

Additional funding of \$215,000 was also included in the proposed FY18 budget to allow for DCPL open one branch in each Ward on five banking holidays. DCPL indicated that it plans to track the utilization data of these branches on these holidays to determine if the endeavor is successful. The Committee looks forward to reviewing this information and determining if an expansion is necessary in future fiscal years.

Oral History Project

In FY17 the Committee allocated \$200,000 to DCPL to administer a program supporting the collection and maintenance of oral histories in the District of Columbia. The purpose was to partner with organizations to both collect oral histories and create a centralized location to publicly share current collections of oral

histories. The Committee hoped that with the preservation of these important histories, we can engage in a city-wide community dialogue similar to the Truth and Reconciliation approaches that took place in South Africa, and more recently in Canada. The Committee spends significant time trying to better understand how to eliminate the academic achievement gap between our white students and our African American Students, and came to realize that it will be difficult to eliminate that gap without first taking an honest look into the historic treatment of African Americans in the District of Columbia through the examination of the effects of systemic racial disparities. The Committee was surprised that the funding for the Oral History Project was not renewed in the Mayor's FY18 budget. Humanities D.C. indicated that it has received over 50 grant applications to participate in the Oral History Project.

DCPL indicated that another \$200,000 is needed for the next phase of the project. This includes expanding the grants program and encouraging collaboration; continuing survey work; increasing training opportunity to "accommodate the overwhelming demand demonstrated in year one"; build capacity to connect volunteers with interview opportunity; accommodate storage and infrastructure needs related to digital preservation of recorded content; prototype distribution and public engagement platform; communications and promotion to generate awareness; continuing advisory council meetings; drafting updated reports; researching methods to improve access to surveyed collections; and to hire a part time staff member to manage the DC Oral History Collaborative. The Oral History Project is also a significant part of DCPL's strategic plan, entitled "Know Your Neighborhood."

Opening Day Operating Impact on Capital

Three neighborhood libraries will be reopening in FY18: Capitol View, Cleveland Park, and West End. In FY17 the Committee, in partnership with the Committee on Finance and Revenue, funded the opening day collections of West End Library. However, the operating impact on capital for West End includes \$504,746 in staffing and ongoing maintenance, including an additional 2.0 FTE. Cleveland Park Library requires an additional \$500,000 in one time funding for opening day collections, and \$349,939 for staffing and ongoing maintenance including an additional 3.0 FTE. Capitol View requires \$261,698 in staffing and ongoing maintenance, including an additional 2.0 FTE.

Strategic Plan Initiatives

DCPL recently completed its five year strategic plan for FYs 2017-2021. The FY18 budget allows most of the initiatives now underway to move forward. However funding was not included in the FY18 budget for a few activities including the full implementation of the Teen Council with representatives from every Ward; continuation of the D.C. Oral History Collaborative (mentioned above); development of a facilities master plan; and expansion of the mobile WiFi hotspot lending program.

Federal Impact

DCPL receives funds from the Institute of Museum and Library Sciences (IMLS) under the Grants to States Program in the Libraries Services and Technology Act (LSTA) to support DCPL's role as a state library. The President's proposed FY18 federal budget eliminates IMLS, which concerns the Committee. In FY17, DCPL has been allocated \$931,262 for Science, Technology, Engineering, Arts, and Math programming; Adult Literacy, the Center for Accessibility; Special Collections of rare material and local history resources; Services for Teens; one-time innovative programs, and staff training. At the Performance Oversight Hearing, the Executive Director testified that due to local cuts to the employee training and development budget, DCPL had to utilize LSTA funds to augment staff training. The Committee remains concerned about this potential loss of federal funding for DCPL and the lack of contingency planning on the part of the administration generally for potential funding losses due to potential federal budget cuts.

Committee Recommendations

The Committee recommends a gross operating budget of \$61,784,038 and 550.8 FTEs for DCPL. This is a \$2,305,194 increase over the Mayor's proposed budget with an increase of 7.5 FTEs.

Fiscal Year 2018 Operating Budget, By Source Type

	FY17 Approved	FY18 Proposed	Variance	FY18 Committee Revised
FEDERAL GRANT FUND	924,058	931,362		931,362
SPECIAL PURPOSE REVENUE FUNDS	1,310,000	1,515,000		1,515,000
PRIVATE DONATIONS	0	17,000		17,000
LOCAL FUND	58,023,808	56,998,182	2,305,194	59,303,376
OPERATING INTRA-DISTRICT FUNDS	17,300	17,300		17,300
Total Fund	60,275,166	59,478,844	2,305,194	61,784,038

Fiscal Year 2018 Full-Time Equivalents, By Revenue Type

	FY17 FTE	FY18 Proposed FTE	FTE Change	Budget - FTE
FEDERAL GRANT FUND	4.00	4.50		4.50
LOCAL FUND	548.80	548.80	7.50	556.30
Total Fund	552.80	553.30	7.50	560.80

Fiscal Year 2018 Operating Budget, By Comptroller Source Groups (Gross Funds)

	FY17 Approved	FY18 Proposed	Variance	FY18 Committee Revised
11-REGULAR PAY - CONT FULL TIME	31,879,277	31,811,814		31,811,814
12-REGULAR PAY - OTHER	2,131,194	1,965,149	319,324	2,284,473
13-ADDITIONAL GROSS PAY	842,000	947,965		947,965
14-FRINGE BENEFITS - CURR PERSONNEL	8,672,683	8,545,572	79,407	8,624,979
15-OVERTIME PAY	362,500	148,000		148,000
Personal Services	43,887,654	43,418,501	398,731	43,817,232
20-SUPPLIES AND MATERIALS	442,720	462,720	10,000	472,720
31-TELEPHONE, TELEGRAPH, TELEGRAM, ETC	50,000	137,476		137,476
40-OTHER SERVICES AND CHARGES	9,335,335	8,991,647	446,463	9,438,110
41-CONTRACTUAL SERVICES - OTHER	56,988	296,007		296,007
70-EQUIPMENT & EQUIPMENT RENTAL	6,502,469	6,172,493	1,450,000	7,622,493
Nonpersonal Services	16,387,512	16,060,343	1,906,463	17,966,806
Gross Funds	60,275,166	59,478,844	2,305,194	61,784,038

Committee Adjustments to the Operating Budget

The Committee makes the following adjustments to the proposed FY18 operating budget for DCPL:

PROGRAM: *Martin Luther King Jr. Memorial Library (L300/L320)*

APPROPRIATION TITLE: *Local Funds*

CSG040 (Other services and charges)

The Committee directs \$200,000 for the D.C. Oral History Project. The purpose of this money is to partner with organizations to both collect oral histories and create a centralized location to publicly share current collections of oral histories. This aligns with DCPL's strategic plan initiatives.

PROGRAM: *Neighborhood Libraries (L300/L330)*

APPROPRIATION TITLE: *Local Funds*

CSG012 (Regular pay)

The Committee directs an increase of \$319,324 to support the operating impact on capital for the re-opening of Capitol View, Cleveland Park, and West End Libraries due to transfers from the Committees on Finance and Revenue, Health, and Transportation and the Environment.

PROGRAM: *Neighborhood Libraries (L300/L330)*

APPROPRIATION TITLE: *Local Funds*

CSG014 (Fringe benefits)

The Committee directs an increase of \$79,407 to support the operating impact on capital for the re-opening of Capitol View, Cleveland Park, and West End Libraries due to transfers from the Committees on Finance and Revenue, Health, and Transportation and the Environment.

PROGRAM: *Neighborhood Libraries (L300/L330)*

APPROPRIATION TITLE: *Local Funds*

CSG020 (Supplies)

The Committee directs an increase of \$15,000 to support the operating impact on capital for the re-opening of Capitol View and Cleveland Park Libraries due to transfers from the Committees on Health and Transportation and the Environment.

PROGRAM: *Neighborhood Libraries (L300/L330)*

APPROPRIATION TITLE: *Local Funds*

CSG040 (Other Services and Charges)

The Committee directs an increase of \$246,463 to support the operating impact on capital for the re-opening of Capitol View and Cleveland Park Libraries due to transfers from the Committees on Health and Transportation and the Environment.

PROGRAM: *Collections (L300/L380)*

APPROPRIATION TITLE: *Local Funds*

CSG070 (Equipment and equipment rentals)

The Committee directs an increase of \$1,450,000 for the collections. The Committee directs \$500,000 in one time funds to be used for the opening day collections at Cleveland Park Library; \$950,000 in recurring funds for general library collections. This will ensure DCPL can provide new and popular books for children, teens, and adults, as well as materials for world language and special collections. This will also allow the library to reduce wait times on popular titles on hold by purchasing additional copies. The increase is attributed to reallocations within the Committee on Education budget as well as transfers from the Committees on the Judiciary (\$450,000) and Transportation and the Environment (\$500,000).

POLICY RECOMMENDATIONS

The Committee makes no policy recommendations for DCPL at this time.

FISCAL YEAR 2018 CAPITAL BUDGET

Mayor's Proposed Budget

The Mayor's proposed budget for DCPL includes \$81,650,000 in capital funds in FY18 with a six-year Capital Improvement Plan (CIP) total for fiscal years 2018-2023 of \$213,100,000.

Committee Comments and Analysis

The Committee recommends a total six-year CIP budget of \$213,800,000 with \$82,350,000 in FY18.

MCL03C – MARTIN LUTHER KING JR. MEMORIAL CENTRAL

	Source	FY18	FY19	FY20	FY21	FY22	FY23	TOTAL
Proposed	GO Bonds	62,000,000	59,750,000	18,000,000	0	0	0	139,750,000
Committee	GO Bonds	60,000,000	61,750,000	18,000,000	0	0	0	139,750,000
Variance	GO Bonds	-2,000,000	2,000,000	0	0	0	0	0

The Mayor's proposed six-year CIP provides additional resources to the Martin Luther King Jr. Memorial Library modernization project. FY19 provides an additional \$2.5 million for the project to accommodate changes necessary for improvements on the G Place NW side of MLK, including the ramp into the parking garage at the request of the Historic Preservation Review Board and the National Capital Planning Commission. The Committee supports this enhancement. The total funding in the FY18 CIP for this project is \$139,750,000 with a total budget authority of \$211,057,000. The Committee directs \$2,000,000 to be removed from FY18 and transferred to Capitol View Library, and \$2,000,000 transferred from Capitol View Library to Martin Luther King Jr. Memorial Library in FY 19. This represents no change to the total capital funding and should not impact the timing of the completion of the project.

CAV37C – CAPITOL VIEW LIBRARY

	Source	FY18	FY19	FY20	FY21	FY22	FY23	TOTAL
Proposed	GO Bonds	0	2,000,000	0	0	0	0	2,000,000
Committee	GO Bonds	2,700,000	0	0	0	0	0	2,700,000
Variance	GO Bonds	2,700,000	-2,000,000	0	0	0	0	700,000

Capitol View Library is currently undergoing an interior "spruce up" for \$4.5 million. In the Mayor's proposed FY18 budget there is \$2 million included in FY19 for exterior improvements, which was not a part of the FY17 CIP. Total budget authority for this project is now \$6.5 million. The Committee requested that DCPL perform an analysis on the impact of accelerating the funding to FY18 and how that may impact the project. DCPL provided this analysis and concluded that if funding for Capitol View's exterior renovation were to be accelerated that DCPL could achieve greater economies of scale through the current mobilization of the construction team by combining the existing interior project with the planned exterior projected. This would also change the completion date of the current project to mid-to-late spring 2018 instead of autumn 2017. However, since the acceleration would extend the length of time the library would be closed, there would be a need to increase the budget to \$2.7 million to provide an interim library space, which it currently does not have. The Committee directs \$700,000 in previous unspent allotments from various projects to Capitol View Library in FY18, and directs a transfer of \$2,000,000 from Martin Luther King Jr. Memorial Library to Capitol View Library in FY18. Further the Committee transfers \$2,000,000 from Capitol View Library in FY19 to Martin Luther King Jr. Memorial Library. The total six-year CIP budget is enhanced by \$700,000 to \$2,700,000. The Committee provided \$50,000 in capital funding in FY17 for opening day collections at Capitol View Library.

LB310C – GENERAL IMPROVEMENTS

	Source	FY18	FY19	FY20	FY21	FY22	FY23	TOTAL
Proposed	GO Bonds	750,000	0	1,500,000	2,000,000	2,000,000	1,500,000	7,750,000
Committee	GO Bonds	750,000	0	1,500,000	2,000,000	2,000,000	1,500,000	7,750,000
Variance	GO Bonds	0	0	0	0	0	0	0

This project line addresses critical capital upgrades and replacements at various library facilities including HVAC systems; security upgrades; ADA compliance; roof replacements; and other miscellaneous projects. There is a \$3,250,000 increase in allotments for this capital project, with a 6-year total of \$7,750,000. However, only \$750,000 is allocated in FY18 and \$0 in FY19. The Committee remains concerned about the libraries ability to adequately care for its substantial portfolio of newly modernized and renovated facilities with such little funding in the next two fiscal years. The Committee makes no changes to the Mayor's proposed budget.

LAR37C – LAMOND RIGGS LIBRARY

	Source	FY18	FY19	FY20	FY21	FY22	FY23	TOTAL
Proposed	GO Bonds	5,000,000	15,000,000	0	0	0	0	20,000,000
Committee	GO Bonds	5,000,000	15,000,000	0	0	0	0	20,000,000
Variance	GO Bonds	0	0	0	0	0	0	0

An acceleration of the modernization of Lamond Riggs is included in the Mayor's proposed FY18 budget. In the FY17 CIP, Lamond Riggs was funded at \$5 million in FY20 and \$15 million in FY21. The proposed FY18 CIP funds the same respective amounts in FY18 and FY19. The Committee fully supports this acceleration. The Committee makes no changes to the Mayor's proposed budget.

ASF03C – SHARED TECHNICAL SERVICES

	Source	FY18	FY19	FY20	FY21	FY22	FY23	TOTAL
Proposed	Short Term Bonds	900,000	2,000,000	1,600,000	0	0	0	4,500,000
Committee	Short Term Bonds	900,000	2,000,000	1,600,000	0	0	0	4,500,000
Variance	Short Term Bonds	0	0	0	0	0	0	0

Shared Technical Services is a new capital project line for DCPL. While MLK is being modernized, DCPL had to shift some "back of the house" operations to another District-owned facility. This line item supports improvements to that facility to offer long-term "back of the house" services which will free up space at the modernized MLK for additional programming. This will also support DCPL's shared technical services initiative, which provides services and materials to DCPS school libraries. The Committee makes no changes to the Mayor's proposed budget.

SEL37C – SOUTHEAST LIBRARY

	Source	FY18	FY19	FY20	FY21	FY22	FY23	TOTAL
Proposed	GO Bonds	0	10,850,000	12,500,000	0	0	0	23,350,000
Committee	GO Bonds	0	10,850,000	12,500,000	0	0	0	23,350,000
Variance	GO Bonds	0	0	0	0	0	0	0

The proposed CIP for Southeast Library remains unchanged from the FY17 budget. It includes \$10,850,000 in FY19 and \$12,500,000 in FY20 for a total of \$23,350,000 toward the modernization of this facility. The Committee supports this project and makes no changes to the Mayor's proposed budget.

SWL37C – SOUTHWEST LIBRARY

	Source	FY18	FY19	FY20	FY21	FY22	FY23	TOTAL
Proposed	GO Bonds	13,000,000	2,750,000	0	0	0	0	15,750,000
Committee	GO Bonds	13,000,000	2,750,000	0	0	0	0	15,750,000
Variance	GO Bonds	0	0	0	0	0	0	0

The proposed CIP for Southwest Library remains unchanged from the FY17 budget. It includes \$13,000,000 in FY18 and \$2,750,000 in FY19 for a total of \$15,750,000 toward the modernization of this facility. The Committee supports this project and makes no changes to the Mayor's proposed budget.

E. DISTRICT OF COLUMBIA PUBLIC CHARTER SCHOOL BOARD

As an independent authorizer of public charter schools, the Public Charter School Board (“PCSB”) is responsible for chartering new schools through a comprehensive application review process; monitoring the existing charter schools for compliance with applicable local and federal laws; and, ensuring public charter schools are held accountable for both academic and non-academic performance.

The PCSB has one division:

- Agency Management

FISCAL YEAR 2018 OPERATING BUDGET

Mayor’s Proposed Budget

The Mayor’s FY18 budget proposal included \$806,482,683 in gross operating funds for PCSB, an 11.4% increase from the FY17 approved budget of \$723,717,252. The proposed budget supports 1.0 FTEs, which represents no change from the FY17 approved budget. The budget is comprised entirely of Special Purpose Revenue funds.

Special Purpose Revenue (600)

The proposed PCSB budget includes \$806,482,683 in special purpose revenue funds, an increase of 9.15% from the FY16 approved budget of \$738,843,788. This increase is the result of the authorization granted under Section 38-1802.11(b)(2) of the District of Columbia Official Code that assesses schools a fee to cover operational costs.

Committee Comments and Analysis

Uniform Per Student Funding Formula

During the budget oversight hearing, PCSB member Rick Cruz expressed the Board’s disappointment in not seeing the UPSFF base rate increase, along with the Mayor’s failure to increase funding for wrap-around services such as the school-based behavioral health program. The Chairperson noted that the Mayor’s proposed budget also did not increase funding for out of school time programs, restorative justice, or Community Schools. In response to the Chairperson’s questions about the failure of the Mayor to adequately fund education, Mr. Pearson stated that each school will respond differently. He testified that it will often be “extras” that will be cut (field trips, summer school, after school) as schools seek to preserve core educational capacity. He also stated it would mean that LEAs would have less opportunity to innovate. As an example, he noted that many charter schools are looking to institute restorative justice practices and reduce suspensions, but that work will be harder with less resources. Mr. Cruz also expressed the Board’s disappointment that the Mayor did not provide funding to extend “Kids Ride Free” to include adult learners, a priority shared by the Committee.

Mr. Cruz testified that one way that the Board is trying to help LEAs with this challenge is by reducing the fee the Board collects to cover oversight activities from 1% to 0.9%. After the Board was allowed to raise that rate from .5% to 1%, they went from a position of regularly running deficits to regularly running surpluses and now have a large cash reserve. As a result, the Board feels comfortable collecting fewer resources from charter LEAs, allowing them to instead invest those funds in students—and help to off-set the Mayor’s failure to allocate dollars to schools.

For the charter sector, the UPSFF also includes an additional weight for facilities spending, based on whether a school is non-residential or residential. The Mayor's proposed budget increased this weight by 2.2% for FY18, which will provide charter LEAs with additional resources. However, as noted by Mr. Pearson, it comes against the backdrop of Mayor Bowser's failure to increase the weight for FY17, so charter schools are playing catch up on facilities funding as well. He stated that because of the low facilities allotment over the past few years, the expectation is that a school cannot go into a new building using solely facilities money, but must dip into general UPSFF money. Mr. Cruz commended the Mayor for including the increase, and noted that to some extent, low and falling interest rates had been masking inflationary pressures on LEAs for building costs and rent. Now that the era of low interest rates appears to be ending, it is urgent, Mr. Cruz testified, that facilities allowance rise with inflation.

Local Education Agency ("LEA") Payment Initiative and enrollment planning

In 2013, the Council passed legislation proposed by the PCSB and the Office of the Chief Financial Officer ("OCFO") to place heavier weight on the first quarterly payments to charter LEAs to ensure more accurate and timely payments. During the performance oversight hearing, the Committee asked for an update on this effort to better streamline payments, and during the budget oversight hearing Chairperson Grosso asked about its expected impact for FY18. Key systems were put into place for school year 2016-2017, and further adjustments are expected for the coming year. Rather than the former system of disbursing approximately a quarter of the year's payment to an LEA each quarter, and having to add supplemental payments partway through the school year based on enrollment updates, OCFO now front-loads the payments to LEAs. Having a higher percentage of the annual allocation come in the first quarter reflects the fact that many LEA expenses are also front loaded. That change, combined with improvements to the enrollment forecast process involving PCSB, OSSE, DME, and OCFO, was intended to eliminate the need for schools to come back for a second payment if enrollment was underestimated in July. Such positive changes as a result of legislative action make a difference for LEAs and allow them to focus on providing the best possible program for students—the Committee will continue to monitor this area but is pleased that Council action improved the system.

The Committee's optimism was slightly dimmed by a draw on contingency funds made in March to pay \$27M to charter LEAs to cover charter schools whose enrollment exceeded projections, particularly for students with IEPs, English Language Learners, and adult learners. Chairperson Grosso asked about this during the budget oversight hearing, and Mr. Pearson stated that every year they are getting better at enrollment forecasting, with better collaboration between PCSB, LEAs, OCFO and DME. He expects to see more accuracy for FY18, and said he feels that they have gotten very good at forecasting students in each grade. However, he recognized the need to do better on students like those with IEPs. Mr. Pearson stated that he sees that number rising across the city, and he is not sure why, but perhaps the decrease in non-public placements may be part of it.

The process for enrollment forecasting has major implications for the budget. In looking at enrollment projected for FY18, the Mayor has proposed an increase of 2,855 students over the audited enrollment of public charter schools announced in March 2017. This would be considerably higher than the actual enrollment increases over the past four years. In particular, this projects an even higher percentage increase in students with IEPs—while the figure is not unfounded, when the Chairperson asked Mr. Pearson about it during the budget oversight hearing, he was unable to provide an explanation. Furthermore, Mr. Pearson stated that the projected increase included in the FY17 budget was 3% for students with IEPs. Comparing that to the projected growth predicted in the Mayor's proposed budget that would be a 610% increase; it would still be a 160% increase if the audited enrollment figures for FY17 are taken into account. While the number of students with IEPs, particularly Level 4, did increase markedly in SY16-17, looking at the historical trend, that number was an outlier and the Committee anticipates the numbers for SY17-18 to be much more modest. This is discussed further in the D.C. Public Charter School chapter.

