

A BILL

24-570

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

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

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

**TITLE I. DCPS BUDGET**

Sec. 101. This title may be cited as the "Schools First in Budgeting Emergency Act of 2022".

Sec. 102. Definitions.

For the purposes of this title, the term:

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

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

(3) “Local Schools” means the individual schools comprising the DCPS system

whose programs, services, and employees are paid for with funds under the control and direction of the individual school principals.

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

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

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

(7) “Uniform Per Student Funding Formula” means the formula for funding DCPS and the District’s public charter schools established 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.*).

Sec. 103. DCPS’s annual budget.

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

(1) Central Administration;

(2) Local Schools;

58 (3) School Support; and

59 (4) School-Wide.

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

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

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

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

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

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

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

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

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

- (A) At-risk students;
- (B) The at-risk high school over-age supplement;
- (C) Elementary ELL; and
- (D) Secondary ELL; and

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

(A) Total projected enrollment for:

- (i) Each grade level the school serves;
- (ii) Students in an alternative program;
- (iii) Students receiving special education services; and
- (iv) Students in an adult education program.

(B) Projected number of students who qualify as:

- (i) General education (receiving no special education services);
- (ii) Level 1: Special Education;
- (iii) Level 2: Special Education;
- (iv) Level 3: Special Education;
- (v) Level 4: Special Education;
- (vi) Special Education Level 1 Extended School year ("ESY");
- (vii) Special Education Level 2 ESY;
- (viii) Special Education Level 3 ESY;

- 104 (ix) Special Education Level 4 ESY;
- 105 (x) Limited English Proficient/Non-English Proficient;
- 106 (xi) At-risk;
- 107 (xii) At-risk high school over-age supplement.

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

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

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

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

122 (g) No later than October 30 of each year, the Mayor shall submit to the Council a revised  
123 appropriated funds operating budget for DCPS for the fiscal year beginning on the preceding  
124 October 1 that sets forth the total amount of the approved appropriation and that realigns  
125 budgeted data with anticipated actual expenditures with the specification set forth in of  
126 subsections (a), (b), and (c) of this section.

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

(i) By March 31, 2024, and annually thereafter, the Mayor shall transmit a report of the previous school year's actual expenditures, for each school, to the Office of the State Superintendent of Education. The report shall conform to the common financial reporting standards established by the Department of Education pursuant to section 202(b)(10) of the Department of Education Establishment Act of 2007, effective June 12, 2007 (D.C. Law 17-9; D.C. Official Code § 38-191(b)(10)).

(j) For the purposes of this section:

(1) The following terms shall have the same meaning as provided in section 102 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 § 38-2901):

(A) "Adult education";

(B) "Alternative program";

(C) "At-risk";

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

(C) "Elementary ELL";

(D) "Limited English Proficient/Non-English Proficient"; and

(D) "Secondary ELL".

(2) The following terms shall have the same meaning as provided in section 106 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 § 38-2901):

- (A) “At-risk high school over-age supplement”;
- (B) “Level 1: Special Education”;
- (C) “Level 2: Special Education”;
- (D) “Level 3: Special Education”;
- (E) “Level 4: Special Education”;
- (F) “Limited English Proficient/Non-English Proficient”;
- (G) “Special Education Level 1 Extended School year (“ESY”)”;
- (H) “Special Education Level 2 ESY”;
- (I) “Special Education Level 3 ESY”; and
- (J) “Special Education Level 4 ESY”.

Sec. 104. Schools First budgets.

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

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

- (A) Privately raised funds;

(B) Pandemic Supplement Funds as authorized by section 106b of the Uniform Per Student Funding Formula for Public Schools and Public Charter Schools Act of 1998, effective September 21, 2022 (D.C. Law 24-167; D.C. Official Code § 38-2905.02);

(C) Federal Elementary and Secondary School Emergency Relief funds;

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

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

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

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

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

(3) Increase the amount derived pursuant to paragraph (2) of this subsection to fully fund an increase in the number of general education personnel at the school by the greater of the amount agreed to by the Chancellor or the amount necessary to fully fund an increase in the number of personnel required by the school’s projected or actual enrollment (in one year, or over time), when such enrollment requires one or more additional instructional or school-based



support personnel (required such as per the collective bargaining agreement with the teachers’ labor union).

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

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

(6) The amount derived pursuant to paragraph (5) of this subsection may be decreased, incrementally, if the school’s projected enrollment for the next school year is projected to decline; provided: that the decrease shall be made only on an FTE basis (using average salary); shall not be made unless the enrollment decline is great enough on the grade or subject level to eliminate a classroom or warrant elimination of instructional or school-based support personnel; and the school will still comply with the class size maximums set forth in the Collective Bargaining Agreement with the teachers’ labor union.

(7) The amount derived pursuant to paragraph (6) of this subsection may be decreased, incrementally, to reflect a reduced need for special education or ELL personnel; provided, that the funding for such faculty shall align fully with the required service levels for students.

(8) As applicable, increase the amount derived pursuant to paragraph (7) of this section by the amount to be allocated to the school through the at-risk concentration supplement provided pursuant to section 106a(c-2) of the Uniform Per Student Funding Formula for Public

Schools and Public Charter Schools Act of 1998, effective September 21, 2022 (D.C. Law 24-167; D.C. Official Code § 38-2905.01(c-2)).

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

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

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

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

(2) Any depiction of a school budget created or calculated by methods other than those described in subsection (a) of this section, such as one that might attribute funds from

School Support or School-Wide to an individual school, shall not contain the words “Schools First” in the title.

## **TITLE II. CONFORMING AMENDMENTS**

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

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

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

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

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

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

Sec. 301. Fiscal impact statement.

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

Sec. 302. Effective date.

This act shall take effect following approval by the Mayor (or in the event of veto by the Mayor, action by the Council to override the veto), and shall remain in effect for no longer than 90 days, as provided for emergency acts of the Council of the District of Columbia in section

259 412(a) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 788;  
260 D.C. Official Code § 1-204.12(a)).

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