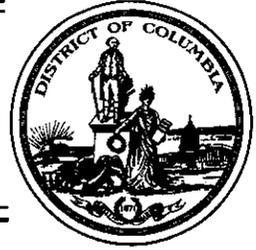

COMMITTEE ON EDUCATION

DAVID A. CATANIA, CHAIRPERSON
FISCAL YEAR 2014 COMMITTEE BUDGET REPORT



TO: Members of the Council of the District of Columbia

FROM: Councilmember David A. Catania *dal*
Chairperson, Committee on Education

DATE: May 9, 2013

SUBJECT: Report and Recommendations of the Committee on Education on the Fiscal Year 2014 Budget for Agencies Under Its Purview

The Committee on Education (Committee), having conducted hearings and received testimony on the Mayor's proposed Fiscal Year 2014 (FY14) 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 FY14 Budget Support Act of 2013, as proposed by the Mayor.

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COUNCIL BUDGET DIRECTOR CERTIFICATION:

Janifer Bull

DATE: 5/20/13

I. EXECUTIVE SUMMARY

The following summarizes the Committee's recommendations for the FY14 operating budgets, full-time equivalents (FTEs), and capital budgets for the agencies and programs under its purview.

DISTRICT OF COLUMBIA PUBLIC SCHOOLS

Fiscal Year 2014 Operating Budget, By Source of Funds

	FY 2012 Actual	FY 2013 Approved	FY 2014 Mayor's Proposed	FY 2014 Committee Variance	FY 2014 Committee Proposed
LOCAL FUND	638,879,060	646,175,908	644,302,107	135,000	644,437,107
FEDERAL PAYMENTS	20,032,120	36,600,000	0	0	0
FEDERAL GRANT FUND	7,040,971	8,594,930	47,038,244	0	47,038,244
PRIVATE DONATIONS	475,147	0	0	0	0
PRIVATE GRANT FUND	22,430,485	3,841,074	5,061,817	0	5,061,817
SPECIAL PURPOSE REVENUE FUNDS	1,563,201	11,807,890	11,090,359	0	11,090,359
INTRA-DISTRICT FUNDS	119,908,830	104,821,760	111,122,742	0	111,122,742
DCPS	810,329,815	811,841,563	818,615,269	135,000	818,750,269

Fiscal Year 2014 Full-Time Equivalents, By Revenue Type

	FY 2013 FTEs Approved	FY 2014 FTEs Mayor's Proposed	FY 2014 FTEs Committee Variance	FY 2014 FTEs Committee
LOCAL FUND	6625.7	6320.4	0.0	6320.4
FEDERAL GRANT FUND	77.9	281.2	0.0	281.2
FEDERAL PAYMENTS	214.2	0.0	0.0	0.0
PRIVATE DONATIONS	0.0	0.0	0.0	0.0
PRIVATE GRANT FUND	32.9	53.7	0.0	53.7
SPECIAL PURPOSE REVENUE FUNDS	10.0	18.5	0.0	18.5
INTRA-DISTRICT FUNDS	597.3	610.9	0.0	610.9
DCPS	7557.9	7284.6	0.0	7284.6

The Committee has identified \$4,500,000 in savings internal to the District of Columbia Public Schools (DCPS), along with \$135,000 in savings from the Office of the Deputy Mayor for Education (DME), to support the following:

- Stabilizing DCPS schools that received more than a 5% gross reduction to their budget from FY13 to FY14;
- Investing additional resources in summer academic enrichment programs, including the summer bridge program for rising 9th graders;
- Restoration of reductions in library services for those schools impacted by the change in policy regarding small school status; and
- Implementation of the Science, Technology, Engineering and Math (STEM) program at H.D. Woodson High School.

Capital Budget

The Mayor's proposed FY14 capital budget includes \$441,595,000 for DCPS, primarily dedicated to the modernization of schools. The Committee makes no change to the proposed funding levels in FY14, but does recommend the following adjustments with respect to the sequencing of projects and funding in the out years:

Fiscal Year 2014

Project Number	Capital Project Name	Source of Funds	Mayor's Proposed	Committee Proposed	Variance
YY183	Garrison Renovation/Modernization	GO Bonds	0	8,074,000	8,074,000
YY159	Ellington Renovation/Modernization	GO Bonds	27,580,000	19,506,000	(8,074,000)
YY1MX	Malcolm X Renovation/Modernization	GO Bonds	21,870,000	6,000,000	(15,870,000)
YY182	Garfield Renovation/Modernization	GO Bonds	0	8,074,000	8,074,000
PK337	Martin Luther King ES Modernization	GO Bonds	0	1,500,000	1,500,000
YY197	Watkins ES Renovation/Modernization	GO Bonds	0	1,000,000	1,000,000
YY177	Bancroft Renovation/Modernization	GO Bonds	0	5,296,000	5,296,000
	Total	GO Bonds	49,450,000	49,450,000	0

Fiscal Year 2015

Project Number	Capital Project Name	Source of Funds	Mayor's Proposed	Committee Proposed	Variance
YY183	Garrison ES Renovation/Modernization	GO Bonds	8,074,000	0	(8,074,000)
YY159	Ellington Renovation/Modernization	GO Bonds	47,792,000	55,866,000	8,074,000
YY120	Shaw MS Renovation/Modernization	GO Bonds	28,941,000	20,867,000	(8,074,000)
YY105	Goding ES Renovation/Modernization	GO Bonds	0	8,074,000	8,074,000
YY182	Garfield ES Renovation/Modernization	GO Bonds	8,074,000	0	(8,074,000)
YY177	Bancroft Renovation/Modernization	GO Bonds	0	5,536,000	5,536,000
YY197	Watkins ES	GO Bonds	9,453,000	8,953,000	(500,000)
PK337	Martin Luther King ES Modernization	GO Bonds	0	500,000	500,000
NEW	STARS	GO Bonds	0	2,538,000	2,538,000
	Total	GO Bonds	102,334,000	102,334,000	0

Fiscal Year 2016

Project Number	Capital Project Name	Source of Funds	Mayor's Proposed	Committee Proposed	Variance
YY105	Goding ES Renovation/Modernization	GO Bonds	8,074,000	0	(8,074,000)
YY120	Shaw MS Renovation/Modernization	GO Bonds	20,237,000	28,311,000	8,074,000
YY177	Bancroft Renovation/Modernization	GO Bonds	10,831,000	0	(10,831,000)
	Total	GO Bonds	28,311,000	28,311,000	(10,831,000)

OFFICE OF THE STATE SUPERINTENDENT OF EDUCATION

Fiscal Year 2014 Operating Budget, By Source of Funds

	FY 2012 Actual	FY 2013 Approved	FY 2014 Mayor's Proposed	FY 2014 Committee Variance	FY 2014 Committee Recommendation
LOCAL FUND	97,018,693	95,740,270	99,754,418	0	99,754,418
DEDICATED TAXES	244,055	4,266,000	4,266,000	0	4,266,000
FEDERAL PAYMENTS	49,552,520	58,500,150	35,000,000	0	35,000,000
FEDERAL GRANT FUND	210,693,758	228,410,589	250,480,809	0	250,480,809
PRIVATE GRANT FUND	105,395	0	108,119	0	108,119
PRIVATE DONATIONS	1,503	0	0	0	0
SPECIAL PURPOSE REVENUE FUNDS	215,570	5,810,043	5,832,043	0	5,832,043
INTRA-DISTRICT FUNDS	38,008,625	38,033,545	37,968,585	0	37,968,585
OSSE	395,840,119	430,760,598	433,409,974	0	433,409,974

Fiscal Year 2014 Full-Time Equivalents, By Revenue Type

	FY 2013 Approved	FY 2014 Mayor's Proposed	FY 2014 Committee Variance	FY 2014 Committee Recommendation
LOCAL FUND	217.5	212.3	0.0	212.3
DEDICATED TAXES	9.1	7.4	0.0	7.4
FEDERAL PAYMENTS	25.0	17.7	0.0	17.7
FEDERAL GRANT FUND	94.8	120.7	0.0	120.7
PRIVATE GRANT FUND	0.0	0.8	0.0	0.8
PRIVATE DONATIONS	0.0	0.0	0.0	0.0
SPECIAL PURPOSE REVENUE FUNDS	0.0	0.0	0.0	0.0
INTRA-DISTRICT FUNDS	1.7	1.2	0.0	1.2
OSSE	348.0	360.0	0.0	360.0

The Committee has identified \$820,000 in savings internal to the Office of the State Superintendent (OSSE) to support the agency's efforts on projecting student enrollment for both DCPS and public charter schools.