PCSB briefly touched on an issue during the budget oversight hearing that was also raised in performance oversight hearing, which the Committee intends to follow up on in FY18. While the law specifies that the OCFO pay schools based on certified enrollment numbers from the PCSB, OCFO has instead been basing its payments this school year on OSSE enrollment data. While that data is normally accurate, there are often small discrepancies that are addressed by PCSB as part of certification. PCSB is asking that the OCFO rely on PCSB for the enrollment data, as contemplated in the law, and not go to OSSE.

At-Risk Funding

The proposed FY18 budget for public charter schools includes a funding allocation for at-risk students within the UPSFF. The Fair Student Funding and School Based Budgeting Act of 2013 (“Fair Funding Act”) defines “at-risk” as any DCPS student or public charter school student who is identified as one or more of the following: (1) Homeless; (2) In the District’s foster care system; (3) Qualifies for the Temporary Assistance for Needy Families program or the Supplemental Nutrition Assistance Program; or (4) A high school student that is one year older, or more, than the expected age for the grade in which the student is enrolled. FY18 marks the fourth fiscal year that this funding has been made available to local education agencies (“LEA”). Unlike DCPS, there are no requirements tied to the at-risk funding for public charter schools beyond that the allocation be “provided on the basis of the count of students identified as at-risk.”¹⁹ However, this has not stopped the public from inquiring how the funds are being spent since the impetus for adding this new weight was to ensure schools had the resources necessary to eliminate the achievement gap for the most disadvantaged students.

In the past two budget reports, the Committee requested that the PCSB submit a report on the distribution of at-risk funds to each LEA and a breakdown on how that money was spent. The most recent report was submitted on October 1, 2016 by the PCSB, and it summarized the results of a survey it conducted of all public charter LEAs. In total 34 of the 56 LEAs receiving at-risk funding responded. The findings showed that schools used these funds in various ways based on the school and what issues it saw needing support for at-risk students. As in the previous year, funds were used for various enrichment activities, including extended school day, out of school time programming, academic interventions, social workers, and behavioral specialists. The results showed that schools would like to see an increase in allocations to provide more robust programming and services for students—Mr. Pearson stated that they felt the loss of summer school funding acutely and at-risk funding has not filled that gap. He said that along with the challenges for parents to get children into Department of Parks and Recreation summer programs, LEAs’ responses show the need for summer programs. This is part of why PCSB has been supportive of the work that the Committee and the DME have done to recraft the out of school time system, under the new Office and Commission on Out of School Time Grants and Youth Outcomes.

Charter schools also indicated an interest in revisiting the at-risk definition, as they felt the current definition and practices of OSSE are resulting in some students not being considered at-risk even though they should be. For example, Briya Public Charter School, which serves a number of immigrant students and families, noted that due to immigration status some students who would qualify for TANF or SNAP do not or cannot apply, and that WIC has wider adoption among those same families.

This was the topic of a BSA subtitle proposed by the Mayor. Currently, there is a challenge with identifying students who would qualify for TANF or SNAP, but are not receiving it. To avoid having a school conduct research into a family’s background, OSSE’s practice has been to consider “qualifies for” as equivalent to “certified for” TANF or SNAP by Department of Human Services, which has the expertise to make that

¹⁹ D.C. Code § 38-2905.01(a).

determination. The BSA subtitle would have codified that practice. However, the Committee is not satisfied with that approach and wants to see how the true spirit of the at-risk law can be fulfilled, without putting LEAs, OSSE, or families in awkward situations. This has been raised by LEAs in the past, including during the Committee's hearing in the fall of 2016 on at-risk funding. The Committee will be taking further action on this issue.

On the question of at-risk funding more broadly, the Committee knows that the current UPSFF weight and allocation for at-risk is currently not at the level recommended in the last adequacy study (see chart below and the DCPS chapter for more details), but it cannot effectively advocate for an increase without an understanding of the weight's current impact.

Category	FY14	FY15	FY16	FY17	FY18 Proposed	Adequacy Study Recommendation ²⁰
UPSFF Foundation	\$9,306	\$9,492	\$9,492	\$9,682	\$9,827	\$11,628
At-Risk Weight	N/A	0.219	0.219	0.22	0.22	0.37
At-Risk Allocation	N/A	\$2,079	\$2,079	\$2,120.36	\$2,152	\$3,906

The Committee shares the concerns of school communities and their desire to learn more about how LEAs are using this funding. It is complicated by the failure of the current Mayor and past administrations to properly fund the base level of the UPSFF, which in turn leads to at-risk funds filling those gaps. The Committee will continue its efforts to simultaneously increase the base funding as well as address the needs of the most disadvantaged students.

During the budget oversight hearing, Mr. Pearson indicated support for continuing to conduct the annual survey and report, even though LEAs do not always track the spending in the same way, because he agrees with the Committee that there is value in tracking this data and sharing best practices among LEAs. The Committee looks forward to continuing the conversation with PCSB and LEAs, along with OSSE and DCPS, as the new Chancellor has made clear that equity is a top concern of his, and the issue is ripe for further action.

Student supports

Both the Chairperson and PCSB Finance Subcommittee Chair noted that in addition to failing to fund an adequate increase to the UPSFF, the Mayor also did not fund increases to critical wraparound services. In particular, Chairperson Grosso expressed his exasperation at the defunding of the Early Literacy Intervention Initiative, which this Committee established in the FY16 budget and which the Mayor funded in FY17. Mr. Pearson stated that he is familiar with the program, and actually volunteers as a tutor with one of the grantees. He said that he has personally seen the impact the program has had on the third grader that he works with, and has also seen the data about both grantees, so he can attest to its importance both first-hand and based on evidence. Chairperson Grosso indicated his intention to locate funding for this program, which provides additional support for those students who need help for reasons beyond the scope of school.

²⁰ The Finance Project, *Cost of Student Achievement: Report of the DC Education Adequacy Study*, December 20, 2013. <http://dme.dc.gov/node/766112>

During the April 2017 Board meeting, there was a concern raised by members regarding the high rate of suspensions (particularly of kindergarteners) at an LEA that was seeking expansion and replication. Although the staff report recommended approval of both, the Board ultimately rejected the request in part because of that issue. The Committee appreciates the Board scrutinizing discipline policies in this way and taking them into account but also shares the perspective that an LEA receiving high marks as an operator should be encouraged to expand and replicate. The Chairperson told PCSB that this is an area worth exploring further, and asked whether there is any plan in the coming year to discuss how discipline practices and policies should be integrated into evaluations of a charter operator. Mr. Cruz stated that there is a healthy conversation by the staff and Board on ways to reduce suspensions and expulsions. They are generally happy to see that reduction. Both staff and Board members look at specific grades and sub-populations, and they have the necessary data to continue the conversation. Mr. Cruz stated that they try to strike the right balance of allowing a school to take appropriate action for outcomes and continue to innovate, while ensuring respect for students and families.

In response to a question from the Chairperson about implementation of the Youth Suicide Prevention and School Climate Survey Amendment Act of 2015, Mr. Pearson indicated that the PCSB ensures LEAs know about the legal requirements, and connects schools to Department of Behavioral Health for training. The Committee will follow up on this in the coming year.

During last year's budget oversight hearing the Committee talked with PCSB about behavioral health clinicians in schools, and the continued shortage of resources available to LEAs from the Department of Behavioral Health. During FY16 performance oversight, the conversation continued, particularly with regard to DBH's plans to overhaul their approach to this issue, and the involvement of PCSB in the Behavioral Health Working Group. The Chairperson expressed his frustration during the budget oversight hearing that more dollars were not committed by the Mayor to this effort for FY18, in light of the evidence about trauma and toxic stress and how it affects academic achievement. Mr. Pearson stated that DBH clinicians are in one out of six public charter schools which is far from adequate. The preferred approach for PCSB and LEAs would be increased funding but that was not on the table, he said, so the goal of the working group was to figure out how to better allocate existing resources. Mr. Pearson stated his support for DBH's plan, because it would ensure an assessment for every student, which is not currently the practice. Mr. Pearson stated that his major concerns were implementation and oversight, particularly as DBH seemed to be moving too quickly, concerns which the Committee shares. Mr. Pearson said he and others asked DBH to phase the plan in over next year with a warm handoff from school-based clinicians to core services agencies, and he said that the Department had agreed to that.

The Chairperson thanked the Board for issuing important guidance and statements on D.C.'s status as a sanctuary city and our laws protecting gender identity and expression, specifically protections for transgender students, in light of federal actions. He asked about plans for the coming year, to which Mr. Pearson responded that they have met with the Office of the Attorney General, and have looked at how the Attorney General in New York provided legal advice to schools districts, and the Board would like to explore that possibility, as they do not want to be in the position of offering legal advice. Chairperson Grosso stated that PCSB can still do plenty of work short of offering legal advice, and asked that the Board continue to think proactively about the topic. The Chairperson indicated his intent to hold roundtables on these and related issues in the coming year and that he hoped PCSB would be engaged.

Opening and Closing of Schools

In its responses to pre-hearing questions from the Committee, as well as in Mr. Cruz's prepared remarks, PCSB noted the high volume of high stakes schools reviews on the horizon. According to PCSB, over 100 campuses are scheduled to undergo the periodic review process for charter renewal over the next four

years—by comparison, this school year only saw four. There will be 17 next year and 14 the year after. Mr. Cruz stated that the Board has adjusted its budget and staffing plan accordingly.

One of those reviews this year almost resulted in the revocation of an LEA's charter. In light of these reviews and the potential for closing and the pending applications that the Board is currently reviewing, the Chairperson asked the PCSB to outline its approach to openings and closings. He also asked about the Board's public engagement, as this was raised by public witnesses during the budget oversight hearing—it was also a topic in the Board's pre-hearing responses, which noted that in FY16 it hired its first staff member dedicated solely to community engagement, and planned to expand that work in the coming year. Mr. Cruz testified that engagement with communities is a robust part of the conversations the Board has about a new application, along with the obvious focus on the academic program, which is itself influenced by what the communities are saying. Chairperson Grosso recognized the outreach of schools, but stated he feels the Board itself could do more. Mr. Cruz responded that they are further investing in staff to do precisely that. Mr. Pearson stated that he feels very good about progress on this front—when they receive a proposal, they notify the appropriate ANCs, put notice on the Board's website, and update their listserv. He stated that when they receive public comment they incorporate it into materials that the Board considers at a hearing, which are made public before the hearing.

On the topic of communities driving decisions about charter openings, Chairperson Grosso noted that he hears from residents of Wards 7 and 8 about wanting more dual-language options east of the Anacostia River, where there are currently none. Mr. Pearson stated that he has had one-on-one conversations with every dual-language public charter school about this desire, he further indicated that the Board would be supportive of such an application, and noted that there are facilities options. He stated there is some interest, but that LEAs want to move cautiously because for some of them the education plan relies on a good mix of native speakers and new learners. Chairperson Grosso noted that there is an increase in Latino households in Ward 7 in particular; further, that programmatic approach is not true for the LEAs that are focused on languages other than Spanish. Mr. Pearson stated that one LEA is probably planning to open a new campus in Ward 7 or 8 for school year 2018-19, but that the information is not yet public.

The Committee shares with the Board a commitment to ensuring that the choices available at public charter schools should be of the highest possible quality. These coming decisions on reviews and applications by the Board are an opportunity to show the community the rigorous standard that PCSB applies to LEAs. The flip side, at least in the reviews of currently operating LEAs, is the legitimate concern for students at a school that may not have its charter renewed and it is imperative that the Board plan appropriately for this, particularly in light of the oncoming wave of reviews. The Committee does not want students to be in a mediocre school, but it also is critical that students and families are not adversely affected by an action meant to better support them. In February 2016, the PCSB voted to close one school at the end of the academic year due to poor performance, affecting 413 students spanning grades PK-8. This year the Board voted to begin charter revocation procedures for an LEA serving adult and alternative learners, which has 190 students, although ultimately the Board did not proceed with closing the school.

To that end, the Chairperson asked during the budget oversight hearing how PCSB takes into account that a school may be working with students with great adversity in its evaluations of current LEAs, and in setting up expectations for new ones. Deputy Executive Director Naomi DeVaux stated that this is not a new issue, and that from the beginning with the Board's Performance Management Framework (PMF) design they knew they had to account for the fact that schools serve different students with different needs. That is why the PMF places such a high value on student growth, especially in early grades. They also consider reenrollment rate because it is a way to measure whether parents and students are satisfied with the school. Mr. Pearson noted that for schools with particularly high population of at-risk students or other

factors that might impact student achievement negatively, they have an alternative PFM, which explicitly takes that into account.

With regard to school closing and openings, siting and coordination has been a consistent theme for the community, schools, this Committee, and the various executive and independent agencies. One goal of the Deputy Mayor for Education's Cross Sector Task Force was to look at this issue and offer recommendations, which has not happened to date. In response to a question from the Chairperson about this, Mr. Pearson stated his belief that the Task Force is coming off its initial year of existence which focused on establishing norms and building relationships. He stated his expectation that in the coming year the group will be far more active and produce substantive results. Mr. Pearson reported that the DME has an FTE committed to it, and that the Task Force now has two working groups, one on openings, closings, and siting and the other on improving services to at-risk students. Chairperson Grosso noted that the Task Force recommended implementing a new cross-sector process for mid-year transfers, run through the Common Lottery Board, and asked if there had been any progress on that. Mr. Pearson stated that there has been no movement, and that it would be up to the DME, PCSB and Common Lottery Board to take action. Such a change would require additional funding and staff, but nothing is in the proposed FY18 budget for such an initiative.

During the FY17 budget process, OSSE raised concerns with the Committee that a legislative clarification was necessary with regard to the disposition of assets when charter schools close. All assets such as computers, iPads, furniture, or supplies purchased with local UPSFF funding while a charter school is in operation reverts back to the D.C. government when the school closes. The mechanism for this transfer was clear until amendments were made to D.C.'s non-profit corporation law, but conforming amendments were not made in the education chapter of the D.C. Code. The Committee worked with PCSB and OSSE to draft language that would ensure any future school closings are completed properly, but consensus could not be reached before the budget was passed. The Committee has continued to communicate with PCSB and OSSE about this issue during the year since, and the Mayor has proposed a BSA subtitle to address the problem. During the budget oversight hearing, Mr. Pearson testified that the Board is supportive of the language in the subtitle and hopes to see it move forward.

Enhanced Special Education Services Act of 2014

The Committee shares with the community a sense of urgency on implementation of the Special Education Services Enhancement Act of 2014, which has three major provisions that are still yet to be implemented—as described fully in the OSSE chapter of this report. The Chairperson noted during the PCSB budget oversight hearing that he had heard the day before from DCPS about how they were already putting almost all the remaining pieces of the legislation into place, well ahead of OSSE's timeline. He had heard that the same is true for some charter LEAs, as well. Chairperson Grosso asked how the Committee can support more cross-pollination between LEAs, including charters and DCPS, to accelerate the timeline for this law to be fully in effect. Ms. DeVeaux stated that the Board's role is to work with OSSE, which they are doing closely, via monthly meetings, as well as support LEAs to come into compliance. PCSB has dedicated three FTEs to working with LEAs seeking assistance, and she stated they are also working closely with the Special Education Coop and have regular meetings with them. PCSB feels its role is one of support to the LEAs, not one of enforcement, which they leave to OSSE. The Committee understands that approach and supports it to a degree, but this law is meant to support some of our students who struggle the most with academic achievement, and LEAs must also be held accountable for complying with it. The Committee will continue to monitor this closely for the coming year.

Committee Recommendations

The Committee recommends a gross operating budget of \$9,109,827 and 0 FTEs for PCSB, which is unchanged from the Mayor's proposal. However, this is purely spending authority and does not represent actual dollars—all funds for the Board come from a fee it collects from charter LEAs. The Board testified at the budget oversight hearing that it plans to reduce the fee it collects from charter LEAs from 1% to 0.9% for FY18, allowing schools to utilize that extra funding for their programming. This would represent a budget that would be \$888,983 less than the budgeted authority.

Fiscal Year 2018 Operating Budget, By Source Type

Fund Type	FY18 Approved	FY18 Proposed	Variance	FY18 Committee Revised
SPECIAL PURPOSE REVENUE FUNDS	8,013,987	9,109,827		9,109,827
Total Funds	8,013,987	9,109,827		9,109,827

Fiscal Year 2018 Operating Budget, By Comptroller Source Group (Gross Funds)

	FY17 Approved	FY18 Proposed	Variance	FY18 Committee Revised
50-SUBSIDIES AND TRANSFERS	8,013,987	9,109,827		9,109,827
Nonpersonal Services	8,013,987	9,109,827		9,109,827
Gross Funds	8,013,987	9,109,827		9,109,827

FISCAL YEAR 2018 CAPITAL BUDGET

The proposed FY18 budget included no capital funds for PCSB. The Committee has no recommended changes.

POLICY RECOMMENDATIONS

The Committee recommends the following policy changes based on the analysis and discussion above and issues brought up during PCSB performance and budget oversight hearings this year.

1. At-Risk Funds

In FY18, public charter school LEAs will receive additional funding to serve more than 17,000 students who are identified as at-risk for academic failure. Annually, DCPS is required to report exactly how this money is spent. This is not the case for public charter schools; consequently, there is no way for the Committee to track how these public dollars are being utilized. The Committee recognizes the independence of the individual LEAs, but believes that in order to continue to support their receipt of at-risk funds and to advocate for additional funding, we need to understand the impact of at-risk funds on charter schools as well. During the oversight and budget hearing process, the Committee continued to receive testimony, calls, and correspondence from concerned parents and residents, and organizations about the use of at-risk spending dollars and how they are being allocated in their child's public charter school. During the budget oversight hearing, the Executive Director of the Board, Scott Pearson, also agreed that continuing to monitor LEA spending and sharing best practices was a valuable effort. Therefore, by October 1, 2017 the Committee requests that a report be submitted to the Committee on the distribution of at-risk funds to each LEA with a specific breakdown of projected spend plans, specifically on what programs, initiatives, and enrichment activities were supported for school year 2017-2018.

2. Physical and Behavioral Health

The Committee recommends that the PCSB continue to engage with DOH and DBH on the issues of school-based health professionals and how to best meet the needs of students to place them in the best position to succeed. Until the executive dedicates more resources to support these agencies in addressing the needs in schools, the Board and LEAs will need to take advantage of their ability to innovate to fill the gap. With only one in six charters having a school-based behavioral health clinician and not all schools yet having a school-based nurse, the need for action is acute. To that end, the Committee encourages PCSB to identify and promote best practices among LEAs in partnering with community-based resources for these services. Additionally the Committee recommends that the PCSB support and monitor LEA compliance with the Youth Suicide Prevention and School Climate Survey Amendment Act of 2015. It has been almost one year since this law went into effect, meaning teachers and staff need to have a plan for receiving training on suicide prevention, intervention, and post-vention.

3. Enhanced Special Education Services Act of 2014

The Committee recommends that the PCSB continue to engage with OSSE and LEAs in support of full implementation of the Enhanced Special Education Services Act of 2014, to include encouraging LEAs to fulfill obligations under the law ahead of OSSE's deadline of July 2018. These changes are critical to reducing the persistent and grave disparities in achievement for students with disabilities. PCSB should help OSSE to understand the specific challenges facing charter LEAs as they seek to implement the law, as well as promote cross-pollination amongst LEAs who are successfully implementing and those that are struggling, including with DCPS which is already well ahead of schedule.

F. NON-PUBLIC TUITION

The mission of the Non-Public Tuition agency is to provide funding, oversight and leadership for required special education and related services for children with disability who attend special education schools and programs under the federal Individuals with Disabilities Education Act (IDEA).

Non-Public Tuition funds a variety of required specialized services, including instruction, related services, educational evaluations, and other supports and services provided by day and residential public and non-public special education schools and programs. The agency also funds students with disabilities who are District residents placed by the Child and Family Services Agency (CFSA) into foster homes and attending public schools in those jurisdictions. The budget also provides for supplemental payments to St. Coletta's Public Charter School to cover the costs of students who require specialized services beyond what can be supported through the Uniform Per Student Funding Formula (UPSFF).

Non-Public Tuition is organized into the following program(s):

- Non-Public Tuition

FISCAL YEAR 2018 OPERATING BUDGET

Mayor's Proposed Budget

Non-Public Tuition's (NPT) proposed FY 2018 gross budget is \$72,046,295, which represents a 3.2% decrease from its FY 2017 approved gross budget of \$74,460,953. The budget is comprised entirely of Local funds.

Local Funds (100)

The proposed FY17 budget for Non-Public Tuition included \$72,046,295 in local funds, a net decrease of \$2,450,748 to align the budget with projected tuition payments and to offset increased personal services costs.

Committee Comments & Analysis

In the past, the Committee has continually expressed concern regarding over-budgeting in Non-Public Tuition, since surplus funds were regularly reprogrammed for non-educational purposes. Based on actual spending for FY16, which was approximately \$66M, the Committee was concerned that the FY18 proposed budget was overestimated and was prepared to make reductions. The Mayor's May 11, 2017 letter to the Council regarding the budget confirmed this suspicion—it suggested a reduction of \$1.5M for Non-Public Tuition. The Committee believes the over-budgeting is likely greater than this amount. However, because excess dollars from Non-Public Tuition are now going to be dedicated to the Enhanced Special Education Services Fund, the Committee will make a modest reduction of \$2M. These dollars will be used to support an increase to the Uniform Per Student Funding Formula which will benefit students across the District.

Committee Recommendations

The Committee recommends a gross operating budget of \$70,021,295 for Non-Public Tuition. This is a reduction of \$2,025,000 from the Mayor's request.

Fiscal Year 2018 Operating Budget, By Source Type

Fund Type	FY17 Approved	FY18 Proposed	Variance	FY18 Committee Revised
LOCAL FUND	74,460,953	72,046,295	(2,025,000)	70,021,295
Total Fund	74,460,953	72,046,295	(2,025,000)	70,021,295

Fiscal Year 2018 Full-Time Equivalents, By Revenue Type

	FY17 FTE	FY18 Proposed FTE	FTE Change	Budget - FTE
LOCAL FUND	18.00	18.00		18.00
Total Fund	18.00	18.00		18.00

Fiscal Year 2018 Operating Budget, By Comptroller Source Group (Gross Funds)

	FY17 Approved	FY18 Proposed	Variance	FY18 Committee Revised
11-REGULAR PAY - CONT FULL TIME	1,483,821	1,506,318		1,506,318
14-FRINGE BENEFITS - CURR PERSONNEL	378,374	391,643		391,643
Personal Services	1,862,195	1,897,960		1,897,960
20-SUPPLIES AND MATERIALS	2,000	2,000		2,000
40-OTHER SERVICES AND CHARGES	12,000	12,000	(5,000)	7,000
41-CONTRACTUAL SERVICES - OTHER	1,023	1,023		1,023
50-SUBSIDIES AND TRANSFERS	72,558,735	70,108,312	(2,000,000)	68,108,312
70-EQUIPMENT & EQUIPMENT RENTAL	25,000	25,000	(20,000)	5,000
Nonpersonal Services	72,598,758	70,148,335	(2,025,000)	68,123,335
Gross Funds	74,460,953	72,046,295	(2,025,000)	70,021,295

Committee Adjustments to the Operating Budget

The Committee makes following adjustments to the proposed FY18 operating budget for Non-Public Tuition:

PROGRAM: Non-Public Tuition (1000/100)

APPROPRIATION TITLE: *Local Funds*

CSG40 (other services and charges)

The Committee directs a decrease of \$5,000 from contractual services and charges line based on historical underspending. The Committee directs this funding to the Uniform Per Student Funding Formula increase.

CSG50 (subsidies and transfers)

The Committee directs a decrease of \$2,000,000 from subsidies and transfers based on historic payment trends under Non-Public tuition. The Committee directs this funding to the Uniform Per Student Funding Formula increase.

CSG70 (equipment and equipment rental)

The Committee directs a decrease of \$20,000 from equipment and equipment rental line based on historical underspending. The Committee directs this funding to the Uniform Per Student Funding Formula increase.

Committee Adjustments to the FTE Authority

The Committee makes no adjustments to the proposed FY18 FTE Authority for Non-Public Tuition.

G. SPECIAL EDUCATION TRANSPORTATION

The mission of the Office of the State Superintendent of Education (OSSE)'s Special Education Transportation, also known as the Department of Student Transportation (DOT), is to support learning opportunities by providing safe, on-time and efficient transportation services to eligible District of Columbia students.

The OSSE-DOT is primarily responsible for processing student transportation requests from Local Education Agencies; maintaining the means to transport eligible students safely and on time; and improving service levels by collaborating with stakeholder groups that include parents, school staff and special education advocates.

The Special Education Transportation agency is divided into three major divisions:

- Director's Office
- Bus and Terminal Operations
- Fleet Maintenance

FISCAL YEAR 2018 OPERATING BUDGET

Mayor's Proposed Budget

Special Education Transportation's (SET) proposed FY 2018 gross budget is \$103,988,501, which represents a 6.9 percent increase over its FY 2017 approved gross budget of \$97,314,008. The budget is comprised of \$93,988,501 in Local funds and \$10,000,000 in Intra-District funds.

Local Funds (100)

The proposed FY18 budget for OSSE-SET included \$93,989,000 in local funds, a \$326,000 decrease from the FY17 approved budget. This decrease is primarily due to for the Fixed Costs Inflation Factor to account for adjustments to fleet services estimates, Telecommunication, and estimates based on historical expenditures of Department of General Services' commodities.

Intra-District Funds (700)

The proposed FY18 budget for OSSE-DOT included \$10,000,000 in intra-district funds, a \$7,000,000 increase from the FY17 approved budget. This increase reflects the projected Federal Medicaid Reimbursements within the Office of the Director program.

Committee Comments & Analysis

Special education transportation is a service provided to students who have such a requirement included within their individualized education plan ("IEP"). The need for transportation could be based on medical necessity, behavioral health concerns, or a lack of specialized services at the student's neighborhood school. Currently, OSSE-DOT services over 3,300 students in 225 schools, utilizing approximately 521 vehicles that travel a cumulative 34,000 miles per day. Additionally, they provide transportation services in the form of metro fare cards for eligible students and parent reimbursement.

For years, much of OSSE-DOT complaints have centered on late arrivals and the lack of real-time communication with families. Investment in GPS technology for the bus fleet has allowed for tracking on-time arrival in the morning and to homes after school. In FY16, OSSE-DOT rolled out student-specific notifications on its Automated Event Notification System that enables DOT to communicate schedule changes and delays with only the parents and guardians of the students affected by the change. DOT has sought to improve its responsiveness even further with the establishment of a Transportation Advisory

Council and a Customer Engagement Center.

OSSE-DOT is undertaking new efforts to retain and recruit staff, which is critical as the department reports approximately 100 vacancies, similar to its position at this time last year. The Committee identified over 20 positions which are not only vacant but on hold—that is, not in recruitment. Because of the high number of vacancies year-over-year, the lack of recruitment for these positions, and the urgent need for these funds to support an increase in the Uniform Per Student Funding Formula, the Committee recommends cutting these positions. The Committee also cuts three positions out of the 80 or so other vacancies to assist other agencies where FTEs are urgently needed.

Committee Recommendations

The Committee recommends a gross operating budget of \$102,292,335 and 1,353.47 FTEs for OSSE DOT. This is a decrease of \$1,696,166 and 29.4 FTEs from the Mayor’s proposal.

Fiscal Year 2018 Operating Budget, By Source Type

	FY17 Approved	FY18 Proposed	Variance	FY18 Committee Revised
OPERATING INTRA-DISTRICT FUNDS	3,000,000	10,000,000		10,000,000
LOCAL FUND	94,314,008	93,988,501	(1,696,166)	92,292,335
Total Fund	97,314,008	103,988,501	(1,696,166)	102,292,335

Fiscal Year 2018 Full-Time Equivalents, By Revenue Type

	FY17 FTE	FY18 Proposed FTE	FTE Change	Budget - FTE
LOCAL FUND	1,391.05	1,391.67	-29.40	1,353.47
Total Fund	1,391.05	1,391.67	-29.40	1,353.47

Fiscal Year 2018 Operating Budget, By Comptroller Source Group (Gross Funds)

	FY17 Approved	FY18 Proposed	Variance	FY18 Committee Revised
11-REGULAR PAY - CONT FULL TIME	21,996,589	23,709,440	(1,306,504)	22,402,936
12-REGULAR PAY - OTHER	46,541,873	43,587,487		43,587,487
14-FRINGE BENEFITS - CURR PERSONNEL	17,369,437	19,199,080	(379,100)	18,819,980
15-OVERTIME PAY	2,936,840	4,400,000		4,400,000
Personal Services	88,844,739	90,896,006	(1,685,604)	89,210,402
20-SUPPLIES AND MATERIALS	805,000	846,500	(2,000)	844,500
30-ENERGY, COMM. AND BLDG RENTALS	3,021,828	1,313,826		1,313,826
31-TELEPHONE, TELEGRAPH, TELEGRAM, ETC	482,764	510,000		510,000
32-RENTALS - LAND AND STRUCTURES	1,202,079	2,917,659		2,917,659
34-SECURITY SERVICES	436,981	853,046		853,046
35-OCCUPANCY FIXED COSTS	71,367	124,622		124,622
40-OTHER SERVICES AND CHARGES	3,751,201	5,999,788	(30,000)	5,969,788
41-CONTRACTUAL SERVICES - OTHER	3,659,446	5,637,640	(70,000)	5,567,640
50-SUBSIDIES AND TRANSFERS	197,237	165,189		165,189
70-EQUIPMENT & EQUIPMENT RENTAL	275,000	88,639		88,639
Nonpersonal Services	13,902,903	18,456,909	(102,000)	18,354,909
Gross Funds	102,747,642	109,352,915	(1,787,604)	107,565,311

Committee Adjustments to the Operating Budget

The Committee recommends the following adjustments to the proposed FY18 operating budget for Special Education Transportation.

PROGRAM: *Office of Director (T100/T101)*

APPROPRIATION TITLE: Local Funds

CSG40 (Other Services and Charges)

The Committee directs a decrease of \$30,000 in other services and charges for Communication, Outreach and Admin within the Office of Director program.

CSG41 (Contractual Services - Other)

The Committee directs a decrease of \$25,000 in contractual services – other for Communication, Outreach and Admin within the Office of Director program.

PROGRAM: *Office of Director (T100/T103)*

APPROPRIATION TITLE: Local Funds

CSG41 (Contractual Services - Other)

The Committee directs a decrease of \$40,000 in contractual services – other for fiscal management within the Office of Director program.

PROGRAM: *Data Analysis and Support (T200/T203)*

APPROPRIATION TITLE: Local Funds

CSG11 (Regular Pay – Full Time Continuing)

The Committee directs a decrease of \$91,438 which are funds associated with the reduction of one FTE for data analysis and support within the Data Analysis and Support program.

CSG13 (Additional Gross Pay)

The Committee directs a decrease of \$28,346 which are funds associated with the reduction of one FTE for data analysis and support within the Data Analysis and Support program.

PROGRAM: *Parent Resource Center (T300/T301)*

APPROPRIATION TITLE: Local Funds

CSG41 (Contractual Services - Other)

The Committee directs a decrease of \$5,000 in contractual services – other for the Parent Resource Center program.

PROGRAM: *Audit, Compliance and Performance Management (T500/T501)*

APPROPRIATION TITLE: Local Funds

CSG20 (Supplies and Materials)

The Committee directs an increase of \$2,000 in supplies and materials for Investigations within the Audit, Compliance and Performance Management Program.

PROGRAM: *Terminal Operations (T600/T610, T620, T630, T640))*

APPROPRIATION TITLE: Local Funds

CSG11 (Regular Pay – Full Time Continuing)

The Committee directs a decrease of \$1,123,628 which are funds associated with the reduction of 28.4 FTEs for 5th Street, New York Ave, Southwest, and Adams Place – drive and attend students within the Terminal Operations program.

CSG14 (Fringe)

The Committee directs a decrease of \$350,748 which are funds associated with the reduction of 28.4 FTEs for 5th Street, New York Ave, Southwest, and Adams Place – drive and attend students within the Terminal Operations program.

Committee Adjustments to the FTE Authority

The Committee recommends reducing the proposed FY18 FTE Authority for Special Education Transportation by 29.4 FTEs.

FISCAL YEAR 2017 CAPITAL BUDGET

Mayor's Proposed Budget

The Mayor's proposed budget includes \$4,275,000 in FY18 and \$22,877,000 in capital funds for OSSE-DOT in FY18-FY23. These funds have been dedicated to the vehicle replacement program for the bus fleet.

Committee Comments & Analysis

Typically, the useful life of a school bus is 8 years. OSSE-DOT is seeking to achieve the goal of maintaining a healthy reliable fleet at 5 years of age or younger. The current fleet of approximately 670 vehicles includes 385 that are 2011 models or older. The Committee supports the continued replacement of vehicles to reduce maintenance costs and increase operating efficiency.

Committee Recommendations

The Committee recommends adoption of the Mayor's request for OSSE-DOT's capital budget.

H. STATE BOARD OF EDUCATION

The mission of the District of Columbia State Board of Education (“State Board”) is to provide policy leadership, support, advocacy, and oversight of public education to ensure that every student is valued and gains the skills and knowledge necessary to become informed, competent and contributing global citizens.

The State Board views its role in the achievement of this mission as one with shared responsibility, whereby it engages families, students, educators, community members, elected officials and business leaders to play a vital role in preparing every child for college and/or career success.

Co-located with the State Board, and included in its budget, are two independent offices: the Office of the Ombudsman for Public Education and the Office of the Student Advocate.²¹

FISCAL YEAR 2018 OPERATING BUDGET

Mayor’s Proposed Budget

The Mayor’s FY18 budget proposal included \$1,543,300 in gross operating funds for the State Board, a 1.8% increase from the FY17 approved budget. The proposed budget supports 21.0 FTEs, which is equal to the FY17 approved budget. The State Board’s FY18 budget is comprised of \$1,525,000 in local funds and an additional \$18,300 in private donations.²²

Committee Comments and Analysis

Personnel

The State Board’s budget has significantly improved from previous budget allocations thereby allowing the agency to become more fully sustainable. However, the State Board’s recent independence from OSSE three years ago has left the agency without the full administrative support that it needs to function efficiently. As a 10-year employee and sole administrative staff person in the agency, Ms. Briscoe-Kendrick testified during the performance oversight hearing about the State Board’s budget constraints and staff capacity issues. She described how the State Board’s bumpy transition from being OSSE-controlled to an independent body was wrought with infrastructural challenges regarding human resources, information technology, procurement, payroll, supplies, and meeting facilitation. In the Committee’s performance oversight report, the Committee noted that we would keep this issue in mind during budget oversight. During the budget oversight hearing, the State Board’s President, Karen Williams, again noted that they have been struggling administratively. She stated that it is difficult to meet the needs of the State Board as well as two independent offices when there are only two staff members to perform the administrative responsibilities for the entire agency. The Committee agrees, and will send an FTE to the State Board for this purpose. The State Board asked for an additional FTE to double their engagement and outreach capabilities. At this time the Committee is not able to send an additional FTE for this purpose but the committee believes that the additional FTE for administrative purposes will free up time for the State Board staff to do more engagement and outreach work.

In August 2016, D.C. Human Resources informed the State Board that they discovered an error in the classification of the State Board. Both DCHR and the Office of the Attorney General indicated that all

²¹ As the Office of the Ombudsman for Public Education and the Office of Student Advocate now have control over their own budgets, they have their own chapters.

²² The budget book shows that there are no new private donations in FY18. However, the State Board still has \$18,300 unused private donation funds from FY17 that the agency can carryover to FY18.

employees had to be excepted service instead of career service. The change to excepted service means that these employees are no longer eligible for step increases. Therefore, the State Board has requested additional funds in personnel to provide merit based salary increases for deserving staff members. The State Board requested \$20,000. The Committee is supportive of this request, and has identified funds for this purpose.

Over the course of the year, the State Board, Office of the Ombudsman, and the Office of the Student Advocate have all indicated that there have been problems with procurement. As a result, during the budget oversight hearing, Chairperson Grosso asked for an update on this issue. Executive Director John-Paul Hayworth said it has been challenging because they do not have a contract budget so they have to go through OCP, CFO, and DCPS. The State Board has to wait for DCPS to pay out of the treasury. Additionally, Chairperson asked them to explain why there is a \$2,500 cap on non-personnel expenditures, which is another reason why their procurement process is slow. The State Board said their purchase card has a limit of \$2,500 for services and \$5,000 for goods. Chairperson Grosso stated during the budget hearing that he will bring together all the stakeholders to see how they can speed up the procurement process.

Non-personnel

The State Board noted during performance oversight hearing, budget oversight hearing, and in prehearing responses, that the Old Council Chambers, where they hold meetings, is degrading. Although the State Board does not have a capital budget, they have indicated that they believe it is necessary for DGS to establish clear roles and responsibilities for the Office of Cable Television to ensure that equipment is maintained properly until it can be upgraded and replaced. During the budget oversight hearing, Chairperson Grosso asked the State Board if they had been having conversations with DGS about the upgrades. Mr. Heyworth indicated that they have, but that the issue is complex because DGS owns the room, the State Board owns the materials, and the Office of Cable Television owns the technical equipment. The Committee will send \$75,000 for the Old Council Chambers to be updated.

Committee Recommendations

The Committee recommends a gross operating budget of \$1,621,301, a \$78,001 increase from the Mayor's proposed FY18 budget. The Committee also recommends 22.0 FTEs.

The below charts reflect totals for the State Board of Education, Office of the Ombudsman for Public Education, and Office of the Student Advocate.

Fiscal Year 2018 Operating Budget, By Source Type

	FY17 Approved	FY18 Proposed	Variance	FY18 Committee Revised
LOCAL FUND	1,480,215	1,525,000	186,267	1,711,267
PRIVATE DONATIONS	18,300	0		0
Total Fund	1,498,516	1,525,000	186,267	1,711,267

Fiscal Year 2018 Full-Time Equivalents, By Revenue Type

	FY17 FTE	FY18 Proposed FTE	FTE Change	Budget - FTE
LOCAL FUND	21.00	21.00	2.00	23.00
Total Fund	21.00	21.00	2.00	23.00

Fiscal Year 2018 Operating Budget, By Comptroller Source Group (Gross Funds)

	FY17 Approved	FY18 Proposed	Variance	FY18 Committee Revised
11-REGULAR PAY - CONT FULL TIME	822,153	822,684	135,646	958,330
12-REGULAR PAY - OTHER	187,467	242,613		242,613
14-FRinge BENEFITS - CURR PERSONNEL	201,924	217,321	50,621	267,942
Personal Services	1,211,544	1,282,618	186,267	1,468,885
20-SUPPLIES AND MATERIALS	150,001	15,899		15,899
31-TELEPHONE, TELEGRAPH, TELEGRAM, ETC	0	25,779		25,779
40-OTHER SERVICES AND CHARGES	96,370	154,645		154,645
50-SUBSIDIES AND TRANSFERS	35,600	46,058		46,058
70-EQUIPMENT & EQUIPMENT RENTAL	5,000	0		0
Nonpersonal Services	286,972	242,382		242,382
Gross Funds	1,498,516	1,525,000	186,267	1,711,267

Committee Adjustments to the Operating Budget

The Committee makes the following adjustments to the proposed FY17 operating budget for the State Board of Education:

PROGRAM: *State Board of Education (SB01)*

APPROPRIATION TITLE: *Local Funds*

CSG11 (regular pay)

The Committee directs an increase of \$60,000 to be directed to salaries for 1.0 FTE to be used by the State Board of Education for administrative duties and for salary increases for staff. These funds are a result of a transfer from the Office of the State Superintendent of Education, Special Education Transportation.

CSG14 (fringe)

The Committee directs an increase of \$18,001 to be directed to the fringe benefits associated with 1.0 FTE to be used by the State Board of Education and for fringe increases for staff. These funds are a result of a transfer from the Office of the State Superintendent of Education, Special Education Transportation.

Committee Adjustments to the FTE Authority

The Committee recommends an increase of 1 FTE above the Mayor's proposed FY18 FTE Authority of 21.0 to allow SBOE to hire an additional administrative support staffer.

POLICY RECOMMENDATIONS

The Committee has no policy recommendations for the State Board of Education at this time.

FISCAL YEAR 2018 CAPITAL BUDGET

The Mayor's proposed budget did not include any capital funding for SBOE. However the Committee on Education transferred \$75,000 to the Committee on Transportation and the Environment to the Department of General Services (project line PL108C – Big 3 Buildings Pool) for improvements to the Old Council Chambers at One Judiciary Square including equipment, labor, design and design execution.

I. OFFICE OF THE OMBUDSMAN FOR PUBLIC EDUCATION

The Office of the Ombudsman for Public Education is an independent office within the State Board of Education. The mission of the Ombudsman is to provide equal access to education for all students within District of Columbia public and charter schools, and to support student engagement and achievement. To accomplish this mission, the Office of the Ombudsman provides conflict resolution services to families in PreK-12 public schools; identifies and recommends strategies to improve educational outcomes for all students; collaborates with families and stakeholders to address systemic issues such as bullying, harassment, equity issues, and school discipline; and provides information to families about the education system in the District of Columbia.

FISCAL YEAR 2018 OPERATING BUDGET

Mayor's Proposed Budget

The Mayor's FY18 budget proposal included \$384,192 in gross operating funds for the Office of the Ombudsman. The proposed budget supports 3.5 FTEs, which is equal to the FY17 approved budget. The FY18 budget represents the first year that the Office of the Ombudsman has its own budget line and budget authority.

Committee Comments and Analysis

State Board of Education Omnibus Amendment Act of 2016

On April 7, 2017, the *State Board of Education Omnibus Amendment Act of 2016* became law. The legislation has three primary functions. First, it provides the State Board with access to the public comments submitted during the public comment period on matters that OSSE submits to the Board for policy approval. Second, it clarifies that the Board may hold its monthly meetings at a location in the District of Columbia designated by the Board. Finally, and most importantly, the legislation strengthens the independence of the Office of the Ombudsman and the Office of the Student Advocate by imbuing the offices' with the power to hire and fire their own staff, administer their own budgets, and issue reports and recommendations without prior review by the State Board. To reflect the Ombudsman's independence over its own budget, the office was given its own budget line. During the budget oversight hearing, Chairperson Grosso asked the Ombudsman, Joyanna Smith, if policies have been implemented at the State Board to reflect these legislatively mandated changes. Ms. Smith responded that there have been conversations but no policies have actually been implemented yet. She said the expectation is that everything will go into effect on October 1, 2017 when the FY18 budget period begins. The Committee will continue to monitor this issue.