NOTE: The Committee on Transportation and the Environment has identified additional funds to be transferred to the Committee for purposes of supporting OSSE's nutrition and wellness programs. These additional funds have not been included in the charts as presented in this report. Instead, the additional funds will be added to the agency's budget through a reconciliation at the Committee of the Whole as part of the final budget review process.

Capital Budget

The proposed budget included no FY14 capital funds for OSSE. The Committee recommends adding a new capital project to OSSE for FY14 and FY15 as part of a transfer from the Deputy Mayor for Education:

Fiscal Year 2014

Project Number	Capital Project Name	Source of Funds	Mayor's Proposed	Committee Proposed	Variance
SIS01	Single State-Wide Student Information System	GO Bonds	0	2,000,000	2,000,000
	Total		0	2,000,000	2,000,000

Fiscal Year 2015

Project Number	Capital Project Name	Source of Funds	Mayor's Proposed	Committee Proposed	Variance
SIS01	Single State-Wide Student Information System	GO Bonds	0	4,000,000	4,000,000
	Total		0	4,000,000	4,000,000

DISTRICT OF COLUMBIA PUBLIC CHARTER SCHOOLS

Fiscal Year 2014 Operating Budget, By Source of Funds

	FY 2012 Actual	FY 2013 Approved	FY 2014 Mayor's Proposed	FY 2014 Committee Variance	FY 2014 Committee Proposed
LOCAL FUND	508,113,098	535,363,520	616,499,168	0	616,499,168
INTRA-DISTRICT FUNDS	0	6,667,200	0	0	0
DCPCS	508,113,098	542,030,720	616,499,168	0	616,499,168

Fiscal Year 2014 Full-Time Equivalents, By Revenue Type

	FY 2013 FTEs Approved	FY 2014 FTEs Mayor's Proposed	FY 2014 FTEs Committee Variance	FY 2014 FTEs Committee
LOCAL FUND	0.0	0.0	0.0	0.0
INTRA-DISTRICT FUNDS	0.0	0.0	0.0	0.0
DCPCS	0.0	0.0	0.0	0.0

The Committee does not recommend any changes to the proposed budget for the public charter schools.

Capital Budget

The FY14 budget included no capital funding for the public charter schools. The Committee makes no changes.

DISTRICT OF COLUMBIA PUBLIC LIBRARY

Fiscal Year 2014 Operating Budget, By Source of Funds

	FY 2012 Actual	FY 2013 Approved	FY 2014 Mayor's Proposed	FY 2014 Committee Variance	FY 2014 Committee Proposed
LOCAL FUND	35,309,429	42,026,849	52,100,561	0	52,100,561
FEDERAL GRANT FUND	1,293,594	921,623	840,068	0	840,068
PRIVATE DONATIONS	160,950	0	0	0	0
SPECIAL PURPOSE REVENUE FUNDS	208,452	520,000	540,000	0	540,000
INTRA-DISTRICT FUNDS	732,933	64,160	0	0	0
DCPL	37,705,357	43,532,632	53,480,629	0	53,480,629

Fiscal Year 2014 Full-Time Equivalents, By Revenue Type

	FY 2013 FTEs Approved	FY 2014 FTEs Mayor's Proposed	FY 2014 FTEs Committee Variance	FY 2014 FTEs Committee
LOCAL FUND	456.6	588.6	0.0	588.6
FEDERAL GRANT FUND	5.0	5.0	0.0	5.0
PRIVATE DONATIONS	0.0	0.0	0.0	0.0
SPECIAL PURPOSE REVENUE FUNDS	0.0	0.0	0.0	0.0
INTRA-DISTRICT FUNDS	0.0	0.0	0.0	0.0
DCPL	461.6	593.6	0.0	593.6

The Committee has identified \$400,000 in savings internal to the District of Columbia Public Library (DCPL) to support enhanced computer literacy programming along with professional development for library employees.

Capital Budget

The Committee recommends an FY14 capital budget of \$12,950,000 million for DCPL. These funds are to support improvements at neighborhood libraries along with planning efforts for the renovation of the MLK Library. This is no change from the Mayor's request

DISTRICT OF COLUMBIA PUBLIC CHARTER SCHOOL BOARD

Fiscal Year 2014 Operating Budget, By Source of Funds

	FY 2012 Actual	FY 2013 Approved	FY 2014 Mayor's Proposed	FY 2014 Committee Variance	FY 2014 Committee Proposed
LOCAL FUND	1,065,325	1,076,000	1,086,000	75,000	1,161,000
SPECIAL PURPOSE REVENUE FUNDS	0	2,418,619	3,047,816	0	3,047,816
PCSB	1,065,325	3,494,619	4,133,816	75,000	4,208,816

Fiscal Year 2014 Full-Time Equivalents, By Revenue Type

	FY 2013 FTEs Approved	FY 2014 FTEs Mayor's Proposed	FY 2014 FTEs Committee Variance	FY 2014 FTEs Committee Proposed
LOCAL FUND	0.0	0.0	0.0	0.0
SPECIAL PURPOSE REVENUE FUNDS	1.0	1.0	0.0	1.0
PCSB	1.0	1.0	0.0	1.0

The Committee has identified \$75,000 in savings from the Office of the Deputy Mayor of Education to support a dedicated liaison for the PCSB to work with government agencies for purposes of educational planning and to help coordinate the delivery of programs and services at the individual charter schools.

Capital Budget

The proposed FY14 budget included no capital funds for the PCSB. The Committee recommends no changes.

NON-PUBLIC TUITION

Fiscal Year 2014 Operating Budget, By Revenue Type

	FY 2012 Actual	FY 2013 Approved	FY 2014 Mayor's Proposed	FY 2014 Committee Variance	FY 2014 Committee Proposed
LOCAL FUND	119,622,480	109,940,506	80,000,000	(131,967)	79,868,033
NPT	119,622,480	109,940,506	80,000,000	(131,967)	79,868,033

Fiscal Year 2014 Full-Time Equivalents, By Revenue Type

	FY 2013 FTEs Approved	FY 2014 FTEs Mayor's Proposed	FY 2014 FTEs Committee Variance	FY 2014 FTEs Committee
LOCAL FUND	18.0	18.0	(1.0)	17.0
NPT	18.0	18.0	(1.0)	17.0

The Committee has identified \$131,967 in savings internal to the Non-Public Tuition (NPT) program and directs that these savings be used to support the re-establishment of the Office of the Ombudsman for Public Education within the State Board of Education.

Capital Budget

The budget as proposed included no capital funds for the Non-Public Tuition program. The Committee recommends no changes.

SPECIAL EDUCATION TRANSPORTATION

Fiscal Year 2014 Operating Budget, By Revenue Type

	FY 2012 Actual	FY 2013 Approved	FY 2014 Mayor's Proposed	FY 2014 Committee Variance	FY 2014 Committee Proposed
LOCAL FUND	93,059,322	91,190,275	86,687,702	0	86,687,702
INTRA-DISTRICT FUNDS	0	500,000	1,320,000	0	1,320,000
SED	93,059,322	91,690,275	88,007,702	0	88,007,702

Fiscal Year 2014 Full-Time Equivalent, By Revenue Type

	FY 2013 FTEs Approved	FY 2014 FTEs Mayor's Proposed	FY 2014 FTEs Committee Variance	FY 2014 FTEs Committee
LOCAL FUND	1610.2	1509.5	0.0	1509.5
INTRA-DISTRICT FUNDS	0.0	0.0	0.0	0.0
SED	1610.2	1509.5	0.0	1509.5

The Committee does not recommend any changes to the budget as proposed for the special education transportation program.