Personnel

In FY17, the Committee was able to identify funding for 1 vacant FTE position for the Office of the Ombudsman. That funding allowed the Office of the Ombudsman to hire another Associate Ombudsman, which allowed the office to quickly respond to families and provide them with quality services. However, during the budget oversight hearing and throughout the year, the Committee has continued to hear that the Ombudsman needs additional staff. Currently, the Office of the Ombudsman has 3.5 FTEs which is not enough to respond to the number of cases and calls they receive each year and to fulfill their mission. The .5 FTE is a program associate position, which is shared with the Office of the Chief Student Advocate and during the budget hearing, it was noted that this individual is often required to be in two places at once. In an addendum to the Office of the Ombudsman's budget testimony, the Ombudsman requested that the program associate shared between the Office of the Student Advocate and the Ombudsman office be turned into a full-time Ombudsman role, which would focus on more systemic, and education policy work. The

Mayor's proposed FY18 budget did not add any additional FTEs or funding for this purpose. The Committee supports the work of the Ombudsman and believes it adds value to the sometimes-complicated education landscape in the District, by providing families with a neutral arbiter to help resolve issues with schools. Therefore, the Committee was able to identify funding for 1 vacant FTE position for the Office of the Ombudsman.

The Ombudsman's office also requested personal service funds for staff salary raises of 3-5% in FY18 due to most employees newly-classified as excepted service. Additionally, the Ombudsman's office requested funding for a contract with a communications firm to promote the office's activities and increase public engagement at \$25,000. In the Ombudsman's performance oversight prehearing response, she noted that the need for more public engagement would allow the office to broaden their work, and better engage families and education stakeholders around the institutional barriers that the office observes in their casework. During the budget oversight hearing, the Chairperson said that he did not see the point of having an Ombudsman or Student Advocate if they are not able to learn from their work and impact policy. The Committee has identified funding for the Ombudsman to give staff raises. While the Committee appreciates the need for the Ombudsman to increase its NPS budget, we were unable to identify additional funding at this time.

Committee Recommendations

The Committee recommends a gross operating budget of \$438,325. This is an increase of \$54,133 over the Mayor's proposal. The Committee also recommends 4.0 FTEs.

Committee Adjustments to the Operating Budget

The Committee makes the following adjustments to the proposed FY17 operating budget for the Office of the Ombudsman:

PROGRAM: *Office of the Ombudsman (SB02)*

APPROPRIATION TITLE: *Local Funds*

CSG11 (regular pay)

The Committee directs an increase of \$37,823 to be directed to salaries for 0.5 FTE to be used by the Office of the Ombudsman for Public Education and for salary increases for staff. These funds are a result of a transfer from the Office of the State Superintendent of Education, Special Education Transportation.

CSG14 (fringe)

The Committee directs an increase of \$16,310 to be directed to the fringe benefits associated with the 0.5 FTE to be used by the Office of the Ombudsman for Public Education and for fringe increases for staff. These funds are a result of a transfer from Special Education Transportation.

Committee Adjustments to the FTE Authority

The Committee recommends an increase of .5 FTE above the Mayor's proposed FY18 FTE Authority of 3.5 to allow the Ombudsman to have a dedicated staffer that is not split with the Student advocate.

POLICY RECOMMENDATIONS

The Committee has no policy recommendations for the Office of the Ombudsman at this time.

FISCAL YEAR 2018 CAPITAL BUDGET

The Mayor's proposed budget did not include any capital funding for the Office of the Ombudsman.

J. OFFICE OF THE STUDENT ADVOCATE

The mission of the Office of the Student Advocate is to support and empower DC residents to achieve equal access to public education through advocacy, outreach, and information services. To accomplish this mission, the Office of the Student Advocate provides step-by-step assistance for students, parents, families, and community members to be informed, be connected, and be empowered.

FISCAL YEAR 2018 OPERATING BUDGET

Mayor's Proposed Budget

The Mayor's FY18 budget proposal included \$263,288 in gross operating funds for the Office of the Student Advocate. The proposed budget supports 2.5 FTEs, which is equal to the FY17 approved budget. The FY18 budget represents the first year that the Office of the Student Advocates has its own budget line and budget authority.

Committee Comments and Analysis

State Board of Education Omnibus Amendment Act of 2016

On April 7, 2017, the *State Board of Education Omnibus Amendment Act of 2016* became law. The legislation has three primary functions. First, it provides the State Board with access to the public comments submitted during the public comment period on matters that OSSE submits to the Board for policy approval. Second, it clarifies that the Board may hold its monthly meetings at a location in the District of Columbia designated by the Board. Finally, and more importantly, the legislation strengthens the independence of the Office of the Ombudsman and the Office of the Student Advocate by imbuing the offices' with the power to hire and fire their own staff, administer their own budgets, and issue reports and recommendations without prior review by the State Board. To reflect the Office of the Student Advocate's independence over its own budget, it was given their own budget line. During the budget oversight hearing, Chairperson Grosso asked both the Ombudsman and Chief Student Advocate, Ms. Faith Gibson Hubbard, if any policies were put into place since this law became effective and both agreed that none were formally in place yet. The Committee will continue to monitor this issue.

Personnel

The Office of the Student Advocate was established in May 2015 with only one FTE, the Chief Student Advocate. In FY16, the office added an additional .5 FTE, which was a Program Associate, who is currently being shared with the Office of the Ombudsman for Public Education. For FY17, the Committee on Education added 1 FTE, the Student Advocate role, which is fully dedicated to the office. With the addition of this staffing, the level of outreach and support has increased. In an addendum submitted after its budget oversight hearing, the office notes that additional staffing is needed in order to meet the increased demand for the services and to support District families in the way that the office was statutorily designed. The Student Advocate requested an additional FTE, an Assistant Student Advocate. The Mayor's proposed FY18 budget did not add any additional FTEs or funding to the State Board for this purpose. The Committee supports the work of the Student Advocate and believes it adds value to the complicated education landscape in the District, by providing families with step-by-step assistance to empower families to effectively navigate the education system. Additionally, the office requested that the .5 FTE be changed to 1 FTE, which would be dedicated primarily to the Office of the Student Advocate, and that the Administrative staff be added to the office to be shared with the Ombudsman. Therefore, the Committee was able to identify funding for an additional FTE position for the Office of the Ombudsman for Public Education, allowing the transfer of the .5 FTE that is currently shared between the offices to the Office of the Student Advocate.

The Student Advocate's office also requested personal services funds for staff salary raises of 5-6%, which would amount to \$12,000-\$13,000, in FY18 due to employees being newly-classified as excepted service. In the addendum to the budget oversight hearing testimony, the Chief Student Advocate noted that her office has not received raises or increases in pay since its inception. She also writes that because her staff is so small, the work is taxing so appropriately compensating staff for their performance is vital. The Committee realizes the importance of rewarding good staff and better engaging with the families so it has identified funds for this purpose.

Non-Personnel Service Funds

The Mayor's proposed budget allots \$55,896 to the Office of the Student Advocate. As a result, the Office of the Student Advocate requests an additional \$4,105 for non-personnel services to equal \$60,000, to bring their FY18 budget even with the previous fiscal year. Additionally, the Office of the Student Advocate has noted during performance oversight and budget oversight hearings that the office is in need of a new database in order to appropriately and securely track interactions and requests for assistance from parents and students. While the Committee values the work of the Office of the Student Advocate, it was unable to identify this funding for FY18.

Committee Recommendations

The Committee recommends a gross operating budget of \$317,421, an increase of \$54,133 over the Mayor's proposal. The Committee also recommends 3.0 FTEs, an increase of .5 FTE over the Mayor's proposal.

Committee Adjustments to the Operating Budget

The Committee makes the following adjustments to the proposed FY18 operating budget for the Office of the Student Advocate:

PROGRAM: *Office of the Student Advocate (SB03)*

APPROPRIATION TITLE: *Local Funds*

CSG11 (regular pay)

The Committee directs an increase of \$37,823 to be directed to salaries for .5 FTE to be used by the Office of the Student Advocate and for salary increases for staff. These funds are a result of a transfer from the Office of the State Superintendent of Education Special Education Transportation.

CSG14 (fringe)

The Committee directs an increase of \$16,310 to be directed to the fringe benefits associated with the 0.5 FTE to be used by the Office of the Student Advocate and for fringe increases for staff. These funds are a result of a transfer from Special Education Transportation.

Committee Adjustments to the FTE Authority

The Committee recommends an increase of .5 FTE above the Mayor's proposed FY18 FTE Authority of 2.5 to allow the Student Advocate to have a dedicated staffer that is not split with the Ombudsman.

POLICY RECOMMENDATIONS

The Committee has no policy recommendations for the Office of the Student Advocate at this time.

FISCAL YEAR 2018 CAPITAL BUDGET

The Mayor's proposed budget did not include any capital funding for the Office of the Student Advocate.

K. DEPUTY MAYOR FOR EDUCATION

The Office of the Deputy Mayor for Education (“DME”) is responsible for developing and implementing the Mayor’s vision for academic excellence and supporting the education-related District Government agencies in creating and maintaining a high quality education continuum from early childhood to K-12 to postsecondary and the workforce.

The three major functions of the DME include: overseeing a District-wide education strategy; managing interagency and cross-sector coordination; providing oversight and/or support for the following education related agencies: DC Public Library (“DCPL”); DC Public Schools (“DCPS”); Office of the State Superintendent for Education (“OSSE”); Public Charter School Board (“PCSB”); Department of Parks and Recreation (“DPR”); and University of the District of Columbia (“UDC”).

DME has only one program:

- Department of Education

FISCAL YEAR 2018 OPERATING BUDGET

Mayor’s Proposed Budget

The Mayor’s FY18 budget proposal included \$8,969,421 in gross operating funds for DME, an increase of 139.7% from the FY17 approved budget. The proposed budget supports 26 FTEs, which reflects an increase of 5 FTEs from FY16. The budget is comprised entirely of Local Funds.

Local Funds (100)

The proposed DME budget included \$8,969,421 in local funds, a 139.7% increase from the FY17 approved budget of \$3,742,667. This increase in the DME’s budget proposal includes a net increase of \$5,227 to align the budget with projected costs for salaries, Fringe Benefits, and other personal service adjustments and the loss of funding for two grants. This adjustment includes an increase of 5.0 Full-Time Equivalent (FTE) positions whose associated costs will be absorbed within the proposed budget. In addition, the proposed budget reflects a decrease of \$153,845 for the MSDC lottery, printing services, travel, and telecommunications expenses.

Committee Comments and Analysis

Uniform Per Student Funding Formula

Numerous public witnesses testified during the budget oversight hearing for the DME about their concerns about the Uniform Per Student Funding Formula (UPSFF). As described in depth in the DCPS chapter of this report, the Mayor’s proposed budget includes only a 1.5% increase to the base of the UPSFF, less than half what was advised by an OSSE working group in January 2017. When asked by the Chairperson about the decision to not fund the UPSFF Working Group’s recommendation and the reasoning for why 1.5% was instead the correct number, Deputy Mayor for Education Jennifer Niles stated that it was result of the budget process. She stated that she and others creating the budget recognized it was important to include an increase for FY18, but that they were also thinking of the need to get a contract with the Washington Teachers Union in the coming year. When that agreement is reached the Mayor anticipates having to put more funding into the budget, for DCPS and public charters. Chairperson Grosso responded that this was disappointing to him, because it means it is not a complete budget, and relied too heavily on optimism about increasing revenues in the coming year. The Chairperson asked why there was inadequate consideration around making the upcoming tax cuts contingent on additional revenue, and why funding for

education was not sufficiently prioritized, to which the Deputy Mayor responded that education was one of many priorities and they made the decision they thought was best for the city.

Chairperson Grosso noted that by debating 1.5% versus 2% and keeping up with inflation, it prevents the city from moving to the more deliberative conversation about what the right funding level is for our students. After an adequacy study in 2014 and a new proposal in 2017 recommending an increase to the UPSFF, it is clear that the funding is not keeping up with the need.

Literacy and Student Achievement

The Chairperson, other members of the Committee, and public witnesses all noted that in addition to failing to fund an adequate increase to the UPSFF, the Mayor did not fund increases to critical wraparound services. In particular, Chairperson Grosso expressed his exasperation at the defunding of the Early Literacy Intervention Initiative, as described in the OSSE chapter of this report. A number of public witnesses testified to the importance of this program, and Committee Member Robert White also expressed his frustration that it was cut from the budget. In response to these questions, the Deputy Mayor stated that there were many competing priorities and this one did not make the cut. Chairperson Grosso indicated his intention to locate funding for this program in this budget.

Out of School Time

As discussed during the Deputy Mayor's performance oversight hearing, in 2016 the Office and Commission on Out of School Time Grants and Youth Outcomes were created through legislation from the Committee and with extensive work and input from the DME. The Committee was glad to see the Mayor's budget proposal included \$4.9M for this office within the Deputy Mayor's budget, but concerned that this represented flat funding from FY17. The DME stated that she anticipates a \$1.3M supplemental to help cover the costs of summer programs in 2018, which would bring the total dollar number up. However, that concerned the Chairperson as it was a practice common to the dissolved D.C. Trust, whose practices we are trying to leave behind us. Nonetheless, the supplemental funding could present an opportunity, combined with new data, to make the case for greater funding for the Office on Out of School Time Grants and Youth Outcomes in FY19.

Chairperson Grosso inquired about the progress on setting up the new office and commission required by law. This is one of the efforts that is working well, Ms. Niles stated, with her team working closely with the hand-off from the Deputy Mayor for Health and Human Services who had been charged with the work in FY17. She stated that they are working closely with the United Way for the National Capital Region on next steps, including funding from the Trust for starting up the team for the new office. Ms. Niles noted that they had already granted summer 2017 awards, many months earlier than typically happened under the Trust. The school year 2017-18 applications are also due months earlier than in years past, meaning providers and most importantly families will have information to plan for the coming year at an earlier date. The United Way and the set-up team have been helping to improve processes that were part of the problem with the Trust. All of this has been part of improving processes based on feedback from providers and the United Way, including no longer doing reimbursement grants. Additionally, grantees will get their funds for the school year prior to the start of the school year, rather than at the beginning of the fiscal year, October 1, which had been a practice of the Trust and caused cash-flow and program instability for providers and families.

Chairperson Grosso asked how they would rate applications for SY17-18 without the strategic plan or needs assessment in place. The Deputy Mayor responded that the needs assessment and strategic plan would inform the next round of grants for summer 2018, and that they have developed a two phase plan for the needs assessment. The first part is akin to a literature review, collecting and analyzing all the reports that have already been published on the needs and the services in D.C., which will be done by end

of April. This would then be followed by a more on-the-ground needs assessment targeted to the filling in the missing pieces left after phase one.

The Committee is pleased that the executive is working to set up the Commission in the coming months and generally advancing this effort both quickly and effectively. The Committee is also adding a Budget Support Act subtitle to clarify two parts of the Office of Out of School Time Grants and Youth Outcomes Establishment Act of 2016, at the request of the DME.

Facilities and Interagency Coordination, Communication

The Chairperson and public witnesses discussed communications procedures and practices regarding modernization and small capital projects at DCPS facilities. The Chairperson noted that each year DCPS submits to the Committee a list of priority projects for the next fiscal year's small capital and stabilization projects, but when the list goes to Department of General Services (DGS), it often changes. Chairperson Grosso stated that sometimes this is reasonable, but it seems like those changes do not get communicated to DCPS or to the communities expecting improvements. He asked the DME how to improve both planning, to reduce the number of changes, and communicating, to inform communities when changes do occur. The DME stated that she mainly communicates with DCPS since they are the client, and that they have a very collaborative relationship with DGS. That has not been the experience of this Committee. However, the DME stated she felt the communications challenges can definitely be resolved.

The Chairperson then asked about the summer of FY16 when a number of projects were delayed, and the involvement of the DME in that. The Deputy Mayor for Education stated that her office did not receive regular updates on those projects at the time, but that they did respond and follow up when DCPS presents issues to the DME, as opposed to modernizations, for which she does receive regular updates on modernizations. Chairperson Grosso encouraged her to get more involved with the communication on the small capital projects as well, since they are a way for school communities to not feel left behind when they are not included in the CIP.

Under the PACE act, the Master Facilities Plan (MFP) is due for submission to the Council on December 15, 2017. The Mayor had previously briefed the Council that the administration is working on this plan, but the Deputy Mayor for Education testified during the hearing that she expects to deliver this in spring 2018 instead. The DME stated that the delay is a result of the administration's effort to make the plan more robust than originally intended by engaging charters on a plan for vacant and underutilized buildings and creating a citywide dataset that can have broader use. A new staffer who was previously at GSA is leading this work, and the MFP will comply with the PACE Act. The Committee is concerned about this delay but is cautiously optimistic that the outcome will be a solid plan that can actually be followed and has buy-in from different communities.

Chairperson Grosso noted that the DME has \$3M in capital set aside for 2023, which the Deputy Mayor stated is for fulfilling unanticipated needs as a result of the MFP. However, Chairperson Grosso pointed out that under the PACE Act the MFP will be completely redone every ten years, with prioritization every five years and individual DGS changes yearly—the 2023 date does not seem to align with any of this.

The Chairperson raised his concern that PACE be implemented properly per the law to determine each year's CIP. There seemed to be a discrepancy between the Mayor's statements during the budget briefing that the PACE criteria were used when developing the proposed FY18 6-year CIP and what the DME's written responses to pre-hearing questions indicated. The Deputy Mayor for Education clarified that the Mayor's statement was correct and the CIP was developed according to the PACE Act. Additionally, the Chairperson emphasized that the PACE Act mandates that all schools including current projects be analyzed via the matrix. Deputy Mayor Niles seemed to think that that was not the case, but Chairperson

Grosso described how it would naturally result in the current projects falling to the back of the line. The Committee will insist on fidelity of implementation of this law and check in regularly with the administration about progress toward the autumn deadline.

Over the past few budgets, Mayor Bowser has articulated a priority for modernization of middle schools. Accordingly, in developing the CIP both the Mayor and the Committee put an emphasis on accelerating these projects. However, as raised by public witnesses during various budget oversight hearings, education campuses were not similarly prioritized. The Chairperson noted this, and that Capitol Hill Montessori at Logan (CHML) is similarly situated. Deputy Mayor Niles expressed her emphasis on standalone middle schools as they serve the greatest number of middle school students, so that is why they were prioritized and others were not. She noted that CHML is on the list, though farther out in the CIP. Chairperson Grosso expressed frustration that a creative solution couldn't be found, and the Deputy Mayor for Education invited any ideas he might have.

Similarly, Washington Metropolitan High School is not included in the 6-year CIP even though it scored fairly high on the rankings list, and high schools had previously been a priority. The Deputy Mayor explained that for high schools the prioritization was on comprehensive schools, and then selective ones, but that Washington Metropolitan was not included in those priorities. Additionally there was a question about availability of suitable swing space. The Committee feels these answers show a disappointing trend—of stating that a set of schools is a priority, but not actually meaning all the schools in that category, which leaves some behind. Moving forward with PACE will hopefully resolve this issue.

Another concern for the Committee is that the DGS budget proposes a cut to communications of \$431,000, or 52%, compared to FY17. Apparently this is due to DGS working to have their client agencies, such as DCPS, be responsible for communicating directly with the public. The DME agreed to follow up regarding what roles DGS and DCPS have in communications, particularly in regard to lead testing and lead emergencies. DME acknowledged that certain past issues, such as at J.O. Wilson Elementary, were not handled well but she said that they are working to make improvements, including by designating a point person to coordinate issues around lead who has a background in facilities. They anticipate that the proposed resources will be adequate for this task.

Attendance, Services, and Safety

During the March Truancy Task Force meeting, the Committee learned that Year to Date, in seat attendance is down by .5% at DCPS and chronic truancy is up at both DCPS (1.3%) and PCS (1.5%). The Chairperson expressed his appreciation for the DME's pre-hearing response on this question noting the different reasons for students missing school and the different levels of intervention the city needs to think about, accordingly. He then asked about next steps for this work. The DME stated that an important part of the evolution of this issue is that the plan for the new common accountability framework filed by OSSE under the Every Student Succeeds Act (ESSA) will have an attendance measure, will help guide continued focus on it. Deputy Mayor Niles stated that the Trask Force is trying to shift away from only using in-seat attendance as a measure, but looking at absenteeism, and thinking about facets of excused versus unexcused absences. She noted that the Mayor's proposed budget includes expansion of Show Up, Stand Out for elementary and middle schools, as well as new funding via the Office of Victim Services and Justice Grants for high school truancy reduction, which the DME was particularly glad about due to the historic lack of funding for that age span. The DME stated that the budget also added funding for ACE and PASS. Chairperson Grosso reminded her to not only think about ACE and PASS but also interventions that prevent a student from ending up in a situation requiring one of those programs.

With regard to the Truancy Task Force Strategic Plan, the DME stated that she will work with the Steering Committee to set strategic elements for a new plan to align with the overall goals that group set for the next

five years. Chairperson Grosso emphasized the need to augment wraparound services and address trauma, and the importance of breaking down the silos in the government so that there is a concerted effort on this throughout a neighborhood. He expressed his concern about the effect on this work of the plan by DBH to change mental health services at. The DME responded that she is engaged in those discussions, and sees the plan as an opportunity to tap into resources that schools are not taking advantage of like core service agencies. Deputy Mayor Niles stated that this would allow DBH school-based clinicians to focus on Tier One interventions, truancy, attendance, school climate. The Chairperson expressed his support for the general ideas, but noted his reservations about the development and roll-out.

In her pre-hearing responses, the DME spoke about the need to improve lateral communication between schools in a geographic area after a public safety incident. As part of a plan to address this, the Deputy Mayor plans to work with a vendor (identified by OCTO) to develop a software application. The Chairperson asked why this was necessary when school resource officers currently have daily phone calls to communicate these issues. DME Niles responded that the call is typically only for DCPS schools. Chairperson Grosso did not think that was the case, but regardless he recommended a simpler approach to improving communication, for example by ensuring that SROs, LEAs, and agencies are also on these daily phone calls. The Committee will monitor this, as improved communication on these issues is important but it is not clear that a fancy solution is necessary.