Capital Budget

The Mayor's proposed FY14 budget includes \$6,021,000 in capital funds for OSSE DOT. These funds have been dedicated to the Special Education Vehicle Replacement Program. The Committee does not recommend any changes to the capital budget as proposed.

D.C. STATE BOARD OF EDUCATION

Fiscal Year 2014 Operating Budget, By Source of Funds

	FY 2012 Actual	FY 2013 Approved	FY 2014 Mayor's Proposed	FY 2014 Committee Variance	FY 2014 Committee Proposed
LOCAL FUND	0	0	586,804	279,671	866,475
SBOE	0	0	586,804	279,671	866,475

Fiscal Year 2014 Full-Time Equivalent, By Revenue Type

	FY 2013 FTEs Approved	FY 2014 FTEs Mayor's Proposed	FY 2014 FTEs Committee Variance	FY 2014 FTEs Committee
LOCAL FUND	0.0	12.0	3.0	15.0
SBOE	0.0	12.0	3.0	15.0

The Committee has identified \$279,671 in savings from the Office of the Deputy Mayor of Education and the Non-Public Tuition program to support the re-establishment of the Office of the Ombudsman for Public Education with the State Board of Education.

Capital Budget

The proposed budget included no capital funds for the State Board of Education. The Committee recommends no changes.

DEPUTY MAYOR FOR EDUCATION

Fiscal Year 2014 Operating Budget, By Source of Funds

	FY 2012 Actual	FY 2013 Approved	FY 2014 Mayor's Proposed	FY 2014 Committee Variance	FY 2014 Committee Proposed
LOCAL FUND	1,676,493	2,302,857	1,826,134	(357,704)	1,468,430
DME	1,676,493	2,302,857	1,826,134	(357,704)	1,468,430

Fiscal Year 2014 Full-Time Equivalent, By Revenue Type

	FY 2013 FTEs Approved	FY 2014 FTEs Mayor's Proposed	FY 2014 FTEs Committee Variance	FY 2014 FTEs Committee
LOCAL FUND	11.0	12.0	(4.0)	8.0
DME	11.0	12.0	(4.0)	8.0

The Committee has identified \$357,704 in savings from the Office of the Deputy Mayor to support:

- Additional support for the Public Charter School Board to enhance coordination with District agencies for education planning and the delivery of services by the individual charter schools;
- Implementation of a STEM program at H.D. Woodson High School; and
- Re-establishment of the Office of the Ombudsman for Public Education within the State Board of Education.

Capital Budget

The Mayor's proposed FY14 budget includes \$8,000,000 for DME for the development of a statewide student information system (SIS). This project also receives an additional \$4,000,000 in FY15 as part of the proposed capital improvement plan.

The Committee recommends an FY14 capital budget of \$6,000,000 for DME in FY14, a \$2,000,000 decrease from the Mayor's request. The Committee directs that this \$6,000,000 be used to support a community grant for the construction of a language immersion school. The Committee directs the remaining \$2,000,000 in FY14 capital funds, along with \$4,000,000 in FY15, to OSSE for purposes of implementing project number SIS01, the statewide SIS.

DME Capital Budget - Recommended Change by Project

Fiscal Year 2014

Project Number	Capital Project Name	Source of Funds	Mayor's Proposed	Committee Proposed	Variance
SIS01	Single State-Wide Student Information System	GO Bonds	\$8,000,000	\$0	(\$8,000,000)
NEW	Language Immersion MS/HS Facilities Grant	ITSB Bonds	\$0	\$6,000,000	\$6,000,000
	Total		\$8,000,000	\$6,000,000	(2,000,000)

Fiscal Year 2015

Project Number	Capital Project Name	Source of Funds	Mayor's Proposed	Committee Proposed	Variance
SIS01	Single State-Wide Student Information System	GO Bonds	\$4,000,000	\$0	(\$4,000,000)
	Total		\$4,000,000	\$0	(\$4,000,000)

D.C. PUBLIC LIBRARY TRUST

Fiscal Year 2014 Operating Budget, By Source of Funds

	FY 2012 Actual	FY 2013 Approved	FY 2014 Mayor's Proposed	FY 2014 Committee Variance	FY 2014 Committee Proposed
SPECIAL PURPOSE REVENUE FUNDS	236	17,000	17,000	0	17,000
Library Trust	236	17,000	17,000	0	17,000

Fiscal Year 2014 Full-Time Equivalents, By Revenue Type

	FY 2013 FTEs Approved	FY 2014 FTEs Mayor's Proposed	FY 2014 FTEs Committee Variance	FY 2014 FTEs Committee
SPECIAL PURPOSE REVENUE FUNDS	0.0	0.0	0.0	0.0
Library Trust	0.0	0.0	0.0	0.0

The Committee does not recommend any changes to the budget for the public charter schools.

Capital Budget

The FY14 budget included no capital funding for the public charter schools. The Committee makes no changes.

II. AGENCY FISCAL YEAR 2014 BUDGET RECOMMENDATIONS

A. INTRODUCTION

Pursuant to Council Rules for Council Period 20, 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
- 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
- Deputy Mayor for Education
- D.C. Public Library Trust

On March 28, 2013 Mayor Vincent C. Gray 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 FY14 budgets for those agencies under its purview:

April 10, 2013	District of Columbia Public Library
April 17, 2013	District of Columbia Public Schools – Public Witnesses
April 22, 2013	Office of the State Superintendent of Education, State Board of Education, Deputy Mayor for Education
April 26, 2013	District of Columbia Public Charter School Board
May 2, 2013	District of Columbia Public Schools – Government Witnesses

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 119) located in the John A. Wilson Building. A video recording of the hearings can be obtained through the Office of Cable Television or at oct.dc.gov.

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 FY14 budget request and developed the recommendations contained in this report.

B. DISTRICT OF COLUMBIA PUBLIC SCHOOLS

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

DCPS is organized into the following nine divisions:

- School System Management
- Instructional Programs
- Special Education Local
- Instructional Support Services
- Student Support Services
- Non-Instructional Support Services
- Other State Functions
- Agency Management
- Agency Financial Operations

NOTE: While the DCPS budget is organized by the nine divisions listed above for purposes of presentation to the Council, the agency uses a separate budgeting system internally that allows funding to be broken down to the individual school level. This internal budget is organized as follows:

- Executive Offices
- Chief of Staff
- Superintendent's Office
- Chief Academic Officer
- Chief Operating Officer
- Schools

Additionally, the agency's organizational structure – which is how DCPS is managed on a day-to-day basis – does not align with either of the budgeting formats. Instead, DCPS employees are organized within the following internal departments for Fiscal Year 2014:

- Office of Strategy
- Office of the Chief of Staff
- Office of Special Education
- Office of Family and Public Engagement
- Office of the Chief Academic Officer
- Office of Data and Accountability
- Office of Human Capital
- Office of the Chief Operating Officer
- Office of the Chief of Schools
- Office of Academic Programming and Support
- Office of Teaching and Learning
- Office of Youth Engagement

FISCAL YEAR 2014 OPERATING BUDGET

Mayor's Proposed Budget

The Mayor's FY14 budget proposal included \$818,615,269 in gross operating funds for DCPS, a 0.8 percent increase from the FY13 approved budget. The proposed budget supports 7,284.6 FTEs, a 273.3 FTE decrease from FY13.

Local Funds (100)

The proposed DCPS budget included \$644,302,000 in local funds, a \$1,874,000 decrease from the FY13 approved budget. This decrease is primarily due to a reduction in budgeted student enrollment for FY14 as compared to FY13.

Federal Grants (200)

The proposed FY14 budget for DCPS included \$47,038,000 in federal grants, a \$38,443,000 increase from the FY13 approved budget. This increase is primarily due to a change in accounting with respect to how certain funds are presented in the budget. In FY13, DCPS received \$36,000,000 in direct federal payments. For FY14, much of these funds have been shifted to the federal grant line given new requirements for accessing to the allocation.

Federal Payments (250)

The proposed FY14 budget for DCPS included \$0 in federal payments, a \$36,600,000 decrease from the FY13 approved budget. This decrease is due to the shift in certain federal funds from payments to grants.

Private Grants (400)

The proposed DCPS budget included \$5,062,000 in private grants, a \$1,221,000 increase from the FY13 approved budget. This increase is primarily due to a grant for early childhood education.

Special Purpose Revenue (600)

The proposed DCPS budget included \$11,090,000 in special purpose revenue funds, a \$718,000 decrease from the FY13 approved budget. This decrease is primarily due to a reduction in the anticipated revenue collected from the E-Rate Education Fund.

Intra-District Funds (700)

The proposed DCPS budget included \$111,123,000 in intra-district funds, a \$6,301,000 increase from the FY13 approved budget. These funds are the result of federal grants and subgrants the agency receives for school improvement, instructional support services, and health and nutritional programs.

Committee Comments & Analysis

UPSFF

The local funds allocation to DCPS as an agency is determined through the Uniform per Student Funding Formula (UPSFF).¹ The UPSFF sets a minimum per pupil foundation allocation, applies

¹ The UPSFF is also used to determine the local funds allocation to public charter schools.

add-on percentage weights for higher cost special needs and grade levels, and then multiplies that by projected enrollment for each of the educational categories. For FY14, the Mayor's budget increased the UPSFF foundation allocation from \$9,124 to \$9,306. However, the impact of this increase was offset by the significant loss in projected enrollment between FY13 to FY14; DCPS is projecting 46,060 students for FY14, a decrease of 1,114 students from the agency's budgeted FY13 enrollment. As a result, the local budget for DCPS is reduced 0.3 percent.

Budget Transparency

Under District law, agencies are required to present their budget to the Council in a "performance-based budget" format. Performance-based budgeting links agency spending to programs, activities and services, which allows results to be measured and evaluated. While DCPS's budget is presented to the Council in this format, the agency uses a different format internally to manage operational spending. This internal format allows DCPS to break down spending to the school level whereas the performance-based system does not.

The existence of these two parallel budget formats severely limits transparency with respect to the agency's budget. Officials, parents, and community members are unable to get a clear picture of how the agency spends its money year to year by looking simply at the budget as presented by the Mayor, frequently resulting in confusion and misunderstandings over how funds are spent.

Budget Development: Comprehensive Staffing Model & Enrollment

To calculate individual school budgets, DCPS uses the Comprehensive Staffing Model (CSM). Unlike a system that develops school budgets based on the educational needs of a school's own students, the CSM uses student-staff ratios to determine the number of employees needed to support the schools and the amount of funds needed to support such a staffing allocation.

For the CSM to truly work as a budget development tool, DCPS must have accurate enrollment projections for each of its schools. This, however, has not been the case in recent years. In FY12, the DCPS budget was built on 47,247 students yet the audit revealed only 45,191 were actually enrolled. In FY13, the enrollment projection was 47,174 whereas audited enrollment was 45,557.

For FY14, DCPS worked with the Office of the State Superintendent to develop a more realistic enrollment projection that is tied to historical trends and audited enrollment. As a result, DCPS is projecting over 1,000 students less than it did for purposes of FY13 budget development. For the individual school budgets, this means that schools who had previously received an allocation based on an over-estimation of students will now see a significant decrease in funding for FY14. In some cases the reduction from FY13 to FY14 equals almost 20 percent of the school's budget.

Many parents and public witnesses testified at the agency's budget hearing that the proposed reductions will have negative impacts on schools that are already struggling with issues such as academic performance, truancy, and community engagement.

While the Committee recognizes the importance of accurately projecting enrollment and building school budgets based on the actual number of students projected to be served, it is also concerned about the unintended consequences that "rightsizing" may have on certain schools for FY14; simply taking more money out of a school because DCPS had inaccurately projected enrollment in previous years does not best serve the students, teachers or community at-large. Specifically, the Committee is concerned that cuts of more than 5% to a school's budget could destabilize

many of the programs and services offered by these schools, pushing parents to seek alternative educational options for their children.

Budget Development: Big School v. Small School

In developing the FY14 budget, DCPS made a decision to change the definition of what constitutes a “small school”, raising the threshold from 300 students to 400 students. DCPS uses this classification to make certain decisions within the CSM about staffing needs. In FY14, small schools did not receive the same level of non-instructional staff as large schools (i.e. business managers and administrative clerks). In addition, a small school will receive a 0.5 allocation for a librarian whereas a larger school will receive a full FTE for a librarian.

According to DCPS, much of the savings realized by changing the small school threshold was reinvested in classroom teachers. In her testimony before the Committee, the Chancellor stated that the proposed FY14 budget dedicated more funds to classroom instruction and support services, including “56 more, art, music, PE, and foreign language teachers, and 28 more social workers.” In addition, the budget builds on “literacy-focused initiatives”, including additional resources and staff for schools and students who have struggled with lower academic success. But with the funds available the Chancellor told the Committee the following: “I was not able to fund all of my priorities. I would have liked to have provided full-time librarians at every school.”

While the Committee applauds DCPS’s commitment to classroom instruction, it is concerned that the change in the small school threshold will have a detrimental impact on a school’s overall learning environment. This is especially true with respect to the loss of library services as the District faces a daunting task of ensuring that at least 70% of students will be proficient in reading and math by school year 2016-2017.

School librarians are a significant value to student learning, many studies demonstrate that librarians help students learn. The results from a 2011 study published in the *School Library Journal* indicated that states that gained school librarians from 2004-05 to 2008-09 showed greater increases in 4th grade reading scores than did states that lost librarians during this time period. Additionally, the National Center for Literacy Education recently reported, “Librarians and literacy coaches play a critical role in building schools’ collective capacity to improve literacy learning, and master the new Common Core State Standards.”²

In light of this strong evidence, the Committee believes that all schools should be allocated sufficient resources to maintain a fulltime librarian.

Impacted Schools

Based on the change in the threshold for a small school, the following schools lost funding associated with library services from FY13 to FY14:

² Remodeling Literacy Learning: Making Room for What Works. National Center for Literacy Education. 2013. <http://www.literacyinlearningexchange.org/remodeling>.

DCPS Enrollment Info FY13 v. FY14 proposed			
School	FY13 Projected Enrollment	FY14 Projected Enrollment	Variance
Brent ES (W6)	358	363	5
Browne EC (W5)	361	360	(1)
Burrville ES (W7)	381	363	(18)
Cleveland ES (W1)	306	315	9
Eliot-Hine MS (W6)	369	271	(98)
Hearst ES (W3)	300	287	(13)
Hyde-Addison ES (W2)	336	344	8
Key ES (W3)	411	388	(23)
Kimball ES (W7)	300	325	25
Langley ES (W5)	368	282	(86)
Leckie ES (W8)	421	369	(52)
Marie Reed ES (W1)	365	378	13
Maurry ES (W6)	312	330	18
Nalle ES (W7)	311	328	17
Noyes EC (W5)	329	264	(65)
Orr ES (W8)	338	381	43
Patterson ES (W8)	321	333	12
Randle Highlands ES (W7)	393	363	(30)
Sousa MS (W7)	363	297	(66)
Stoddert ES (W3)	350	391	41
Stuart-Hobson MS (W6)	420	375	(45)
Takoma EC (W4)	324	399	75
Thomas ES (W7)	300	399	99
Thomson ES (W2)	312	277	(35)
Turner ES (W8)	307	369	62
Whittier EC (W4)	301	329	28

After School Programs

Many parent groups expressed concern regarding the cut to DCPS’s Office of Out-of-School Time Programs (OSTP), which subsidizes DCPS’s after school programs. In SY12-13, OSTP funded afterschool programs at 61 locations. Other schools, specifically those that did not receive OSTP funds, were able to fund certain after school programs through the “Proving What’s Possible” (PWP) grant.

As proposed for FY14, only Title I elementary schools and education campuses will receive after school funding through a Temporary Assistance for Needy Families (TANF) federal grant administered by OSSE. The Committee is aware that non-Title I schools may have to partner with private organizations to provide afterschool programming, because this service will no longer be subsidized by OSTP. Parents will likely have to pay twice as much as they did when participating in the DCPS-managed program.