Relatedly, the DME announced that a new person will be hired who will have half of their time dedicated to safe passage, and that the Safe Passage working group will take the work forward. The Chairperson is pleased that DME is working with Richard Wright PCS to look at expanding safe passage efforts, and asked about a safe passage issue raised by a public witness regarding Washington Latin PCS and the Ft. Totten Metro Station. The Chairperson noted that this presents an opportunity to leverage other resources currently deployed by the government including out of school time partners, the initiatives under the NEAR Act, or other community-based public safety resources. The Committee thinks this is particularly salient in light of testimony presented during the budget oversight hearing for DCPS when parents from Kimball express their concerns about safety with the school using swing space at Davis, which is in traditionally rival neighborhood.

Adult Learners' Transportation Subsidy

The Committee has heard a lot of testimony about the need for adult learners to have assistance with transportation throughout the past couple years, and the DME stated during performance oversight that the Mayor was considering funding recommendations of the adult learner transportation study. However, no funding was included in the Mayor's proposed budget. The DME sees value in this initiative, but there were other higher priorities. She noted that currently approximately 10 different programs provide some sort of transportation subsidies for adult learners. Implementing a more cohesive program would cost approximately \$2M. The Committee is frustrated that this funding was not included in the Mayor's proposal.

My Child Care DC, My School DC

The Mayor's proposed budget includes \$300,000 for the My Child Care DC initiative to hire contractors to enhance the user experience of the My Child Care DC website and advertise the service. The Chairperson asked about the difference between this and the Childcare Connections site run by OSSE, for which \$200,000 was allocated in FY17. The DME responded that the intention is for this new website to be more along the lines of My School DC, to help people navigate an incredibly complex system. In response to Chairperson Grosso's question about why it was not placed at OSSE, the DME conceded that there was not reason, and that it was to build on the work in the early childhood space happening at OSSE. Since the hearing, the Mayor has launched a new "Thrive by Five" website and branding

campaign, which seems to have much the same intent as this allocation, and the Committee is not convinced that this activity is the best use of the dollars.

The references to My School DC led the Chairperson to ask about the status of that entity. During the performance oversight hearing, the DME had testified that the Common Lottery Board and My School DC team would be transferred from the Deputy Mayor for Education to OSSE in this budget, but it was not reflected in the Mayor's proposal. The proposed FY18 budget included nearly one million dollars for consultants to DME, as well as more FTEs than the office should have had. The DME indicated that this was an error and that all those contract dollars as well as seven FTEs would be transferred to OSSE. The Committee plans to effectuate this change, including creating a new BSA subtitle to reflect it, and the Mayor's letter of May 11, 2017 laid out the details. The Committee looks forward to continuing to support the work of the Common Lottery Board under OSSE.

New Initiatives

Access to Public Space Initiative

The Department of Parks and Recreation was added to the oversight portfolio for the Deputy Mayor for Education last fiscal year. The Chairperson noted that he appreciated the update on this agency provided during the performance oversight hearing, but that a recurring theme for DPR, and DCPS, has been field maintenance and scheduling. The Deputy Mayor for Education stated that her team is in the process of contracting with a vendor through DPR to build a centralized online portal for space reservation, so that residents can more easily see availability and reserve spaces online. This will be available next fall for DPR, and will eventually include DCPS, DCPL, and charter schools if they choose to join the system. The Deputy Mayor stated that the first priority in facilities use is for students, but having transparency will bring more efficiency to the system. The Chairperson stated his intention to schedule a hearing to review these issues in the fall.

Citywide Education Data for Planning and Policy

The Chairperson asked about the DME's new Citywide Education Data project, and whether it was duplicative of OSSE's Statewide Longitudinal Education Data (SLED), of which he has been very supportive. The DME clarified that this initiative will be pulling data from OSSE, PCSB, Office of Planning, and other sources for the purpose of city planning. This is different from SLED because OSSE is collecting the raw data, while DME's initiative will be aggregating and analyzing the data, including from additional non-educational sources. They have published a number of information sheets on elementary, middle and high schools, as well as a report on former DCPS school buildings and their status. They also expect to publish a report soon on enrollment trends. The DME stated that the goal is to have a common, robust, scrubbed data set, which all LEAs can access for planning purposes. This initiative currently has 3 dedicated FTEs, none of which are new, organized in a cluster on the agency's chart.

Committee Recommendations

The Committee recommends a gross operating budget of \$7,570,088 and 19 FTEs for the DME. This is a \$1,399,333 decrease from the Mayor's proposed budget and a reduction of 7.0 FTEs.

Fiscal Year 2018 Operating Budget, By Source Type

	FY17 Approved	FY18 Proposed	Variance	FY18 Committee Revised
LOCAL FUND	3,742,667	8,969,421	(1,399,333)	7,570,088

Total Fund	3,742,667	8,969,421	(1,399,333)	7,570,088
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Fiscal Year 2018 Full-Time Equivalents, By Revenue Type

	FY17 FTE	FY18 Proposed FTE	FTE Change	Budget - FTE
LOCAL FUND	21.00	26.00	-7.00	19.00
Total Fund	21.00	26.00	-7.00	19.00

Fiscal Year 2018 Operating Budget, By Comptroller Source Group (Gross Funds)

	FY17 Approved	FY18 Proposed	Variance	FY18 Committee Revised
11-REGULAR PAY - CONT FULL TIME	1,856,828	2,526,258	(571,580)	1,954,678
12-REGULAR PAY - OTHER	79,646	97,857		97,857
14-FRINGE BENEFITS - CURR PERSONNEL	337,927	553,688	(120,032)	433,656
Personal Services	2,274,401	3,177,803	(691,612)	2,486,191
20-SUPPLIES AND MATERIALS	15,000	16,000		16,000
31-TELEPHONE, TELEGRAPH, TELEGRAM, ETC	8,200	27,728		27,728
40-OTHER SERVICES AND CHARGES	160,583	778,888		778,888
41-CONTRACTUAL SERVICES - OTHER	1,234,483	932,502	(407,721)	524,781
50-SUBSIDIES AND TRANSFERS	0	4,025,000	(300,000)	3,725,000
70-EQUIPMENT & EQUIPMENT RENTAL	50,000	11,500		11,500
Nonpersonal Services	1,418,266	5,780,118	(707,721)	5,072,397
Gross Funds	3,742,667	8,969,421	(1,399,333)	7,570,088

Committee Adjustments to the Operating Budget

The Committee makes the following adjustments to the proposed FY18 operating budget for the Deputy Mayor for Education:

PROGRAM: *Department of Education (2000/2010)*

APPROPRIATION TITLE: *Local Funds*

CSG11 (Regular Pay)

The Committee directs a decrease of \$571,580 which funds associated with the reduction of 7 FTEs in Agency Oversight and Support program to transfer out all staff associated with the Common Lottery Board/My School DC program from the Deputy Mayor for Education to the Office of the State Superintendent of Education, per the Mayor's errata letter.

CSG14 (Fringe)

The Committee directs a decrease of \$120,032 which funds associated with the reduction of 7 FTEs in Agency Oversight and Support program to transfer out all staff associated with the Common Lottery Board/My School DC program from the Deputy Mayor for Education to the Office of the State Superintendent of Education, per the Mayor's errata letter.

CSG41 (Contractual services)

The Committee directs a decrease of \$407,721 in contractual services for the Agency Oversight and Support program to transfer out all funding associated with the Common Lottery Board/My School DC program from the Deputy Mayor for Education to the Office of the State Superintendent of Education, per the Mayor’s errata letter.

CSG 50 (subsidies and transfers)

The Committee directs a decrease of \$300,000 in subsidies and transfers for Agency Oversight and Support.

FISCAL YEAR 2018 CAPITAL BUDGET

The Mayor’s proposed budget included \$3,000,000 in capital funding for the DME in the CIP. This funding is located in 2023. During the budget oversight hearing the Deputy Mayor for Education stated that this funding is for fulfilling unanticipated needs as a result of the MFP. However, Chairperson Grosso pointed out that under the PACE Act the MFP will be completely redone every ten years, with prioritization every five years—the 2023 date does not seem to align.

POLICY RECOMMENDATIONS

The Committee recommends the following policy changes based on the analysis and discussion above and issues brought up during DME performance and budget oversight hearings this year.

1. Collaboration on school and community safety

While the Committee applauds the new emphasis the DME has on safe passage and increasing communications among schools and communities when a public safety incident happens, it is not clear that effective collaboration has occurred with the public safety sector, particularly as the Deputy Mayor for Public Safety and Justice brings online with this budget the Office for Neighborhood Safety and Engagement as established under the NEAR Act. The issues of safe passage, particularly the example of Kimball Elementary School having swing space in the former Davis Elementary School building and the challenges of historic “beefing” between those two neighborhoods would seem an ideal opportunity for the new Office to work with DCPS and the DME to promote peacemaking, deescalate tensions and reduce conflict. The Committee recommends that the DME collaborate with Deputy Mayor for Public Safety and Justice on its safe passage and communications work. Particularly, the Committee recommends that the two Deputy Mayors work together to find a bigger picture solution to the challenge facing Kimball. Additionally, the Committee recommends the DME find a more straight-forward approach to promoting lateral communication among schools that does not rely on procuring flashy new IT solutions. Those resources could be better used elsewhere.

2. Facilitate communication between DGS, DCPS and communities

Recognizing the history of communities that have felt let down or left out of the CIP process, the Committee recommends that the DME play a more proactive role in helping DGS and DCPS set realistic goals and meet them regarding school facilities modernizations and small capital projects.

3. Follow up on Adult Learner Transportation Study

The Committee felt that funding the recommended \$2M for transportation subsidies for adult learners would have been low-hanging fruit that this budget could have accomplished. Instead, it was not included, like so many other important education-related needs. The Committee recommends the DME

to take every step possible to enact the recommendations of the study, including identifying funding later in the year if possible.

4. Out of School Time planning and budget

The Committee is extremely pleased with the progress on the Office and Commission on Out of School Time Grants and Youth Outcomes. At this time in 2016, there was a high level of anxiety as a result of the collapse of the D.C. Trust, yet the administration, Council, and community members are working well together to advance this important work in a new direction based on equity, strategic planning, and adequate funding. The Committee is disappointed that the out of school time funding was flat in the Mayor's FY18 proposed budget, and recommends that the DME continue the important work in this arena in order to be able to make the argument for the next budget of a much more robust allocation, ideally \$10M. Based on developing information from DCPS regarding reductions for FY18 to afterschool slots, the Committee recommends that the DME collaborate closely to ensure that the needs for DCPS are included in planning and needs assessment work that the nascent Office and soon-to-be-formed Commission will take forward.

III. FISCAL YEAR 2018 BUDGET SUPPORT ACT RECOMMENDATIONS

On April 4, 2017, Chairman Mendelson introduced, on behalf of the Mayor, the “Fiscal Year 2018 Budget Support Act of 2017” (Bill 22-0244). The Committee has provided comments on those subtitles related to its purview in addition to recommending new subtitles for inclusion.

A. RECOMMENDATIONS ON BUDGET SUPPORT ACT SUBTITLES PROPOSED BY THE MAYOR

The Committee provides comments on the following subtitles of the “Fiscal Year 2018 Budget Support Act of 2017”:

1. TITLE IV, SUBTITLE A. UNIFORM PER STUDENT FUNDING FORMULA FOR PUBLIC SCHOOLS AND PUBLIC CHARTER SCHOOLS AMENDMENT
2. TITLE IV, SUBTITLE C. CHILD DEVELOPMENT FACILITIES REGULATION FUND AMENDMENT
3. TITLE IV, SUBTITLE D. UNIFORM PER STUDENT FUNDING FORMULA FOR PUBLIC SCHOOLS AND PUBLIC CHARTER SCHOOLS TECHNICAL CLARIFICATION AMENDMENT
4. TITLE IV, SUBTITLE E. PUBLIC CHARTER SCHOOL ASSETS AND FACILITIES PRESERVATION AMENDMENT
5. TITLE IV, SUBTITLE F. ACADEMIC CERTIFICATION AND TESTING FUND CLARIFICATION AMENDMENT
6. TITLE IV, SUBTITLE G. POSTSECONDARY AND CAREER GRANT MAKING AMENDMENT
7. TITLE IV, SUBTITLE H. HEALTHY TOTS ACT WAIVER AMENDMENT
8. TITLE IV, SUBTITLE I. AT-RISK DEFINITION CLARIFICATION AMENDMENT
9. TITLE IV, SUBTITLE J. PER CAPITA DISTRICT OF COLUMBIA PUBLIC SCHOOL AND PUBLIC CHARTER SCHOOL FUNDING AMENDMENT

1. TITLE IV, SUBTITLE A. UNIFORM PER STUDENT FUNDING FORMULA FOR PUBLIC SCHOOLS AND PUBLIC CHARTER SCHOOLS AMENDMENT

Purpose, Effect, and Impact on Existing Law

As introduced, this subtitle will amend the Uniform Per Student Funding Formula for Public Schools and Public Charter Schools Act of 1998 to increase the foundation level by 2.38%. The increase in the foundation level has the effect of increasing the per pupil allocation for purposes of budget development for both DCPS and the public charter schools. Additionally, the subtitle changes “Blackman-Jones Compliance” to “Special Education Compliance” to reflect the end of a long-standing lawsuit, and removes some duplicative language on at-risk weight.

Committee Recommendation

The Committee recommends adoption of the proposed subtitle with technical edits as suggested by the Office of the General Counsel.

Section by Section Analysis

Sec. 4001. States the Short Title

Sec. 4002. Amends the Uniform Per Student Funding Formula for Public Schools and Public Charter Schools Act of 1998 to set the foundation level at 2.38% higher than FY17 and updates the weighting factors for per pupil allocation.

Legislative Recommendations for the Committee of the Whole

Sec. 4001. Short title.

This subtitle may be cited as the “Funding for Public Schools and Public Charter Schools Amendment Act of 2017”.

Sec. 4002. The Uniform Per Student Funding Formula for Public Schools and Public Charter Schools Act of 1998, effective March 26, 1999 (D.C. Law 12-207; D.C. Official Code § 38-2903 *et seq.*), is amended as follows:

(a) Section 104 (D.C. Official Code § 38-2903) is amended by striking the phrase “\$9,682 per student for fiscal year 2017” and inserting the phrase “\$9,912 per student for Fiscal Year 2018” in its place.

(b) Section 105 (D.C. Official Code § 38-2904) is amended by striking the tabular array and inserting the following tabular array in its place:

“Grade Level	Weighting	Per Pupil Allocation in FY 2018
“Pre-Kindergarten 3	1.34	\$13,282
“Pre-Kindergarten 4	1.30	\$12,886
“Kindergarten	1.30	\$12,886
“Grades 1-5	1.00	\$9,912
“Grades 6-8	1.08	\$10,705
“Grades 9-12	1.22	\$12,093
“Alternative program	1.44	\$14,273
“Special education school	1.17	\$11,597
“Adult	0.89	\$8,822

”.

(c) Section 106 (D.C. Official Code § 38-2905) is amended as follows:

(1) A new subsection (a-1) is added to read as follows:

“(a-1) Pursuant to section 106a of the Uniform Per Student Funding Formula for Public Schools and Public Charter Schools Act of 1998, effective February 22, 2014 (D.C. Law 20-87; D.C. Official Code § 38-2905.01), supplemental allocations shall be provided on the basis of the count of students identified as at-risk.”.

(2) Subsection (c) is amended to read as follows:

“(c) The supplemental allocations shall be calculated by applying weightings to the foundation level as follows:

“Special Education Add-ons:

“Level/ Program	Definition	Weighting	Per Pupil Supplemental Allocation FY 2018
“Level 1: Special Education	Eight hours or less per week of specialized services	0.97	\$9,615

“Level 2: Special Education	More than 8 hours and less than or equal to 16 hours per school week of specialized services	1.20	\$11,894
“Level 3: Special Education	More than 16 hours and less than or equal to 24 hours per school week of specialized services	1.97	\$19,527
“Level 4: Special Education	More than 24 hours per week of specialized services which may include instruction in a self-contained (dedicated) special education school other than residential placement	3.49	\$34,593
“Special Education Compliance	Weighting provided in addition to special education level add-on weightings on a per-student basis for Special Education compliance.	0.069	\$684
“Attorney’s Fees Supplement	Weighting provided in addition to special education level add-on weightings on a per-student basis for attorney’s fees.	0.089	\$882
“Residential	D.C. Public School or public charter school that provides students with room and board in a residential setting, in addition to their instructional program	1.67	\$16,553

“General Education Add-ons:

“Level/ Program	Definition	Weighting	Per Pupil Supplemental Allocation FY 2018
“ELL	Additional funding for English Language Learners.	0.49	\$4,857
“At-risk	Additional funding for students in foster care, who are homeless, on TANF or SNAP, or behind grade level.	0.219	\$2,171

“Residential Add-ons:

“Level/ Program	Definition	Weighting	Per Pupil Supplemental Allocation FY 2018
“Level 1: Special Education - Residential	Additional funding to support the after-hours level 1 special education needs of students living in a D.C. Public School or public charter school that provides students with room and board in a residential setting	0.368	\$3,648
“Level 2: Special Education - Residential	Additional funding to support the after-hours level 2 special education needs of students living in a D.C. Public School or public charter school that provides students with room and board in a residential setting	1.337	\$13,252
“Level 3: Special Education - Residential	Additional funding to support the after-hours level 3 special education needs of students living in a D.C. Public School or public charter school that provides students with room and board in a residential setting	2.891	\$28,656
“Level 4: Special Education - Residential	Additional funding to support the after-hours level 4 special education needs of limited and non- English proficient students living in a D.C. Public School or public charter school that provides students with room and board in a residential setting	2.891	\$28,656
“LEP/NEP - Residential	Additional funding to support the after-hours limited and non-English proficiency needs of students living in a D.C. Public School or public charter school that provides students with room and board in a residential setting	0.668	\$6,621

“Special Education Add-ons for Students with Extended School Year (“ESY”) Indicated in Their Individualized Education Programs (“IEPs”):

“Level/ Program	Definition	Weighting	Per Pupil Supplemental Allocation FY 2018
“Special Education Level 1 ESY	Additional funding to support the summer school or program need for students who require extended school year (ESY) services in their IEPs.	0.063	\$624
“Special Education Level 2 ESY	Additional funding to support the summer school or program need for students who require extended school year (ESY) services in their IEPs	0.227	\$2,250
“Special Education Level 3 ESY	Additional funding to support the summer school or program need for students who require extended school year (ESY) services in their IEPs	0.491	\$4,867
“Special Education Level 4 ESY	Additional funding to support the summer school or program need for students who require extended school year (ESY) services in their IEPs	0.491	\$4,867

..

(d) Section 106a (D.C. Official Code § 38-2905.01) is amended as follows:

(1) Subsection (a) is amended by striking the phrase “In addition to the grade level and supplemental allocations provided pursuant to sections 105 and 106, additional” and inserting the word “Supplemental” in its place.

(2) Subsection (b) is amended by striking the word “additional” and inserting the word “supplemental” in its place.

(e) Section 109 (D.C. Official Code § 38-2908) is amended as follows:

(1) Subsection (a) is amended by striking the phrase “(b) and (b-1)” and inserting the phrase “(b), (b-1), and (b-2)” in its place.

(2) Subsection (b-1) is amended by striking the phrase “and succeeding fiscal years”.

(3) Subsection (b-2) is amended as follows:

(A) Paragraph (2) is amended by striking the phrase “and succeeding fiscal years”.

(B) New paragraphs (2A), (2B), (2C), and (2D) are added to read as follows:

“(2A) For Fiscal Year 2018:

(A) The non-residential per pupil facility allowance for Public Charter Schools shall be \$3,193; and

(B) The residential per pupil facility allowance for Public Charter Schools shall be \$8,580.

“(2B) For Fiscal Year 2019, the per pupil facility allowance for Public Charter Schools shall be \$3,263.

“(2C) For Fiscal Year 2020, the per pupil facility allowance for Public Charter Schools shall be \$3,335.

“(2D) For Fiscal Year 2021, and succeeding fiscal years, the per pupil facility allowance for Public Charter Schools shall be \$3,408.”

(C) Paragraph (3) is amended by striking the phrase “(1) and (2)” and inserting the phrase “(1), (2), (2A), (2B), (2C), and (2D)” in its place.

2. TITLE IV, SUBTITLE C. CHILD DEVELOPMENT FACILITIES REGULATION FUND AMENDMENT.

Purpose, Effect, and Impact on Existing Law

This subtitle proposes to amend the D.C. Code to create a non-lapsing fund administered by OSSE to recover the costs of regulating child development facilities. The fund would pay for enforcement and monitoring activities concerning the licensure of child development facilities, and receive fines and fees levied against child development entities. The State Superintendent for Education Hanseul Kang testified during the agency’s budget oversight hearing that she anticipates approximately \$100,000 a year to be deposited into or drawn from this fund.

Committee Recommendation

The Committee recommends adoption of this proposed subtitle, with technical edits as suggested by the Office of the General Counsel.

Section by Section Analysis

Sec. 4021. States the short title.

Sec. 4022. Amends the Child Development Facilities Regulation Act of 1998 by adding a new section 7a to create a non-lapsing fund called the Child Development Facilities Fund. The Fund would pay for enforcement and monitoring activities concerning the licensure of child development facilities, and receive fines and fees levied against child development entities. Monies deposited into the Fund would not revert to the general fund.

Legislative Recommendations for the Committee of the Whole

Sec. 4021. Short title.

This subtitle may be cited as the Child Development Facilities Regulation Fund Amendment Act of 2017.