The Committee will monitor the agency’s efforts during the upcoming fiscal year to ensure that there is equity in afterschool programming across schools/neighborhoods.

Summer Learning Programs

During the FY14 budget oversight hearing, questions were raised regarding DCPS’s summer school program. In FY12, DCPS offered ten summer school sites for students in grades K-8. For rising 9th graders, DCPS began its “Summer Bridge Program” at two sites to help students transition to high school. At the high school level, three locations offered credit recovery courses to students who previously failed courses. For the summer 2013 program, the agency stated: “we will use student-level literacy data (DIBELS for K–5; SRI for 6–8) to invite a set of struggling

readers. Invited students can then enroll on a first-come, first-served basis. Parents/guardians of identified students in grades K-8 will receive letters of invitation to register their students.”

For both FY12 and FY13, the UPSFF included a proposed allocation related to summer school - 10,867 students, with a weighting factor of 0.17, for a total of \$16,800,000 million in FY13 and \$17,100,000 in FY14. DCPS explained that despite such an allocation within the UPSFF, it has approximately \$2,300,000 in its FY13 budget actually allocated for summer school. DCPS expects to offer 2,700 summer school slots for students in grades Kindergarten through 8th and approximately 2,000 slots for high school students and rising 9th graders. The 2013 summer school program will be offered at fewer sites - 8 schools as compared to 10, and DCPS has decided to only target those students who they believe would benefit the most from a literacy intensive 5-week program. Students who are below academic standards would be eligible to attend summer enrichment programs.

The FY14 budget as proposed includes \$2,500,000 for summer school programs. The Committee has significant concerns regarding the limited funding made available for this program. Given the low proficiency rates in many of our schools, summer enrichment programs should be a priority. In addition, an analysis of DCPS’s high school performance data indicates that students have a difficult time making a successful transition from middle school to high school. In school year 2011-2012, there were 3,028 students in 9th grade of which 29% were truant and 40% were retained, highlighting that few students were ready to succeed academically or socially. Offering a summer bridge program providing academic enrichment in English and mathematics to rising 9th grade students who have previously struggled academically, increases student success in the 9th grade, improves attendance, and decreases drop-out rates.³

School Consolidation Plan

Over the past year DCPS worked with Education Resource Strategies (ERS) to develop a series of recommendations regarding school consolidation and resource utilization. ERS concluded that the agency has more small schools in its inventory than any district it had previously analyzed and that small schools are more expensive to operate than larger schools. In fact, during the Council’s consolidation hearing, the Chancellor indicated that schools with fewer than 350 students need additional resources beyond what is allocated through the comprehensive staffing model in order to have enough staff and ample program options. ERS also concluded that on an operational level small schools create inefficiencies with respect to teacher resources, related services, and fixed costs.

In the fall of 2012, the Chancellor announced a proposal to close and consolidate 20 schools that were under-enrolled and underutilized. The Chancellor’s final consolidation plan was presented to the Council in January 2013 and identified anticipated savings of approximately \$19,500,000 as the result of the consolidation of 15 schools. During that briefing, DCPS committed to re-investing approximately \$10,900,000 of proposed savings to receiving schools. The remaining \$8,500,000 will support the transition needs of consolidating schools, the receiving schools, transportation, and additional programming.

While the Committee believes that DCPS is likely to encounter a small amount of costs associated with school consolidations (such as the storage and moving of materials, equipment,

³ “Transition from Middle School to High School”. Education Partnerships, Inc., April 23, 2010.

and furniture), it also is aware that the FY14 budget as presented does not fully capture potential savings associated with non-programmatic costs including utilities and non-instructional costs.

Moreover, the spending plan for DCPS’s Office of the Chief Operating Officer includes \$250,000 for a partnership project with DGS on energy conservation “which will lead to additional cost reductions.” During the agency’s budget oversight hearing DCPS indicated that they are working with the Department of General services to implement consumption calculation devices that will compute how schools use resources and estimate how to consume less energy which is likely to have additional cost savings. The Committee encourages DCPS to analyze its energy usage and work with the CFO on a mechanism that allows the agency to reinvest its savings from consolidations and fixed costs into its operational needs.

Agency Vacancy Rate

During the agency’s FY12 performance oversight hearing, the Committee inquired about the agency’s vacancy rate and the time each position has been open. The agency responded by stating: “In FY12, 1,970 vacancies were posted; and in FY13, to date, 430 vacancies have been posted for the agency. Furthermore, we do not currently have a method of capturing time-to-fill for vacancies/positions” and hope to have that information by spring 2013.

The Committee expressed concern that DCPS may be one of few agencies in the District of Columbia Government that could not identify with certainty its vacant positions, and how long each position remained open. In preparation for the agency’s budget oversight hearing, the committee inquired again about the number of vacancies that are within the agency, and were informed that as of April 2013, DCPS currently has “443 vacancies, equaling 393 full-time equivalents (FTEs).” Based on information submitted to the Committee, at least 125 of these vacancies are considered to be in central offices, including the following positions that do not provide direct services to schools:

Office Name	Frozen Vacancies	Open Vacancies	Average Days Since Posting on DCPS Website (for Open)
Office of Academic Programs	0	0	N/A
Office of Data and Accountability	2	1	286
Office of Family and Public Engagement	4	0	N/A
Office of Human Capital	19	7	123
Office of Special Education	6	2	105
Office of Strategy	2	0	N/A
Office of Teaching and Learning	0	0	N/A
Office of the Chancellor	2	0	N/A
Office of the Chief of Schools	0	0	N/A
Office of the Chief of Staff	4	3	26
Office of the Chief Operating Officer	3	1	90
Office of Youth Engagement	0	0	N/A
Total Vacancies	43	14	109

Note: Within the central office open vacancies alone there were many positions that remained open for more than 100 days. The average central position was open for 109 days ranging from a minimum of 6 days to at most 286 days. In the school support category, the agency had vacant positions that were open from 8 days to a few vacancies within the Office of Data and

Accountability open for 300 days or more. Specifically, the longest vacancy for the agency is 686 days for a Training and Support Manager within the Office of Data and Accountability.

Education Resource Strategies suggested in its recommendations to DCPS regarding resource allocations, that a shift from central FTEs to higher quality investments in programming could save the school district up to \$3,400,000 dollars. The Committee supports the agency in efforts to reduce the size of its central office staff as long as the investment of those personnel savings goes directly to schools and student support activities.

Continuous K-12 Programming

The Committee commends DCPS for expanding the International Baccalaureate (IB) and School wide Enrichment Models to include more schools in FY14. However, while the feeder system for Eastern SHS has IB options planned at the elementary, middle, and high school level, the feeder system for Turner ES, which will be initiating its IB candidacy in school year 2013-2014, does not have continuous IB options.

The STEM options in DCPS schools are similar to the IB options – little consistency with respect to academic planning within feeder patterns or instructional clusters. There have been challenges getting certain STEM programs up and running. STEM schools merge the boundaries of science, technology engineering and math, while connecting these subjects to arts and the humanities. STEM curriculum is crucial to building critical thinking and analytical skills, as well as opening the door for employment opportunities in multiple fields. Currently, there is only one DCPS STEM-based high school in the city at McKinley Tech, but none east of the Anacostia River. The modernization of H.D. Woodson SHS was done with the intention to have a STEM program at the school. Though, as it stands, H.D. Woodson yet to see a STEM program implemented.

Committee Recommendations

The Committee recommends a gross operating budget of \$818,750,629. This is a \$135,000 increase from the Mayor’s request. The Committee also recommends 7,284.6 FTEs for the District of Columbia Public Schools.

Fiscal Year 2014 Operating Budget, By Revenue Type

	FY 2012 Actual	FY 2013 Approved	FY 2014 Mayor's Proposed	FY 2014 Committee Variance	FY 2014 Committee Proposed
LOCAL FUND	638,879,060	646,175,908	644,302,107	135,000	644,437,107
FEDERAL PAYMENTS	20,032,120	36,600,000	0	0	0
FEDERAL GRANT FUND	7,040,971	8,594,930	47,038,244	0	47,038,244
PRIVATE DONATIONS	475,147	0	0	0	0
PRIVATE GRANT FUND	22,430,485	3,841,074	5,061,817	0	5,061,817
SPECIAL PURPOSE REVENUE FUNDS	1,563,201	11,807,890	11,090,359	0	11,090,359
INTRA-DISTRICT FUNDS	119,908,830	104,821,760	111,122,742	0	111,122,742
DCPS	810,329,815	811,841,563	818,615,269	135,000	818,750,269

Fiscal Year 2014 Full-Time Equivalents, By Revenue Type

	FY 2013 FTEs Approved	FY 2014 FTEs Mayor's Proposed	FY 2014 FTEs Committee Variance	FY 2014 FTEs Committee
LOCAL FUND	6625.7	6320.4	0.0	6320.4
FEDERAL GRANT FUND	77.9	281.2	0.0	281.2
FEDERAL PAYMENTS	214.2	0.0	0.0	0.0
PRIVATE DONATIONS	0.0	0.0	0.0	0.0
PRIVATE GRANT FUND	32.9	53.7	0.0	53.7
SPECIAL PURPOSE REVENUE FUNDS	10.0	18.5	0.0	18.5
INTRA-DISTRICT FUNDS	597.3	610.9	0.0	610.9
DCPS	7557.9	7284.6	0.0	7284.6

Fiscal Year 2014 Operating Budget, By Comptroller Source Group (Gross Funds)

	FY 2012 Actual	FY 2013 Approved	FY 2014 Mayor's Proposed	FY 2014 Committee Variance	FY 2014 Committee Proposed
11-REGULAR PAY	478,098,312	466,479,834	480,772,300	(1,270,000)	479,502,300
12-REGULAR PAY - OTHER	33,134,690	26,987,623	25,152,632	0	25,152,632
13-ADDITIONAL GROSS PAY	17,336,907	13,892,548	17,474,412	0	17,474,412
14-FRINGE BENEFITS	67,010,276	84,323,011	83,159,816	(230,000)	82,929,816
15-OVERTIME PAY	2,301,793	907,698	853,886	0	853,886
20-SUPPLIES AND MATERIALS	11,237,102	10,535,279	13,448,627	0	13,448,627
30-ENERGY, COMM. AND BLDG RENTALS	29,816,348	37,702,266	28,677,531	(1,000,000)	27,677,531
31-TELEPHONE, TELEGRAPH, TELEGRAM	3,396,145	3,522,857	3,760,993	(350,000)	3,410,993
32-RENTALS - LAND AND STRUCTURES	6,982,735	6,398,718	6,081,067	0	6,081,067
33-JANITORIAL SERVICES	162,610	0	18,500	0	18,500
34-SECURITY SERVICES	463,442	296,727	952,718	0	952,718
35-OCCUPANCY FIXED COSTS	245,992	532,783	11,225	0	11,225
40-OTHER SERVICES AND CHARGES	9,814,656	14,356,453	11,853,751	0	11,853,751
41-CONTRACTUAL SERVICES - OTHER	129,456,595	112,366,568	121,490,641	(1,650,000)	119,840,641
50-SUBSIDIES AND TRANSFERS	5,921,677	23,023,099	16,265,210	4,635,000	20,900,210
70-EQUIPMENT & EQUIPMENT RENTAL	14,006,195	10,516,100	8,641,959	0	8,641,959
91-EXPENSE NOT BUDGETED OTHERS	0	0	0	0	0
99-UNKNOWN PAYROLL POSTINGS	944,339	0	0	0	0
DCPS	810,329,815	811,841,563	818,615,269	135,000	818,750,269

Fiscal Year 2014 Operating Budget, By Program (Gross Funds)

	FY 2012 Actuals	FY 2013 Approved	FY 2014 Mayor's Proposed	FY 2014 Committee Variance	FY 2014 Committee Proposed
-	7,840	0	0	0	0
1000-AGENCY MANAGEMENT PROGRAM	22,461,918	22,723,671	19,402,438	(1,500,000)	17,902,438
100F-AGENCY FINANCIAL OPERATIONS	4,241,170	4,035,560	3,279,655	0	3,279,655
1500-SCHOOL SYSTEM MAGEMENT	79,808,997	60,564,367	60,032,830	0	60,032,830
2000-INSTRUCTIONAL PROGRAMS	420,918,274	398,657,947	403,757,576	3,135,000	406,892,576
2003-SCHOOL IMPROVEMENT/INSTRUCTIONAL	0	0	662,725	0	662,725
3000-SPECIAL EDUCATION LOCAL	115,382,185	160,390,361	154,426,616	0	154,426,616
4000-INSTRUCTIONAL SUPPORT SERVICES	27,887,470	27,685,412	49,983,940	0	49,983,940
4101-TITLE I GRANT	7,201	0	0	0	0
5000-STUDENT SUPPORT SERVICES	11,307,071	13,142,490	13,739,504	0	13,739,504
6000-NON-INSTRUCTIONAL SUPPORT SERVICES	126,698,574	123,059,202	110,470,984	(1,500,000)	108,970,984
7000-SPECIAL EDUCATION STATE	0	0	0	0	0
8000-OTHER STATE FUNCTIONS	1,609,115	1,582,554	2,859,000	0	2,859,000
9090-NON-PROGRAMMATIC DPMT	440,582	0	0	0	0
9960-YR END CLOSE	(474,197)	0	0	0	0
9980-PAYROLL DEFAULT PROGRAM	33,615	0	0	0	0
DCPS	810,329,815	811,841,563	818,615,269	135,000	818,750,269

Committee Adjustments to the Operating Budget

The Committee makes the following adjustments to the proposed FY14 operating budget for DCPS:

PROGRAM: *Agency Management*
 APPROPRIATION TITLE: *Local Funds*

CSG11 (regular pay)

The Committee recommends a \$1,270,000 decrease in local funds for regular pay as a result of projected vacancy savings within DCPS central offices.

The Committee directs the \$1,270,000 in savings to the instructional programs division to be reinvested in school-based programs, including summer school and library services.

NOTE: While the Committee has adjusted the Agency Management budget for purposes of identifying these savings within the agency management program, DCPS shall work with the Office of the Chief Financial Officer account for the savings across the central offices

CSG14 (fringe benefits)

The Committee recommends a \$230,000 decrease in local funds for regular pay as a result of projected vacancy savings within DCPS central offices. While the Committee has accounted for these savings within the agency management program, DCPS shall work with the Office of the

Chief Financial Officer to account for these savings within the appropriate central offices as part of the final budget load.

The Committee directs the \$230,000 in savings to the instructional programs division to be reinvested in school-based programs, including summer school and library services.

NOTE: While the Committee has adjusted the Agency Management budget for purposes of identifying these savings within the agency management program, DCPS shall work with the Office of the Chief Financial Officer account for the savings across the central offices

PROGRAM: *Instructional Programs*
APPROPRIATION TITLE: *Local Funds*

CSG41 (contractual services)

The Committee recommends a \$1,500,000 decrease in local funds for contractual services as a result of operational savings previously unaccounted for in certain non-instructional spending related to school consolidations and lower enrollment projections.

The Committee redirects the \$1,500,000 in savings to CSG50 within the instructional programs division to be reinvested in school-based programs, including summer school and library services.

CSG50 (subsidies and transfers)

The Committee recommends a \$4,635,000 increase in local funds for subsidies and transfers. These additional funds are the result of the following:

- \$4,500,000 as a result of operational savings previously unaccounted for in certain non-instructional spending related to school consolidations and lower enrollment projections and
- \$135,000 as a result of savings identified within the Office of the Deputy Mayor of Education

The Committee directs that these funds be used as follows:

- \$2,300,000 to restore a portion of the proposed budget reduction at schools facing more than a 5 percent reduction in their gross budget for FY14 as compared to FY13, including: Eliot-Hine MS (W6); Hardy MS (W2); Sousa MS (W7); Stuart-Hobson MS (W6); Ballou HS (W8); H.D. Woodson HS (W7); and, Phelps Academy (W5)
- \$1,000,000 to enhance summer school and summer bridge options in FY14;
- \$1,200,000 to supplement library services at those schools that lost funding for a librarian as a result of the change in the small school threshold ; and
- \$135,000 to support implementation of the STEM program at H.D. Woodson High School.