Sec. 4022. The Child Development Facilities Regulation Act of 1998, effective April 13, 1999 (D.C. Law 12-215; D.C. Code § 7-2031 et seq.) is amended by adding a new section 7a to read as follows:

“Sec. 7a. Child Development Facilities Fund.

“(a) There is established as a special fund the Child Development Facilities Fund (“Fund”), which shall be administered by the Office of the State Superintendent of Education in accordance with subsections (c) and (d) of this section.

“(b) Revenue from all payments, fees, and fines collected pursuant to this act shall be deposited in the Fund:

“(c) Money in the Fund shall be used for the following purposes:

(1) To fund activities regulating child development facilities, including the enforcement and monitoring activities concerning the licensure of child development facilities, pursuant to this act; and

(2) Appropriate overhead and administrative expenses related to the Fund.

“(d)(1) The money deposited into the Fund, and interest earned, shall not revert to the unrestricted fund balance of the General Fund of the District of Columbia at the end of a fiscal year, or at any other time.

“(2) Subject to authorization in an approved budget and financial plan, any funds appropriated in the Fund shall be continually available without regard to fiscal year limitation.”.

3. TITLE IV, SUBTITLE D. UNIFORM PER STUDENT FUNDING FORMULA FOR PUBLIC SCHOOLS AND PUBLIC CHARTER SCHOOLS TECHNICAL CLARIFICATION AMENDMENT

Purpose, Effect, and Impact on Existing Law

This subtitle would amend existing UPSFF law to replace the term "Blackman-Jones Compliance" with "Special Education Compliance" to maintain the special education programs and processes. This has no impact on funding or process it simply aligns the terms with reality.

Committee Recommendation

The Committee incorporated the changes proposed in this subtitle into subtitle A. The Committee recommends striking this subtitle, as it is now redundant.

4. TITLE IV, SUBTITLE E. PUBLIC CHARTER SCHOOL ASSETS AND FACILITIES PRESERVATION AMENDMENT

Purpose, Effect, and Impact on Existing Law

This subtitle would clarify the process for the distribution of assets upon closure of a public charter school. All assets such as computers, iPads, furniture, or supplies purchased with local UPSFF funding while a charter school is in operation reverts back to the D.C. government when the school closes. OSSE had raised concerns with the Committee that a legislative clarification was necessary with regard to the disposition of assets for closing schools. The mechanism for this transfer was clear until amendments to D.C.’s non-profit corporation law did not reflect federal or local requirements. Unfortunately, conforming amendments were not made in the education chapter of the D.C. Code during that time. The Committee worked with OSSE and the Public Charter School Board during the budget process last year to tackle this issue, but we were unable to reach an agreement on language for inclusion in the Budget Support Act for FY17.

The conversations have continued in the year since. Superintendent Kang testified that OSSE and PCSB worked closely to draft the new language, including resolution of a question about how students from a closing school can transfer to another LEA without having to go through the lottery. OSSE and PCSB both indicated their alignment on this language, and on updated language from the Committee, which included some technical clarifications. The Committee is pleased that this issue is resolved going forward.

Committee Recommendation

The Committee recommends adoption of this proposed subtitle with technical edits as suggested by the Office of the General Counsel.

Section by Section Analysis

Sec. 4041. States the Short title.

Sec. 4042. Amends Section 2213a of the District of Columbia School Reform Act of 1995 to clarify the process for the distribution of assets upon closure of a public charter school.

Legislative Recommendations for the Committee of the Whole

Sec. 4041. Short title.

This subtitle may be cited as the “Public Charter School Assets and Facilities Preservation Amendment Act of 2017”.

Sec. 4042. Section 2213a of the District of Columbia School Reform Act of 1995, effective March 14, 2007 (D.C. Law 16-268; D.C. Official Code § 38-1802.13a), is amended as follows:

(a) Subsection (b) is amended by striking the phrase “with section 48 of the Nonprofit Corporation Act and”.

(b) Subsection (c)(1) is amended as follows:

(1) The lead-in language is amended by striking the phrase “require that” and inserting the phrase “provide that” in its place.

(2) Subparagraph (B) is amended to read as follows:

“(B) The corporation’s assets shall be distributed pursuant to a plan of distribution that is in accordance with subsection (d) of this section.”.

(c) Subsection (d) is amended as follows:

(1) Paragraph (1) is amended as follows:

(A) The lead-in language is amended by striking the phrase “The chartering authority” and inserting the phrase “Following completion of the closeout audit described in paragraph (3) of this subsection, the chartering authority” in its place.

(B) Subparagraph (A) is amended by striking the word “assets” and inserting the phrase “unencumbered assets” in its place.

(C) Subparagraph (C) is amended to read as follows:

“(C) Distributing the corporation’s remaining assets in accordance with this section.”.

(2) Paragraph (2) is amended as follows:

(A) Paragraph (A) is amended to read as follows:

“(A) Provide either that:

“(i) All tangible personal property purchased with District funds, including funds received pursuant to the Uniform Per Student Funding Formula for Public Schools and Public Charter Schools Act of 1998, effective March 26, 1999 (D.C. Law 12-207; D.C. Official Code § 38-2901 et seq.), and any assets remaining after satisfaction of the corporation’s debts and the disposition of assets authorized in subsection (f) of this section shall be transferred or conveyed to the District of Columbia, to be controlled by and subject to the disposition instructions of the Office of the State Superintendent of Education and used solely for educational or similar purposes; or

“(ii) The assets described in paragraph (1) of this subsection, including cash, shall be transferred to another charter school in a transaction overseen by the chartering authority if the acquiring school agrees to enroll the closing school’s students at the start of the following school year; and”.

(B) Subparagraph (B) is amended as follows:

(i) Strike the word “Be” and insert the phrase “Notwithstanding subparagraph (A) of this paragraph, be” in its place.

(ii) Strike the phrase “existing creditor agreements and” and insert the phrase “existing creditor agreements, grant agreements, and” in its place.

(3) Paragraph (3) is amended by striking the phrase “feasible,” and inserting the phrase “feasible upon notice of an event described in subsection (a) of this section,” in its place.

(4) Paragraph (4) is amended by striking the phrase “or the District of Columbia” and inserting the phrase “, the District of Columbia, or a charter school that acquires a corporation’s assets pursuant to this section” in its place.

5. TITLE IV, SUBTITLE F. ACADEMIC CERTIFICATION AND TESTING FUND CLARIFICATION AMENDMENT

Purpose, Effect, and Impact on Existing Law

This proposed subtitle would clarify that the Academic Certification and Testing Fund is a lapsing fund.

Committee Recommendation

The Committee recommends adoption of this proposed subtitle with technical edits as suggested by the Office of the General Counsel.

Section by Section Analysis

Sec. 4051. States the Short title

Sec. 4052. Amends Section 3b(c)(1) of the State Education Office Establishment Act of 2000 is amended by striking the phrase “nonlapsing”.

Legislative Recommendations for the Committee of the Whole

Sec. 4051. Short title.

This subtitle may be cited as the “Academic Certification and Testing Fund Clarifying Technical Amendment Act of 2017”.

Sec. 4052. Section 3(c)(1) of the State Education Office Establishment Act of 2000, effective October 21, 2000 (D.C. Law 13-176; D.C. Official Code § 38-2602(c)(1)), is amended by striking the word “nonlapsing”.

6. TITLE IV, SUBTITLE G. POSTSECONDARY AND CAREER GRANT MAKING AMENDMENT

Purpose, Effect, and Impact on Existing Law

This proposed subtitle provides OSSE with authority to administer grant programs aimed at supporting District residents earning their secondary and postsecondary credentials to ensure successful transition to college and careers —OSSE has this authority under federal funding but this was necessary to clarify vagueness regarding granting local funding.

Committee Recommendation

The Committee recommends adoption of this proposed subtitle with technical edits as suggested by the Office of the General Counsel.

Section by Section Analysis

Sec 4061. States the short title.

Sec 4062. Amends Section 3(b) of the State Education Office Establishment Act of 2000 to give OSSE grant-making authority for postsecondary and career purposes.

Legislative Recommendations for the Committee of the Whole

Sec. 4061. Short title.

This subtitle may be cited as the “Postsecondary and Career Grant Making Authority Amendment Act of 2017.”

Sec. 4062. Section 3(b) of the State Education Office Establishment Act of 2000, effective October 21, 2000 (D.C. Law 13-176; D.C. Official Code § 38-2602(b)), is amended as follows:

(a) Paragraph (27) is amended by striking the phrase “; and” and inserting a semicolon in its place.

(b) Subparagraph (28) is amended by striking the period and inserting the phrase “; and” in its place.

(c) A new paragraph (29) is added to read as follows:

“(29) Have the authority to issue grants, from funds under its administration, to local education agencies, institutions of higher education, nonprofit organizations, and other education service providers to increase access to postsecondary and career education opportunities, including:

“(A) Programs implementing career and technical education;

“(B) SAT or ACT preparation programs;

“(D) Dual enrollment programs; and

“(D) Programs focused on a successful transition to college and careers.”.

7. TITLE IV, SUBTITLE H. HEALTHY TOTS ACT WAIVER AMENDMENT

Purpose, Effect, and Impact on Existing Law

This proposed subtitle would extend the waiver provided to licensed child development facilities beyond September 30, 2016 and clarify that eligibility is related to a child's eligibility for subsidized child care. There was a waiver in the last two BSAs and maintaining the waiver in this BSA will provide more time for facilities that are not yet in compliance (for various reasons) with Healthy Tots to come into compliance.

Committee Recommendation

The Committee recommends adoption of the proposed subtitle with changes that would make permanent the Office of the State Superintendent of Education’s (OSSE) authority to grant a hardship exemption to a child development facility that is required to enroll in the Child and Adult Care Food (CACF) Program. The subtitle amends the requirements for facilities applying for the hardship exemption by requiring that the facility provides OSSE with documentation that the child development facility is in compliance with the current CACF Program Meal Patterns.

Changes to the amendment would also clarify that facilities are required to enroll in the CACF Program only if 50% or more of the enrolled children are eligible for the CACF Program for at least six continuous months. This is how OSSE has been implementing the law, but it is unclear in the statutory language. The amendment also clarifies that this requirement does not apply to facilities that are on the U.S. Department of Agriculture (“USDA”) CACF Program National Disqualification List.

Section by Section Analysis

Sec 4071. States the short title.

Sec 4072. This section would clarify that facilities are required to enroll in the CACF Program if 50% or more of its enrolled children are eligible for the Program for at least six continuous months; permanently exempt facilities on the U.S. Department of Agriculture CACF Program National Disqualification List; and Lastly, this section would also require that a child development facility applying for a hardship exemption from OSSE provide documentation to OSSE that the facility is in compliance with the current CACF Program Meal Patterns.

Legislative Recommendations for the Committee of the Whole

Sec. 4071. Short title.

This subtitle may be cited as the “Healthy Tots Amendment Act of 2017”.

Sec. 4072. Section 4073a of the Healthy Tots Act of 2014, effective October 22, 2015 (D.C. Law 21-36; D.C. Official Code § 38-282.01), is amended as follows:

(a) Subsection (a) is amended as follows:

(1) Strike the phrase “are eligible to participate in the CACF Program, the facility shall participate in the program” and insert the phrase “are eligible for subsidized child care for at least 6 continuous months, the facility shall participate in the CACF Program” in its place.

(2) Strike the phrase “unless OSSE grants it an exemption” and insert the phrase “unless the facility is exempt pursuant to subsection (a-1) of this section or OSSE grants the facility a hardship exemption” in its place.

(b) A new subsection (a-1) is added to read as follows:

“(a-1) Subsection (a) of this section shall not apply to a child development facility that is on the U.S. Department of Agriculture (“USDA”) CACF Program National Disqualification List for the period of time that the child development facility is on the USDA CACF Program National Disqualification List.”.

(c) Subsection (b) is amended by striking the phrase “an exemption, a child development facility must provide OSSE with a written statement describing why participation in the CACF Program constitutes a hardship” and inserting the phrase “a hardship exemption, a child development facility must provide OSSE with a written statement describing why participation in the CACF Program constitutes a hardship, and provide OSSE documentation that the child development facility is in compliance with the current CACF Program Meal Patterns” in its place.

(d) Subsection (c) is repealed.

8. TITLE IV, SUBTITLE I. AT-RISK DEFINITION CLARIFICATION AMENDMENT

Purpose, Effect, and Impact on Existing Law

This subtitle would amend the definition of a student who qualifies as at-risk in the Uniform Per Student Funding Formula for Public Schools and Public Charter Schools Act of 1998 by striking the phrase “Qualifies for” and inserting the phrase “Certified to receive or is receiving assistance through” in its place.

Committee Recommendation

The Committee recommends striking this subtitle. The Committee is very disappointed with the Mayor’s proposed Subtitle I, which would change the definition of at-risk for purposes of the UPSFF. Currently, one attribute that results in a student receiving at-risk funding is if she “qualifies for” TANF or SNAP—the proposed subtitle would change this to only be for a student who is “certified or currently receiving” that government assistance. During last year’s budget process the Committee also was concerned about

this issue--that we do not want schools to be in the position of verifying a family's TANF or SNAP eligibility. The Chairperson made clear to OSSE that he had hoped that the relevant agencies could work together to find a solution in the intervening year, perhaps in partnership with the Deputy Mayors for Education and Health and Human Services, the Department of Human Services, and maybe other agencies. The Committee believes that there are valid reasons why a family might be eligible for TANF or SNAP but not pursue that help, and that this was the reason for including the "qualifies for" language in the original law. There are issues of stigma, and there is the fear of government that many immigrant communities have, particularly in the current political climate. The Committee is frustrated that instead of trying to find a good solution, this subtitle attempts to narrow the definition.

9. TITLE IV, SUBTITLE J. PER CAPITA DISTRICT OF COLUMBIA PUBLIC SCHOOL AND PUBLIC CHARTER SCHOOL FUNDING AMENDMENT

Purpose, Effect, and Impact on Existing Law

This subtitle would remove the requirement for an independent audit of the enrollment calculations made by OSSE. The initial reasoning given by the agency did not match up with the legislative history, and the Committee clarified that a census-like headcount is not required every year by OSSE. However, the agency stated that the process of retaining an independent auditor and training them in how OSSE conducts enrollment calculations each year is overly onerous. OSSE, PCSB and LEAs have made significant progress in improving the count of students each year for payment purposes, and it seems reasonable for the agency to no longer be subject to this audit. However, if an outside party is no longer double-checking OSSE's process, then the agency needs to make its process more transparent to the public and report on its work in this arena more proactively. The revised BSA subtitle mandates that OSSE's rigorous verification of residency status will not be affected by this change.

Committee Recommendation

The Committee recommends adoption of this proposed subtitle with edits as suggested by the Office of the General Counsel.

Section by Section Analysis

Sec 4091. Short title.

Sec 4092. Amends Section 2402 of the District of Columbia School Reform Act of 1995 to remove the requirement that OSSE hire an external auditor to review their enrollment verification procedures each year; and require OSSE to make publicly available by December 31 of each year a report on the verified enrollment for each local education agency and makes conforming amendments to section 2403.

Sec. 4093. Makes conforming amendments to the Uniform Per Student Funding Formula for Public Schools and Public Charter Schools Amendment Act of 1998.

Legislative Recommendations for the Committee of the Whole

Sec. 4091. Short title.

This subtitle may be cited as the "Per Capita District of Columbia Public School and Public Charter School Funding Amendment Act of 2017".

Sec. 4092. The District of Columbia School Reform Act of 1995, approved April 26, 1996 (110 Stat. 1321; D.C. Official Code § 38-1802.01 et seq.), is amended as follows:

(a) Section 2402 (D.C. Official Code § 38-1804.02) is amended as follows:

(1) Subsection (b) is amended as follows:

(A) The lead-in language is amended to read as follows:

“(b) **COLLECTION OF ENROLLMENT FIGURES.** — Not later than October 15 of each year, the Office of the State Superintendent of Education shall collect the following from local education agencies:”.

(B) Paragraphs (2), (4), and (6) are repealed.

(C) Paragraph (7) is amended by striking the semicolon at the end and inserting the phrase “; and” in its place.

(D) Paragraph (8) is repealed.

(2) Subsection (c) is amended to read as follows:

“(c) **ANNUAL REPORTS.** — Not later than December 31 of each year, the Office of the State Superintendent of Education shall transmit to the Mayor and the Council and make publicly available a report on the verified enrollment of each local education agency, disaggregated by the categories of students identified in subsection (b) of this section, and an explanation of the systems, procedures, and methodology used to verify enrollment pursuant to subsection (d) of this section.”.

(3) Paragraph (d) is amended to read as follows:

“(d) **VERIFICATION OF STUDENT ENROLLMENT.** — The Office of the State Superintendent of Education shall:

“(1) Verify the accuracy of the local education agencies’ enrollment figures provided pursuant to subsections (a) and (b) of this section;

“(2) Determine the amount of fees and tuition assessed and collected from the nonresident students described in subsection (b) of this section; and

“(3) Fund the verification solely from amounts appropriated to the Office of the State Superintendent of Education for staff, stipends, and non-personnel services of the Office of the State Superintendent of Education by an act making appropriations for the District of Columbia.”.

(b) Section 2403 (D.C. Official Code § 38-1804.03) is amended as follows:

(1) Subsection (a)(2)(E) is amended by striking the phrase “audited enrollment” and inserting the phrase “verified enrollment” in its place.

(2) Subsection (b) is amended as follows:

(A) Paragraph (3) is amended by striking the phrase “audited enrollment” and inserting the phrase “verified enrollment” in its place.

(B) Paragraph (4) is amended by striking the phrase “audited actual enrollment” both times it appears and inserting the phrase “verified actual enrollment” in its place.

Sec. 4093. The Uniform Per Student Funding Formula for Public Schools and Public Charter Schools Amendment Act of 1998, effective March 26, 1999 (D.C. Law 12-270; D.C. Official Code § 38-2901 et seq.), is amended as follows:

(a) Section 107 (D.C. Official Code § 38-2906) is amended as follows:

(1) Subsection (a) is amended by striking the phrase “audited enrollment” and inserting the phrase “verified enrollment” in its place.

(2) Subsection (d) is amended to read as follows:

“(1) The student counts reported by October 15 of each year shall be verified by the Office of the State Superintendent of Education, which shall also determine the number of students whose tuition for enrollment in other school systems is paid for by funds available to the District of Columbia public schools and the amount of fees and tuition assessed and collected from nonresident students enrolled in local education agencies.

“(2) The verification shall cover the information required by section 2402 of the District of Columbia School Reform Act of 1995, approved April 26, 1996 (110 Stat. 1321; D.C. Official Code § 38-1804.02), and shall be transmitted to the Mayor and the Council and made publically available no

later than December 31 of each year. Until the verification is transmitted, the unverified October count shall serve as the basis for quarterly payments.”.

(b) Section 107b (D.C. Official Code § 2906.02) is amended as follows:

(1) Subsection (b) is amended as follows:

(A) Paragraph (2) is amended as follows:

(i) Strike the phrase “unaudited October enrollment” and insert the phrase “unverified October enrollment” in its place.

(ii) Strike the phrase “on October 5” and insert the phrase “by October 15” in its place.

(B) Paragraph (3) is amended as follows:

(i) Strike the phrase “unaudited October enrollment” and insert the phrase “unverified October enrollment” in its place.

(ii) Strike the phrase “on October 5” and insert the phrase “by October 15” in its place.

(C) Paragraph (4) is amended by striking the phrase “audited October enrollment” and inserting the phrase “verified October enrollment” in its place.

(2) Subsection (c) is amended by striking the term “audit” both times it appears and inserting the term “verification” in its place.

B. RECOMMENDATIONS FOR NEW BUDGET SUPPORT ACT SUBTITLES

The Committee on Education recommends the following new subtitles to be added to the “Fiscal Year 2018 Budget Support Act of 2017”:

1. TITLE IV, SUBTITLE M. MY SCHOOL DC TRANSFER AMENDMENT
2. TITLE IV, SUBTITLE N. CHILD CARE QUALITY ACCESS FUND ESTABLISHMENT
3. TITLE IV, SUBTITLE O. CHANCELLOR OF THE DISTRICT OF COLUMBIA PUBLIC SCHOOLS SALARY AND BENEFITS APPROVAL AMENDMENT
4. TITLE IV, SUBTITLE XXX. OFFICE OF STATE SUPERINTENDENT OF EDUCATION REPORTING REQUIREMENTS AMENDMENT
5. TITLE IV, SUBTITLE _____. ENHANCED SPECIAL EDUCATION SERVICES FUND AMENDMENT
6. TITLE IV, SUBTITLE _____. OFFICE OF OUT OF SCHOOL TIME GRANTS AND YOUTH OUTCOMES AMENDMENT
7. TITLE IV, SUBTITLE _____. OFFICE OF STATE SUPERINTENDENT OF EDUCATION EARLY LITERACY GRANT PROGRAM AMENDMENT

1. TITLE IV, SUBTITLE M. MY SCHOOL DC TRANSFER AMENDMENT

Purpose, Effect, and Impact on Existing Law

This proposed subtitle allows for the legal transfer of all funding and staff associated with the My School DC program from the Deputy Mayor for Education to the Office of the State Superintendent of Education. This program is more appropriately placed with the State Education agency and not the DME. This will ensure its continued success and emphasis as an education tool for all residents and families.

Committee Recommendation

The Committee recommends adoption of this proposed subtitle.

Section-by-Section Analysis

Sec. 4121. Short title.

Sec. 4122. Amends 4052 of the Department of Education Establishment Act of 2007 by replacing the phrase “Department of Education” with the phrase “Office of the State Superintendent of Education” each time it appears.