PROGRAM: *Non-Instructional Support Services*
APPROPRIATION TITLE: *Local Funds*

CSG30 (energy, communication, building rental)

The Committee recommends a \$1,000,000 decrease in local funds for CSG30 as a result of operational savings previously unaccounted for in certain fixed costs related to school consolidations.

The Committee directs the \$1,000,000 in savings to the instructional programs division to be reinvested in school-based programs, including summer school and library services.

CSG31 (telephone)

The Committee recommends a \$350,000 decrease in local funds for CSG31 as a result of operational savings previously unaccounted for in certain fixed costs related to school consolidations.

The Committee directs the \$350,000 in savings to the instructional programs division to be reinvested in school-based programs, including summer school and library services.

CSG41 (contractual services)

The Committee recommends a \$150,000 decrease in local funds for contractual services as a result of operational savings previously unaccounted for in certain fixed costs related to school consolidations.

The Committee directs the \$150,000 in savings to the instructional programs division to be reinvested in school-based programs, including summer school and library services.

FISCAL YEAR 2014 CAPITAL BUDGET

Mayor's Proposed Budget

The Mayor's proposed budget for DCPS includes \$441,595,000 in capital funds for fiscal year 2014 with a six-year total for fiscal years 2014 through 2019 of 1,793,622,000.

Committee Comments & Analysis

The proposed six-year Capital Improvement Plan (CIP) continues the District's recent effort to modernize or construct improved school buildings. While DCPS is the owner of these capital projects, the Deputy Mayor for Education and the Department of General Services (DGS) play significant roles. DCPS identifies facility needs for schools and plays a leads the development of building plans that meet the educational needs of students; DGS is responsible for cost assessment and implementation of modernization projects; and the DME works with both DCPS and DGS to manage citywide facilities planning.

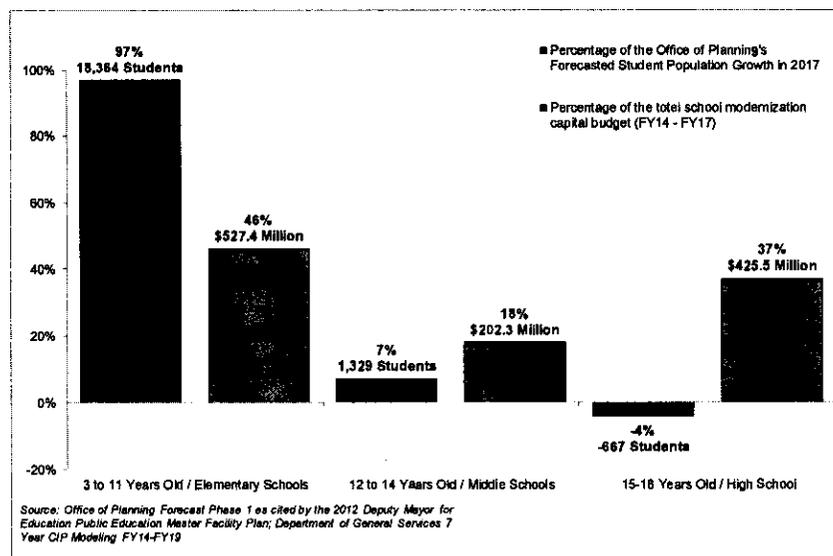
The Committee believes the proposed capital budget should reflect a comprehensive master plan that focuses the District's finite capital resources to address the immediate, midterm, and future needs of the District's students. The executive transmitted the 2013 Master Facilities Plan (MFP) to the Council shortly after the submission of its fiscal year 2014 capital and operating budget.

The Master Facilities Plan, while giving no specific direction on school modernization, conducted an analysis of educational facilities improvements need for neighborhoods across the District. As

the MFP was developed to be the guiding document for educational facilities planning, the Committee expected this year's CIP to reflect closely, if not mirror, the recommendations of the MFP. That, however, was not the case. In fact, hundreds of millions of dollars of school improvements in High and Moderate High neighborhood clusters have been pushed back in this year's CIP. In the proposed CIP, between 2014 and 2017 a total of \$267,000,000 is budgeted in neighborhood clusters with low to moderate need, as defined by the MFP, rather than being budgeted in one of the 54 schools in moderate high and high need clusters. Meanwhile, \$207,000,000 worth of capital funds for elementary and middle schools in high need neighborhoods are being pushed further to the out years, past the projected population "boom" in elementary schools, and closer to the date the District is projected to hit its borrowing limit.

The Committee struggled to understand how the CIP as proposed generally held high school modernization projects constant at a time when, according to the Master Facilities Plan, the Office of Planning projects 97% of school aged population growth will occur in elementary years. Indeed, the CIP proposes spending \$425,500,000 on high school modernization over a period where the high school aged population is projected to actually decrease.

The chart below highlights the disparity between projected population increases and the allocation of capital funds in the CIP:



Additionally under the proposed CIP, both FY18 and FY19 are now teeming with projects that had been slated for prior year improvements. The Committee is concerned about the true viability of funding for these projects due to the fact that the District will be extremely close to its debt limit in those fiscal years.

The chart below shows the very narrow margin between proposed borrowing and the legally mandated 12% debt service cap.

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Debt Svc %	10.53%	10.94%	11.40%	11.58%	11.99%	11.98%
Debt Svc Capacity	\$103,072,171	\$75,739,597	\$44,264,638	\$31,485,027	\$1,103,621	\$1,182,650

Committee Recommendations

The Committee recommends a 6-year total capital budget of \$1,793,622,000 for District of Columbia Public Schools, of which \$441,595,000 will be allocated for FY14. This is no change from the Mayor’s request. The Committee does, however, recommend the following changes with respect to the sequencing of projects:

DCPS Capital Budget - Recommended Changes by Project

Fiscal Year 2014

Project Number	Capital Project Name	Source of Funds	Mayor’s Proposed	Committee Proposed	Variance
YY183	Garrison Renovation/Modernization	GO Bonds	0	8,074,000	8,074,000
YY159	Ellington Renovation/Modernization	GO Bonds	27,580,000	19,506,000	(8,074,000)
YY1MX	Malcolm X Renovation/Modernization	GO Bonds	21,870,000	6,000,000	(15,870,000)
YY182	Garfield Renovation/Modernization	GO Bonds	0	8,074,000	8,074,000
PK337	Martin Luther King ES Modernization	GO Bonds	0	1,500,000	1,500,000
YY197	Watkins ES Renovation/Modernization	GO Bonds	0	1,000,000	1,000,000
YY177	Bancroft Renovation/Modernization	GO Bonds	0	5,296,000	5,296,000
	Total	GO Bonds	49,450,000	49,450,000	0

Fiscal Year 2015

Project Number	Capital Project Name	Source of Funds	Mayor’s Proposed	Committee Proposed	Variance
YY183	Garrison ES Renovation/Modernization	GO Bonds	8,074,000	0	(8,074,000)
YY159	Ellington Renovation/Modernization	GO Bonds	47,792,000	55,866,000	8,074,000
YY120	Shaw MS Renovation/Modernization	GO Bonds	28,941,000	20,867,000	(8,074,000)
YY105	Goding ES Renovation/Modernization	GO Bonds	0	8,074,000	8,074,000
YY182	Garfield ES Renovation/Modernization	GO Bonds	8,074,000	0	(8,074,000)
YY177	Bancroft Renovation/Modernization	GO Bonds	0	5,536,000	5,536,000
YY197	Watkins ES	GO Bonds	9,453,000	8,953,000	(500,000)
PK337	Martin Luther King ES Modernization	GO Bonds	0	500,000	500,000
NEW	STARS	GO Bonds	0	2,538,000	2,538,000
	Total	GO Bonds	102,334,000	102,334,000	0