Sec. 4123. Makes conforming amendments to the My School DC EdFest Sponsorship and Advertising Act of 2015.

Sec. 4124 Amends Section 3 of the State Education Office Establishment Act of 2000 to have OSSE administer the common schools lottery.

Legislative Recommendations for Committee of the Whole

Sec. 4121. Short title.

This subtitle may be cited as the “My School DC Transfer Amendment Act of 2017”.

Sec. 4122. Section 4052 The Department of Education Establish Act of 2007, effective June 12 2007 (D.C. Law 17-9; D.C. Official Code §38-191 et seq.), is amended as follows:

(a) Section 205 (D.C. Official Code §38-194) is amended by striking the phrase “Department of Education” both times it appears and inserting the phrase “Office of the State Superintendent of Education” in its place.

(b) Section 206 (D.C. Official Code §38-195) is amended by striking the phrase “Deputy Mayor for Education” and inserting the phrase “State Superintendent of Education” in its place.

Sec. 4123. Section 4122 of the My School DC EdFest Sponsorship and Advertising Act of 2015, effective October 22, 2015 (D.C. Official Code § 38-196.01), is amended by striking the phrase “Deputy Mayor for Education” both times it appears and inserting the phrase “State Superintendent of Education” in its place.

Sec. 4124. Section 3 of the State Education Office Establishment Act of 2000, effective October 21, 2000 (D.C. Law 13-176; D.C. Official Code § 38-2602), is amended by adding a new paragraph (4A) to read as follows:

“(4A) Administer the common lottery system for admission to public schools in the District of Columbia.”.

2. TITLE IV, SUBTITLE N. CHILD CARE QUALITY ACCESS FUND ESTABLISHMENT AMENDMENT

Purpose, Effect, and Impact on Existing Law

This proposed subtitle establishes a special fund titled the Child Care Quality Access Fund, which will be administered by OSSE. \$15 million in local appropriations will be deposited into the fund, as well as interest earned on money deposited into the fund, private donations, gifts, and grants. Money from the fund will be used for certain activities that expand access to childcare, as described in this section. Further, the money deposited into the fund will not revert to the unrestricted fund balance of the General Fund of the District of Columbia at the end of the fiscal year or at any time. Additionally, OSSE may award a grant or contract to a single non-service provider, non-profit organization, presumably to provide technical assistance or support in grant-making. The subtitle also incorporates implementation of the Child Care

Study Act of 2017, passed by this Committee this spring. Funds from the Committee on Labor and Workforce Development will help OSSE complete that work.

Committee Recommendation

The Committee recommends adoption of this proposed subtitle in accordance with the Mayor's May 11, 2017 letter with technical edits as suggested by the Office of the General Counsel.

Section by Section Analysis

Sec 4131. States the short title.

Sec 4132. Definitions

Sec 4133. Establishes the Child Care Quality Access Fund, which shall be administered by OSSE.

Sec 4134. Establishes OSSE's Child Care Quality Access Grant Making Authority.

Sec 4135. Repeals the Child Care Services Assistance Fund Act of 1988.

Sec 4136. Includes implementation of the Child Care Study Act of 2017 in the BSA.

Legislative Recommendations for the Committee of the Whole

Sec. 4131. Short title.

This subtitle may be cited as the "Access to Quality Child Care Fund Establishment Amendment Act of 2017".

Sec. 4132. Definitions.

For the purposes of this act, the term:

(1) "Child development facility" means a center, home, or other structure that provides care and other services, supervision, and guidance for children, infants, and toddlers on a regular basis, regardless of its designated name. "Child development facility" does not include a public or private elementary or secondary school engaged in legally required educational and related functions or a pre-kindergarten education program licensed pursuant to the Pre-K Enhancement and Expansion Amendment Act of 2008, effective July 18, 2008 (D.C. Law 17-202; D.C. Official Code § 38-271.01 et seq.).

(2) "Infant" means an individual younger than 12 months of age.

(3) "Operator" means an individual or entity that owns or is responsible for the operations of a child development facility.

(4) "Subsidized child care" means part-time or full-time child care services, subsidized in whole or in part to eligible families pursuant to local and federal law, including but not limited to Sections 5a and 6 of the Day Care Policy Amendment Act of 1998, effective April 13, 1999 (D.C. Law 12-216; D.C. Official Code §§ 4-404.01 and 4-405), and the Child Care and Development Block Grant Act of 2014, approved November 19, 2014 (Pub. L. 113-186; 128 Stat. 1971).

(5) "Toddler" means an individual older than 12 months but less than 36 months of age.

Sec. 4133. Access to Quality Child Care Fund.

(a) There is established as a special fund the Access to Quality Child Care Fund, which shall be administered by the Office of the State Superintendent of Education in accordance with section 4134 and subsections (c) and (d) of this section.

(b) There shall be deposited into the Fund:

(1) In fiscal year 2018, \$15 million from local appropriations;

(2) Interest earned on money deposited into the Fund; and

(3) Private donations, gifts, and grants.

(c) Money in the Access to Quality Child Care Fund shall be used to provide grants or contracts to fund the following activities that expand access to child care:

(1) Improving the supply of child care services for infants and toddlers, which may include establishing new or expanding child development facilities serving infants and toddlers; provided, that at least 50% of amounts expended pursuant to this paragraph are used to improve the supply of child care services for infants and toddlers eligible for subsidized child care;

(2) Supporting the costs of certification, higher education, and credentialing of child development facility staff;

(3) Providing technical assistance and training to child development facility operators to support compliance with the licensure process or efficient and effective operations;

(4) Evaluating and assessing the availability, quality, and willingness of child development facility operators to expand services for infants and toddlers in the District and conducting studies authorized pursuant to the Child Care Study Act of 2017, passed on 2nd reading on May 16, 2017 (Enrolled version of Bill 22-103); and

(5) Carrying out other activities as determined by OSSE related to expanding access to infant and toddler child care and improving the quality of child care services provided in the District.

(d) There is authorized to be appropriated such funds as may be necessary to carry out the activities of the Access to Quality Child Care Fund.

(e)(1) The money deposited into the Fund, and interest earned, shall not revert to the unrestricted fund balance of the General Fund of the District of Columbia at the end of a fiscal year, or at any other time.

(2) Subject to authorization in an approved budget and financial plan, any funds appropriated in the Fund shall be continually available without regard to fiscal year limitation.

Sec. 4134. Access to Quality Child Care Grant Making Authority.

(a)(1) Except as provided in subsection (b) of this section, OSSE shall award funds from the Access to Quality Child Care Fund available pursuant to section 4133(c)(1), on a competitive basis, as grants to nonprofit organizations that provide child care services to infants and toddlers to open child development facilities or for child development facilities to expand available space to serve infants and toddlers.

(b)(1) The OSSE may award a grant or contract to a single nonprofit organization that does not provide child care services to infants and toddlers; provided, that:

(A) The grantee or contractor has a proven track record of success in grant-making related to child development facilities;

(B) The grantee or contractor agrees to use 90% of the OSSE's award to award subgrants to nonprofit organizations that provide child care services to infants and toddlers for the purposes of expanding child care services in accordance with the terms of this section;

(C) The grantee or contractor agrees to undergo an annual audit and submit quarterly reports to the OSSE on its financial health and its use of the OSSE award;

(D) The grantee or contractor has a proven track record in providing financing and investment approaches and technical assistance in child development facility financing and development;

(2) A grant or contract awarded pursuant to this subsection shall be awarded for a term of at least 2 years, subject to the availability of funding.

(3) The grantee or contractor shall award subgrants for terms of at least 2 years, subject to the availability of funding.

(A) All subgrants of District funds shall be awarded on a competitive basis.

(B) Subgrants shall be awarded for the following purposes:

(i) Improving the supply of child care services for infants and toddlers, which may include establishing new, renovating existing, or expanding child development facilities serving infants and toddlers; or

(ii) Carrying out other activities necessary to expand access to child care and improving the quality of child care services provided in the District consistent with the findings of the evaluation and studies conducted pursuant to section 4133(c)(4).

(c) At least 50% of amounts awarded under this section shall be used to improve the supply of child care services for infants and toddlers eligible for subsidized child care.

(d) The Office may not award a grant or contract under this section in excess of \$1 million during a 12-month period, either singularly or cumulatively, unless the grant is first submitted to the Council for approval, in accordance with section 451(b) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 803; D.C. Official Code § 1-204.51(b)), or by act.

Section 4135. The Child Care Services Assistance Fund Act of 1988, effective March 16, 1989 (D.C. Law 7-220; D.C. Official Code § 7-2001 et seq.), is repealed.

Section 4136. The Child Care Study Act of 2017, passed on second reading May 16, 2017 (B22-103) is amended as follows:

(a) Section 5 is amended to read as follows:

“Sec. 5. “OSSE shall submit each study to the Council no later than August 1, 2018”.

(b) Section 7 is repealed.

3. TITLE IV, SUBTITLE O. CHANCELLOR OF THE DISTRICT OF COLUMBIA PUBLIC SCHOOLS SALARY AND BENEFITS AMENDMENT

Purpose, Effect, and Impact on Existing Law

This subtitle amends Section 1052(b) of the District of Columbia Government Comprehensive Merit Personnel Act of 1978 to provide a salary adjustment for the Chancellor of the District of Columbia Public Schools. The Council has already passed this legislation on an emergency and temporary basis.

Committee Recommendation

The Committee recommends adoption of this proposed subtitle in accordance with the Mayor’s May 11, 2017 letter with technical edits as suggested by the Office of the General Counsel.

Section-by-Section Analysis

Sec 4141. Short title.

Sec 4142. Amends Section 1052(b) of the District of Columbia Government Comprehensive Merit Personnel Act of 1978 to provide a salary adjustment for the Chancellor of the District of Columbia Public Schools.

Sec 4143. Amends the code by allowing the Chancellor of the District of Columbia Public Schools Antwan Wilson and his immediate family to be provided a reasonable temporary housing allowance for a period not to exceed 90 days.

Legislative Recommendations for Committee of the Whole

Sec. 4141. Short title.

This subtitle may be cited as the “Chancellor of the District of Columbia Public Schools Salary and Benefits Amendment Act of 2017”.

Sec. 4142. Section 1052(b) of the District of Columbia Government Comprehensive Merit Personnel Act of 1978, effective March 3, 1979 (D.C. Law 2-139; D.C. Official Code § 1-601.01 et seq.), is amended as follows:

(a) Paragraph (2) is amended as follows:

(1) The lead-in language is amended by striking the phrase “a compensation level of” and inserting the phrase “the following compensation levels and terms of employment:” in its place.

(2) Subparagraph (A) is amended to read as follows:

“(A)(i) Antwan Wilson shall be compensated \$280,000 annually, effective February 1, 2017, while serving in the capacity of the Chancellor of the District of Columbia Public Schools;

“(ii) Notwithstanding any other provision of law, the Chancellor may be paid a performance bonus of up to 10% of his annual base salary for goal achievements in the 2017-2018 school year;

“(iii) In addition to such other benefits as the Chancellor may be entitled to receive under existing law or regulation, and notwithstanding section 1058, the Mayor may make a separation payment to the Chancellor of up to 26 weeks of the Chancellor’s base salary if the Chancellor’s contract is terminated, unless the termination is for cause; and

“(iv) The restrictions and reporting requirements specified in section 3602(b) of the Restrictions on the Use of Official Vehicles Act of 2000, effective October 19, 2000 (D.C. Law 13-172; D.C. Official Code § 50-204(b)), shall not apply to the Chancellor.”.

(b) A new paragraph (2B) is added to read as follows:

“(2B) For the purposes of paragraph (2)(A) of this subsection “cause” means:

(A) Being indicted for or convicted of any criminal offense;

(B) Committing on-duty conduct that is reasonably known to be a violation of law or regulation;

(C) Using public office for private gain; or

(D) Committing any other act that would warrant removal pursuant to Chapter 16 of Title 6B, of the District of Columbia Municipal Regulations (6B DCMR § 1600 et seq.).

(c) Paragraph (3) is repealed.

(d) Paragraph (4) is amended to read as follows:

“(4) The existing levels of compensation for officeholders provided in paragraph (2) of this subsection shall not be the basis of determining the salary of future officeholders in the same position, who shall be subject to compensation within the limits of the DX schedule, except as provided in this chapter.”.

(d) Paragraph (5) is repealed.

Section 4143. Section 1055(3) (D.C. Official Code § 1-610.55(3)) is amended by striking the period and inserting the phrase “; provided, that the Chancellor of the District of Columbia Public Schools Antwan Wilson and his immediate family may be provided a reasonable temporary housing allowance for a period not to exceed 90 days.” in its place.

4. TITLE IV, SUBTITLE _____. OFFICE OF STATE SUPERINTENDENT OF EDUCATION REPORTING REQUIREMENTS AMENDMENT

Purpose, Effect, and Impact on Existing Law

During the FY17 budget formulation, the Committee asked OSSE to review its reporting requirements and recommend any changes due to poor timing or outdated mandates. With its FY18 pre-hearing responses, the agency provided the Committee a list of reporting requirements to change. The Committee

appreciates the work of OSSE to report on its activities and wishes to make that process as easy as possible.

Committee Recommendation

The Committee recommends adoption of this proposed subtitle.

Section-by-Section Analysis

Sec. 4XX1. States the short title.

Sec. 4XX2. Repeals the reporting requirement of the Day Care Policy Act of 1979.

Sec. 4XX3. Amends the reporting deadline for the state of attendance report.

Sec. 4XX4. Amends the reporting deadline for the state of discipline report.

Sec. 4XX5. Amends the reporting deadline for the state of pre-k report.

Sec. 4XX6. Amends the reporting deadline for the non-resident tuition review.

Sec. 4XX7. Amends the reporting deadline for the Farm to School and School Gardens report.

Sec. 4XX8. Repeals the reporting requirement for non-public tuition, as this is included in annual oversight responses to the Committee.

Sec. 4XX9. Amends the reporting deadline for the review of UPSFF and any recommended changes, based on the first report being published in January 2017 not 2016.

Legislative Recommendations for Committee of the Whole

Sec. 4__1. Short title.

This subtitle may be cited as the “Office of State Superintendent of Education Reporting Requirements Amendment Act of 2017”.

Sec. 4__2. Section 10 of the Day Care Policy Act of 1979, (D.C. Law 3-16; D.C. Official Code § 4-409), is amended by repealing subsection (e).

Sec. 4__3. Section 2(k) of Article II of An Act To provide for compulsory school attendance, for the taking of a school census in the District of Columbia, and for other purposes, approved February 4, 1925 (43 Stat. 806; D.C. Official Code § 38-203(k)), is amended by striking the date “October 1” and inserting the date “November 30” in its place.

Sec. 4__4. Section 202(d) of the Attendance Accountability Amendment Act of 2013, effective June 23, 2015 (D.C. Law 21-12; D.C. Official Code § 38-236(d)), is amended by striking the date “October 1” and inserting the date “December 15” in its place.

Sec. 4__5. The Pre-k Enhancement and Expansion Amendment Act of 2008, effective July 18, 2008 (D.C. Law 17-202; D.C. Official Code § 38-271.01 et seq.), is amended as follows:

(a) Section 103(e) is amended by striking the date “September 15” and inserting the date “December 30” in its place.

(b) Section 104 is amended by striking the date “September 30” and inserting the date “December 30” in its place.

(c) Section 105 is amended by striking the date “September 30” and inserting the date “December 30” in its place.

Sec. 4__6. Section 15c of the District of Columbia Nonresident Tuition Act, effective May 9, 2012 (D.C. Law 19-126; D.C. Official Code § 38-312.03), is amended by striking the date “May 9” and inserting the date “July 31” in its place.

Sec. 4__7. Section 303 of the Healthy Schools Act of 2010, effective July 27, 2010 (D.C. Law 18-209; D.C. Official Code § 38-823.03), is amended by striking the date “June 30” and inserting the date “September 30” in its place.

Sec. 4__8. Section 116(a) of the Protection of Students with Disabilities Amendment Act of 2008, effective March 20, 2009 (D.C. Law 17-304; D.C. Official Code § 38-2561.16(a)), is amended by striking the phrase “to the Council”.

Sec. 4__9. Section 112(a)(2) of the Uniform Per Student Funding Formula for Public Schools and Public Charter Schools Act of 1998, effective March 26, 1999 (D.C. Law 12-207; D.C. Official Code § 38-2911(a)(2)), is amended by striking the date “2016” and inserting the date “2017” in its place.

5. TITLE IV, SUBTITLE _____. ENHANCED SPECIAL EDUCATION SERVICES FUND ESTABLISHMENT AMENDMENT

Purpose, Effect, and Impact on Existing Law

As part of the FY18 budget, community members want to see OSSE further accelerate implementation of the Enhanced Special Education Services Act of 2014. OSSE stated in pre-hearing responses and in testimony to the Committee that it is releasing grant money to LEAs in FY17 and FY18 to support their implementation efforts. The Committee believes that the original legislation contemplated a non-lapsing fund this purpose.

Committee Recommendation

The Committee recommends adoption of this proposed subtitle.

Section-by-Section Analysis

Sec. 4XX1. States the short title.

Sec. 4XX2. Establishes a non-lapsing fund at OSSE for dispersing moneys to implement the Enhanced Special Education Services Act of 2014.

Legislative Recommendations for Committee of the Whole

Sec. 4XX1. Short title.

This subtitle may be cited as the “Enhanced Special Education Services Fund Amendment Act of 2017”.

Sec. 4XX2. Section 7g of the State Education Office Establishment Act of 2000, effective March 10, 2015 (D.C. Law 20-196; D.C. Official Code § 38-2613), is amended by adding a new subsection (c-1) to read as follows:

“(c-1) (1) The money deposited into the Fund, and interest earned, shall not revert to the unrestricted fund balance of the General Fund of the District of Columbia at the end of a fiscal year, or at any other time.

(2) Subject to authorization in an approved budget and financial plan, any funds appropriated in the Fund shall be continually available without regard to fiscal year limitation.”.

6. TITLE IV, SUBTITLE _____. OFFICE OF OUT OF SCHOOL TIME GRANTS AND YOUTH OUTCOMES AMENDMENT

Purpose, Effect, and Impact on Existing Law

As part of implementing the Office of Out of School Time Grants and Youth Outcomes Establishment Act of 2016, the Deputy Mayor for Education identified two small clarifications that are necessary for the effective functioning of the Office. The first is that the Office should be able to grant funds to a third party to provide capacity building or technical assistance to out of school time service providers or the Commission on Out of School Time Grants and Youth Outcomes. Second, while most grants to service providers should be multi-year, it does not make sense for summer-only programming. Although the Office and Commission will examine whether stand-alone summer programming should continue to happen, the Committee feels the change is appropriate in the meantime.

Committee Recommendation

The Committee recommends adoption of this proposed subtitle.

Section-by-Section Analysis

Sec. 4XX1. States the short title.

Sec. 4XX2. Amends the Office of Out of School Time Grants and Youth Outcomes Establishment Act of 2016 to allow the Office to grant funds to a third party to provide capacity building or technical assistance to out of school time service providers or the Commission on Out of School Time Grants and Youth Outcomes; and to exempt summer program grants from the multi-year funding mandate.

Legislative Recommendations for Committee of the Whole

Sec. 4XX1. Short title.

This subtitle may be cited as the "Office of Out of School Time Grants and Youth Outcomes Amendment Act of 2017".

Sec. 4XX2. Section 5 of the Office of Out of School Time Grants and Youth Outcomes Establishment Act of 2016, effective April 7, 2017 (D.C. Law 21-261; 64 DCR 3982), is amended as follows:

(a) Subsection (b)(1) is amended by striking the phrase “paragraph (2)” and inserting the phrase “paragraphs (2) and (3)” in its place.

(b) Subsection (b) is amended by adding a new paragraph (3) to read as follows:

“(3) The Office may award grants to nonprofit organizations for the purpose of providing training or technical assistance to the Commission or to nonprofit organizations that provide out-of-school time programs.”.

(c) Subsection (e) is amended to read as follows:

“(e) Except for grants supporting out-of-school time summer programs, grants awarded under subsection (b)(1) shall be for terms of at least 3 years, subject to the availability of funding.”.

7. TITLE IV, SUBTITLE _____. OFFICE OF STATE SUPERINTENDENT OF EDUCATION EARLY LITERACY GRANT PROGRAM AMENDMENT

Purpose, Effect, and Impact on Existing Law

The Committee established the Early Literacy Intervention Initiative grant program at OSSE in the FY16 budget. Since that time the program has served thousands of students who were below grade level in reading and writing, setting them on course to achieve grade level or above literacy by third grade, which is a pivotal moment when students transition from learning to read to reading to learn. The Mayor funded this program in FY17 but cut it for FY18—the Committee is restoring the money and with recurring funds. Additionally, the Committee and OSSE wish to give the grantees increased stability, which this subtitle does by allowing multi-year grants.

Committee Recommendation

The Committee recommends adoption of this proposed subtitle.

Section-by-Section Analysis

Sec. 4XX1. States the short title.

Sec. 4XX2. Amends the State Education Office Establishment Act of 2000 to make the Early Literacy Intervention Initiative a multi-year grant.

Legislative Recommendations for Committee of the Whole

Sec. 4____. Short title.

This subtitle may be cited as the “Office of the State Superintendent of Education Early Literacy Grant Program Amendment Act of 2017”.

Sec. 4____. Section 3(b)(24) of the State Education Office Establishment Act of 2000, effective October 21, 2000 (D.C. Law 13-176; D.C. Official Code § 38-2602(b)(24)), is amended as by striking the phrase “competitive grant program” and inserting the phrase “multiyear grant program, subject to available funding,” in its place.

IV. COMMITTEE RECOMMENDATION FOR COUNCIL-WIDE ACTION

Each year, as the Council reviews and prepares to vote on the city’s budget, we must balance competing demands for limited resources. This year, with several agencies submitting significantly reduced budgets, we are forced to think critically about the tax cut triggers and the impact on our ability to provide and expand vital services.

The package of recommendations produced by the Tax Revision Commission were designed to improve our tax system—making it fairer and more efficient, while ultimately making the District of Columbia more competitive. Since the Commission’s final report was released in May 2014, we have been fortunate that, due to continuous annual increases in local revenue, most of the cuts have already been implemented. However, continuing to direct our revenues for this purpose is imprudent, as it makes keeping pace with our growing immediate needs more challenging.

For this reason, the Committee recommends that the Council delay implementation of the estate tax “trigger”²³. The Tax Revision Commission recommended raising the estate threshold from \$2 million to conform to the federal level. By simply delaying this implementation the city would realize a \$12.02 million cost savings that would enable the Council to leverage \$162.27 million in capital allotments²⁴. The Committee on Education is compelled to make this recommendation as a consequence of the underfunding of school modernization projects, see Chart A, below.

Chart A: DCPS Historic CIP as Proportion of Total Historic CIP Investments

Fiscal Year	DCPS 6-year CIP (thousands)	Total 6-year CIP (thousands)	DCPS % of total
FY 08 Approved	\$ 1,385,169	\$ 3,311,552	41.83%
FY 09 Approved	\$ 1,573,996	\$ 3,444,794	45.69%
FY 10 Approved	\$ 1,676,804	\$ 3,530,731	47.49%
FY 11 Approved	\$ 1,717,120	\$ 3,663,342	46.87%
FY 12 Approved	\$ 1,737,761	\$ 4,955,035	35.07%
FY 13 Approved	\$ 1,774,421	\$ 5,176,714	34.28%
FY 14 Approved	\$ 1,782,791	\$ 6,240,885	28.57%
FY 15 Approved	\$ 1,599,626	\$ 6,506,862	24.58%
FY 16 Approved	\$ 1,292,138	\$ 6,256,529	20.65%
FY 17 Approved	\$ 1,332,830	\$ 6,343,465	21.01%
FY 18 Proposed	\$ 1,281,113	\$ 6,641,640	19.29%

The additional funds realized through the delay of implementation of the estate tax could be put to use to accelerate or enhance several projects in the Capital Improvements Plan (CIP). These projects should include:

- Oyster Adams Bilingual School; Adams Campus—4th-8th Grade (Ward 1)
- Aiton Elementary School (Ward 7)
- Browne Education Campus (Ward 5)

²³ The District’s estate tax affects estates with homes or other assets valued at more than \$1 million. *D.C. Official Code § 47-3702*.

²⁴ Per the Office of the Chief Financial Officer, the ratio of debt service costs to budget availability is 1 to 13.5.

- Capitol Hill Montessori @ Logan (Ward 6)
- Francis Stevens Education Campus (Ward 2)
- Garfield Elementary School (Ward 8)
- Malcolm X Elementary School (Ward 8)
- Raymond Education Campus (Ward 4)
- Smothers Elementary School (Ward 7)
- Washington Met (Ward 1)
- West Education Campus (Ward 4)

Below, the Committee has summarized how the schools would be accelerated and the cost associated with the movement.

Committee Recommendations

With an enhancement of \$162,270,000, the Committee recommends a six-year total capital budget of \$1,453,349,336.51 for DCPS, of which \$270,521,588.51 and 17.2 FTEs will be allocated for FY18. This is an increase of \$172,236,588.51 in the six-year capital budget from the Mayor's FY18 request. An increase of \$7,500,000 is due to transfers from the Committee on Transportation and the Environment, and the increase of \$2,466,588.51 due to a transfer from certain projects with unspent allotments within DCPS and Special Education Transportation. Rows highlighted in green are the Committee's recommended enhancements from this increase in capital funding compared to the Mayor's proposed FY18 budget.

	Source	FY18	FY19	FY20	FY21	FY22	FY23	TOTAL
Proposed	GO Bonds	236,723,000	223,942,800	220,048,991	166,597,282	145,253,675	287,909,000	1,280,475,748
Mark-Up	GO Bonds	262,189,589	230,942,800	220,048,991	166,597,282	142,253,675	268,409,000	1,290,442,337
Variance	GO Bonds	25,466,589	7,000,000	0	0	-3,000,000	-19,500,000	9,966,589
Enhanced	GO Bonds	269,883,589	298,182,800	257,783,991	166,597,282	172,354,675	287,909,000	1,452,711,337
Variance	GO Bonds	33,160,589	74,240,000	37,735,000	0	27,101,000	0	171,598,589

	Source	FY18	FY19	FY20	FY21	FY22	FY23	TOTAL
Proposed	Short Term Bonds	638,000	0	0	0	0	0	638,000
Mark-Up	Short Term Bonds	638,000	0	0	0	0	0	638,000
Variance	Short Term Bonds	0	0	0	0	0	0	0
Enhanced	Short Term Bonds	638,000	0	0	0	0	0	638,000
Variance	Short Term Bonds	0	0	0	0	0	0	0

	Source	FY18	FY19	FY20	FY21	FY22	FY23	TOTAL
Proposed	Total	237,361,000	223,942,800	220,048,991	166,597,282	145,253,675	287,909,000	1,281,112,748
Mark-Up	Total	262,827,589	230,942,800	220,048,991	166,597,282	142,253,675	268,409,000	1,291,079,337
Variance	Total	25,466,589	7,000,000	0	0	-3,000,000	-19,500,000	9,966,589
Enhanced	Total	270,521,589	298,182,800	257,783,991	166,597,282	172,354,675	287,909,000	1,453,349,337
Variance	Total	33,160,589	74,240,000	37,735,000	0	27,101,000	0	172,236,589

Below is a breakdown for each capital project in the FY18-FY23 Capital Improvement Plan for DCPS impacted by an enhancement in the amount of \$162,270,000 due to the delay of the estate tax trigger. The Committee examined the proposed six-year CIP and was determined to not delay the completion of any project, not reduce capital allotments in any fiscal year, and utilize the FY17 modernization prioritization matrix to determine which projects get accelerated and how much of an acceleration should occur. The estimated full funding cost in the Capital Volume of the Mayor's proposed FY18 budget was utilized to determine total capital allotments, when available. The below recommendations place every school that has not seen a full or phased modernization in to the FY18-23 CIP.

YY160C – ADAMS

	Source	FY18	FY19	FY20	FY21	FY22	FY23	TOTAL
Proposed	GO Bonds	0	0	0	0	0	0	0
Mark-Up	GO Bonds	0	0	0	0	0	0	0
Variance	GO Bonds	0	0	0	0	0	0	0
Enhanced	GO Bonds	0	0	0	0	2,000,000	29,029,000	31,029,000
Variance	GO Bonds	0	0	0	0	2,000,000	29,029,000	31,029,000

YY176C – AITON ES

	Source	FY18	FY19	FY20	FY21	FY22	FY23	TOTAL
Proposed	GO Bonds	0	0	0	514,000	2,571,000	37,000,000	40,085,000
Mark-Up	GO Bonds	0	0	0	514,000	2,571,000	37,000,000	40,085,000
Variance	GO Bonds	0	0	0	0	0	0	0
Enhanced	GO Bonds	0	0	514,000	2,571,000	37,000,000	0	40,085,000
Variance	GO Bonds	0	0	514,000	2,057,000	34,429,000	-37,000,000	0

YY101C – BANNEKER HS

	Source	FY18	FY19	FY20	FY21	FY22	FY23	TOTAL
Proposed	GO Bonds	1,341,000	9,707,000	87,670,000	35,425,000	0	0	134,143,000
Mark-Up	GO Bonds	1,341,000	9,707,000	38,149,000	84,946,000	0	0	134,143,000
Variance	GO Bonds	0	0	-49,521,000	49,521,000	0	0	0
Enhanced	GO Bonds	1,341,000	9,707,000	46,428,000	76,667,000	0	0	134,143,000
Variance	GO Bonds	0	0	-41,242,000	41,242,000	0	0	0

YY108C – BROWNE EC

	Source	FY18	FY19	FY20	FY21	FY22	FY23	TOTAL
Proposed	GO Bonds	0	0	0	0	0	3,622,000	3,622,000
Mark-Up	GO Bonds	0	0	0	0	0	10,022,000	10,022,000
Variance	GO Bonds	0	0	0	0	0	6,400,000	6,400,000
Enhanced	GO Bonds	0	0	0	0	2,446,000	28,446,000	30,892,000
Variance	GO Bonds	0	0	0	0	2,446,000	24,824,000	27,270,000

YY1SPC – CENTRALIZED SWING SPACE

	Source	FY18	FY19	FY20	FY21	FY22	FY23	TOTAL
Proposed	GO Bonds	14,300,000	4,921,000	0	0	1,800,000	0	21,021,000
Mark-Up	GO Bonds	13,800,000	4,921,000	0	0	1,800,000	0	20,521,000
Variance	GO Bonds	-500,000	0	0	0	0	0	-500,000
Enhanced	GO Bonds	14,300,000	4,921,000	0	0	1,800,000	0	21,021,000
Variance	GO Bonds	0	0	0	0	0	0	0

YY181C – ELIOT HINE JHS

	Source	FY18	FY19	FY20	FY21	FY22	FY23	TOTAL
Proposed	GO Bonds	4,812,000	49,247,000	30,159,000	0	0	0	84,218,000
Mark-Up	GO Bonds	4,812,000	38,331,000	41,075,000	0	0	0	84,218,000
Variance	GO Bonds	0	-10,916,000	10,916,000	0	0	0	0
Enhanced	GO Bonds	4,812,000	49,247,000	30,159,000	0	0	0	84,218,000
Variance	GO Bonds	0	0	0	0	0	0	0

GM312C – ES/MS MODERNIZATION CAPTIAL LABOR

	Source	FY18	FY19	FY20	FY21	FY22	FY23	TOTAL
Proposed	GO Bonds	7,500,000	8,534,950	7,951,698	9,679,282	11,736,746	8,000,000	53,402,676
Mark-Up	GO Bonds	7,500,000	8,534,950	7,951,698	9,679,282	11,736,746	8,000,000	53,277,676
Variance	GO Bonds	0	0	0	0	0	0	0
Enhanced	GO Bonds	7,500,000	8,534,950	7,951,698	9,679,282	11,736,746	8,000,000	53,402,676
Variance	GO Bonds	0	0	0	0	0	0	0

YY103C – FRANCIS STEVENS ES

	Source	FY18	FY19	FY20	FY21	FY22	FY23	TOTAL
Proposed	GO Bonds	0	0	0	0	3,000,000	41,977,000	44,977,000
Mark-Up	GO Bonds	0	0	0	0	3,000,000	41,977,000	44,977,000
Variance	GO Bonds	0	0	0	0	0	0	0
Enhanced	GO Bonds	0	0	0	0	3,000,000	47,977,000	50,977,000
Variance	GO Bonds	0	0	0	0	0	6,000,000	6,000,000

YY182C – GARFIELD ES

	Source	FY18	FY19	FY20	FY21	FY22	FY23	TOTAL
Proposed	GO Bonds	0	0	0	0	3,210,000	24,273,000	27,483,000
Mark-Up	GO Bonds	0	0	0	0	3,210,000	24,273,000	27,483,000
Variance	GO Bonds	0	0	0	0	0	0	0
Enhanced	GO Bonds	0	0	0	2,000,000	29,483,000	0	31,483,000
Variance	GO Bonds	0	0	0	2,000,000	26,273,000	-24,273,000	4,000,000

GM311C – HIGH SCHOOL LABOR

	Source	FY18	FY19	FY20	FY21	FY22	FY23	TOTAL
Proposed	GO Bonds	3,500,000	4,868,850	5,502,293	1,600,000	0	0	15,471,143
Mark-Up	GO Bonds	3,250,000	4,868,850	5,502,293	1,600,000	0	0	15,221,143
Variance	GO Bonds	-250,000	0	0	0	0	0	-250,000
Enhanced	GO Bonds	3,500,000	4,868,850	5,502,293	1,600,000	0	0	15,471,143
Variance	GO Bonds	0	0	0	0	0	0	0

YY107C – LOGAN ES

	Source	FY18	FY19	FY20	FY21	FY22	FY23	TOTAL
Proposed	GO Bonds	0	0	0	0	0	2,763,000	2,763,000
Mark-Up	GO Bonds	750,000	0	0	0	0	2,763,000	3,513,000
Variance	GO Bonds	750,000	0	0	0	0	0	750,000
Enhanced	GO Bonds	750,000	0	0	0	2,763,000	29,990,000	33,503,000
Variance	GO Bonds	750,000	0	0	0	2,763,000	27,227,000	30,740,000

GR337C – GREEN ES (MALCOM X)

	Source	FY18	FY19	FY20	FY21	FY22	FY23	TOTAL
Proposed	GO Bonds	0	0	0	0	0	0	0
Mark-Up	GO Bonds	0	0	0	0	0	0	0
Variance	GO Bonds	0	0	0	0	0	0	0
Enhanced	GO Bonds	0	0	0	0	3,000,000	29,000,000	32,000,000
Variance	GO Bonds	0	0	0	0	3,000,000	29,000,000	32,000,000

YY193C – RAYMOND ES

	Source	FY18	FY19	FY20	FY21	FY22	FY23	TOTAL
Proposed	GO Bonds	0	0	0	3,000,000	24,662,000	38,538,000	66,200,000
Mark-Up	GO Bonds	0	0	0	3,000,000	24,662,000	38,538,000	66,200,000
Variance	GO Bonds	0	0	0	0	0	0	0
Enhanced	GO Bonds	0	3,000,000	24,662,000	38,538,000	0	0	66,200,000
Variance	GO Bonds	0	3,000,000	24,662,000	35,538,000	-24,662,000	-38,538,000	0

YY195C – SMOTHERS ES

	Source	FY18	FY19	FY20	FY21	FY22	FY23	TOTAL
Proposed	GO Bonds	0	0	0	2,843,000	20,000,000	26,000,000	48,843,000
Mark-Up	GO Bonds	0	0	0	2,843,000	20,000,000	26,000,000	48,843,000
Variance	GO Bonds	0	0	0	0	0	0	0
Enhanced	GO Bonds	0	0	0	4,843,000	44,000,000	0	48,843,000
Variance	GO Bonds	0	0	0	2,000,000	24,000,000	-26,000,000	0

XX000X – WASHINGTON MET/KC LEWIS

	Source	FY18	FY19	FY20	FY21	FY22	FY23	TOTAL
Proposed	GO Bonds	0	0	0	0	0	0	0
Mark-Up	GO Bonds	0	0	0	0	0	0	0
Variance	GO Bonds	0	0	0	0	0	0	0
Enhanced	GO Bonds	0	0	0	0	2,000,000	35,631,000	37,631,000
Variance	GO Bonds	0	0	0	0	2,000,000	35,631,000	37,631,000

YY173C – WEST ES

	Source	FY18	FY19	FY20	FY21	FY22	FY23	TOTAL
Proposed	GO Bonds	0	824,000	6,120,000	33,316,000	42,148,000	0	82,408,000
Mark-Up	GO Bonds	0	824,000	6,120,000	33,316,000	42,148,000	0	82,408,000
Variance	GO Bonds	0	0	0	0	0	0	0
Amendment	GO Bonds	1,000,000	0	5,944,000	33,316,000	42,148,000	0	82,408,000
Amend. Var.	GO Bonds	1,000,000	-824,000	-176,000	0	0	0	0
Enhanced	GO Bonds	6,944,000	42,148,000	33,316,000	0	0	0	82,408,000
Variance	GO Bonds	6,944,000	41,324,000	27,196,000	-33,316,000	-42,148,000	0	0

While the Committee appreciates the complexity associated with this change, we believe it is necessary to ensure that we are continuing to invest in the improvement of DCPS school facilities to enhance the learning environment, improve student performance, and advance educational outcomes for our students.

V. COMMITTEE ACTION AND VOTE

On May 18, 2017, at 2:08 p.m., the Committee met in the Council Chamber (Room 500) of the John A. Wilson Building to consider and vote on the Committee's proposed FY18 operating and capital budgets for the following:

- District of Columbia Public Schools
- Office of the State Superintendent
- District of Columbia Public Charter Schools
- District of Columbia Public Library
- District of Columbia Public Charter School Board
- Non-Public Tuition
- Special Education Transportation
- D.C. State Board of Education
- Office of the Ombudsman for Public Education
- Office of the Student Advocate
- Deputy Mayor for Education

The agenda also included a review and vote on the Committee's recommendations for the FY18 Budget Request and Support Acts. Committee Chairperson David Grosso (At-Large) determined the presence of a quorum consisting of himself and Councilmember Anita Bonds (At-Large), Councilmember Charles Allen (Ward 6), Councilmember Robert White (At-Large), and Councilmember Trayon White (At-Large).

Statements for the Record:

Chairperson Grosso: Chairperson Grosso provided an overview of the Committee's recommendations for the FY18 budget for the agencies under the Committee's purview. Specifically, he summarized the operating and capital recommendations for each agency, as well as the Committee recommendation to the Committee of the Whole that the planned estate tax cut be delayed and that the savings be leveraged to increase CIP for schools. He also thanked everyone who testified or otherwise engaged on the budget, including the two video testimonies he received from students. He then opened the floor for discussion.

Councilmember Trayon White: Councilmember Trayon White began by stating that he is glad to see the Committee budget, because he had been disappointed in the Mayor's proposal for education and it required improvements. He stated his support for the increase to the UPSFF, though he wished it were higher. He stated his appreciation for the attention the Committee paid to priorities that the Mayor had ignored, including restorative justice, community schools, and early literacy intervention grants. He said he supports the Committee's policy recommendations for reporting by DCPS on its scale-up of restorative justice and its planned spending for the additional UPSFF dollars to ensure schools most in need get resources, and for the DME to work on safe passage issues more comprehensively.

Councilmember Robert White: Councilmember Robert White began by applauding the advocates and communities for being engaged on education issues. He stated his support for the Committee's increase to the UPSFF, and noted that while the Committee did everything it could to close the gap and get to 3.5%, it was not possible. He expressed his appreciation for the funding for Capitol View library renovations and the early literacy intervention grants. Noting that Councilmember Allen made an amendment during the budget process in 2015 to provide planning money for a school that was not able to be accelerated in the CIP, he proposed an amendment to allocate funds for planning for the modernization of West EC in FY18, which was accepted as friendly by the Chairperson. He thanked Chairperson Grosso and Councilmember Brandon Todd for working with him on the amendment.

Councilmember Anita Bonds: Councilmember Bonds began by commending the Committee for increasing the UPSFF to just above inflation. She stated that we live in a community that values education highly and we need to fund it accordingly. She expressed her support for changes to the CIP to accelerate the modernizations of Jefferson, Eaton and Browne, and said she shared Chairperson Gross's concern about the high price tags of some of these modernizations. She commended the Committee for asking for reports on at-risk spending and continuing engagement on the issue of school-based health professionals. She also commended the Committee's changes for the Capitol View library renovations, as well as restoring funding for the early literacy intervention grants and oral history project.

Councilmember Allen: Councilmember Allen began by noting that a lot of challenges faced the Committee as a result of the Mayor's proposed budget, and while Chairperson Grosso was not able to solve them all, he did solve many of them. He noted that in a city doing so well that prioritizes education, he was disappointed in the Mayor's proposed education budget. He noted the decrease in the schools' capital budget, cuts to collections at the library, elimination of the early literacy intervention grants and flat-funding of out of school time programming. He stated that the UPSFF increase recommended by the Committee is a tangible improvement, and expressed his support for the Committee tracking how that money is spent. He also praised the increase to the DCPL collections, funded in part by the committee he chairs. He thanked Chairperson Grosso for his commitment to literacy, including to those in difficult circumstances, as shown by the Education Committee's transfer to the Judiciary Committee of money for a literacy-based prisoner and reentry support grant. He noted his frustration with the DCPS capital budget, but that the Committee had made important changes including accelerating Jefferson after it had often been delayed in the past, and adding planning money for a creative solution for Logan, home of Capitol Hill Montessori. He reiterated the need for an infusion of dollars into the capital plan to put toward school modernizations, and echoed Chairperson Grosso's statement that schools should be prioritized over a cut to the estate tax.

Committee Chairperson Grosso thanked members for their statements and noted that in accelerating Jefferson's modernization, the Committee has been careful not to negatively affect Eliot Hine, which is also set to start renovation in FY18. He further stated that the Mayor's errata letter of May 11, 2017, had some important recommendations which the Committee followed, but it also contained a disingenuous representation for the UPSFF by suggesting using one-time money to make the increase of 2%. He noted that the Committee not only increases the UPSFF by a greater amount, but does so with recurring funding.

Chairperson Grosso then moved the vote on the recommended operating and capital budgets for the agencies under its purview as presented in the Committee's FY18 Committee Budget Report, as well as the Committee's recommendations for the FY18 Budget Request and Support Acts.

Members in favor:	Committee Chairperson Grosso, and Councilmembers Bonds, Allen, Robert White, and Trayon White.
Members opposed:	None
Members abstaining:	None
Members absent:	None

The Committee's recommended operating and capital budget for agencies under its purview as presented in the Committee's FY18 Committee Budget Report, as well as the Committee's recommendation for the FY18 Budget Request Act and FY18 Budget Support Act recommendations were adopted by a 5-0 vote. The meeting adjourned at 3:05 p.m.

VI. ATTACHMENTS

- A. Committee on Education Capital Mark-up Table
- B. Complete Ranking of Schools for the Capital Budget and Index
- C. Amendment offered by Councilmember Robert White at Mark-up
- D. Witness Lists and Testimony from the Budget Oversight Hearings