Fiscal Year 2016

Project Number	Capital Project Name	Source of Funds	Mayor’s Proposed	Committee Proposed	Variance
YY105	Goding ES Renovation/Modernization	GO Bonds	8,074,000	0	(8,074,000)
YY120	Shaw MS Renovation/Modernization	GO Bonds	20,237,000	28,311,000	8,074,000
YY177	Bancroft Renovation/Modernization	GO Bonds	10,831,000	0	(10,831,000)
	Total	GO Bonds	38,311,000	28,311,000	(10,831,000)

Committee Adjustments to the Capital Budget

The Committee makes the following adjustments to the proposed FY14 capital budget for DCPS:

PROJECTS: *Ellington Renovation/Modernization (YY159)*
Garrison Renovation/Modernization (YY183)

As construction on the Ellington Renovation/Modernization Project (YY159) will likely not begin until June of 2014, the Committee directs that \$8,074,000 of its FY14 allocation to FY15. This has no impact on the overall allocation for the project. The Committee then directs that the Garrison ES Modernization Project (YY183) be moved to FY14. This shift reflects a more thoughtful approach to capital budgeting as it will accelerate the modernization of Garrison, an elementary school in a high need neighborhood as defined by the MFP while at the same time maintaining the funding levels and modernization timeline of the Ellington HS Project.

PROJECTS: *Anne M. Goding ES Renovation/Modernization (YY105)*
Shaw MS Renovation/Modernization (YY120)

The Committee also recommends an \$8,074,000 shift of the Shaw MS Modernization Project (YY120) FY15 funding allocation to FY16. This has no impact on the overall allocation for the project. The Committee then directs that the Anne M. Goding ES Modernization Project (YY105) be moved to FY15. This swap will result in the acceleration of the Goding (Prospect) modernization in an MFP-designated high need neighborhood, while permitting the construction of a new Shaw Middle School to continue on its current timeline with full funding.

PROJECT: *Malcolm X ES Modernization (YY1MX)*

The Committee recommends a decrease in the FY14 allocation for the Malcolm X ES Modernization Project (YY1MX) from \$21,870,000 to \$6,000,000.

PROJECT: *Garfield ES Modernization (YY182)*

The Committee recommends shifting the \$8,074,000 allocation in FY15 for the Garfield ES Modernization Project (YY182) to FY14.

PROJECT: *Martin Luther King Jr. Modernization (PK337)*

The Committee recommends allocating \$1,500,000 in FY14 and \$500,000 in FY15 for Martin Luther King Jr. ES (PK337).

PROJECT: *Watkins ES Modernization (YY197)*

The Committee recommends allocating \$1,000,000 in FY14 to the Watkins ES Modernization (YY197). The Committee also recommends decreasing the Watkins ES Modernization (YY197) allocation in FY15 to \$8,953,000.

PROJECT: *Bancroft ES Modernization (YY177)*

The Committee recommends shifting the 10,831,000 FY16 for the Bancroft ES Modernization (YY177) to be allocated as follows: \$5,295,000 in FY14 and \$5,536,000 in FY15.\

PROJECT: *Student Tracking and Reporting System Upgrades (New)*

The Committee recommends allocating \$2,538,000 in FY15 for DCPS to make upgrades to its Student Tracking and Reporting System (STARS).

POLICY RECOMMENDATIONS

The Committee recommends for inclusion in the Budget Support Act the following reporting requirements for DCPS:

- Provide the Council with recommendations for improving transparency of the DCPS budget, including an implementation plan for establishing a single budgeting system for the agency.
- Make publically available the final budgets for each school along with a list of actual staff positions filled for 2013-2014 school year.
- Report on its work with the Department of General Services to analyze DCPS energy usage and develop a mechanism that allows the agency to reinvest its savings from consolidations and fixed costs into its operational needs.
- DCPS shall provide the Council with a plan for the construction of regulation-size athletic fields at Stuart-Hobson Middle School. Such plan shall be based upon consultation and collaboration with the Office of Planning and the Department of General Services and shall include at minimum:
 - Alternative approaches on how to address the parking needs for the school, including identifying available parking at other locations such as Logan Annex or other appropriate sites; and
 - A spending plan that does not exceed the current capital allocation for Stuart-Hobson as set forth in the CIP.
- Provide the Council with a strategic plan to improve parental engagement efforts for the 2013-2014 school year, including:
 - A plan for regular communication with parents regarding DCPS programs, services, initiatives and student performance; and
 - A plan for use of the established parent resource centers to help in engaging parents.
- In collaboration with the Office of the State Superintendent of Education, submit to the Council a strategic plan to increase access to, participation in, and the funding of an intramural and interscholastic athletics program in DCPS by the 2014-2015 school year. The strategic plan shall at minimum include:
 - A list of all intramural, junior varsity and varsity sports currently offered by DCPS along with the number of students that participate in each sport;
 - A spending plan for school year 2013-2014 for all DCPS intramural, junior varsity and varsity sports; and
 - An implementation plan, including spending plan and timeline, for the expansion of intramural, junior varsity and varsity sports within DCPS.

C. 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 all District residents receive an excellent education and are prepared to achieve 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 to ensure quality and compliance.

In addition to its responsibilities as the SEA, OSSE develops state-level education policies and standards aligned with school, college, and workforce readiness expectations. OSSE further ensures that the District collects and reports accurate and reliable data. OSSE also provides technical support to increase effectiveness among education providers, thereby improving outcomes for all students.

OSSE is organized into the following divisions:

- Office of the Director
- General Education Tuition
- Office of the Chief Operating Officer
- Office of the Chief Information Officer
- Office of Elementary and Secondary Education
- Post-Secondary Education and Workforce Readiness
- Office of Early Childhood Education
- Office of Special Education
- Department of Transportation

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

FISCAL YEAR 2014 OPERATING BUDGET

Mayor's Proposed Budget

The Mayor's FY14 budget proposal included \$433,409,974 in gross operating funds for OSSE, a \$2,649,376 increase (0.6%) from the FY13 approved budget. The proposed budget supports 360.0 FTEs, a 12.0 FTE increase from the FY13 approved budget.

Local Funds (100)

The proposed OSSE budget included \$99,754,418 in local funds, a \$4,014,148 increase from the FY13 approved budget. This increase is primarily due to \$6,500,000 in local funds allocated to expand the special education early intervention program.

Dedicated Taxes (110)

The proposed OSSE budget included \$4,266,000 in dedicated taxes, which is no change from the FY13 approved budget.

Federal Grants (200)

The proposed OSSE budget included \$250,480,809 in federal grants, a \$22,070,220 increase from the FY13 approved budget. This increase is primarily due to a reclassification of \$20,000,000 in federal payments to federal grants.

Federal Payments (250)

The proposed OSSE budget included \$35,000,000 in federal payment, a \$23,500,150 decrease from the FY13 approved budget. This decrease is primarily due to a reclassification of \$20,000,000 in federal payments to federal grants.

Private Grants (400)

The proposed OSSE budget included \$108,119 thousand in private grants, a \$108,119 increase from the FY13 approved budget. This increase is due to funding associated with aligning the District's curriculum with the common core standards.

Intra-District Funds (700)

The proposed OSSE budget included \$37,968,585 in intra-district funds, a \$64,960 thousand decrease from the FY13 approved budget. This decrease is due to a reduction in funds from the Tobacco Youth Coalition Fund agreement.

Committee Comments & Analysis

Enrollment Projections

During the FY14 budget hearing, OSSE testified regarding its role in the development of enrollment projections for DCPS and the public charter schools for purposes of budget development. OSSE and the Committee spoke candidly about prior difficulties in accurately projecting how many students would enroll at individual schools and about how OSSE was a more active participant in the process for FY14.

The Committee also inquired as to why there look to be two separate general education enrollment projections for DCPS: OSSE's projection at 46,060 and DCPS's internal projection of 46,657. OSSE explained during the hearing that it based the general education enrollment projection off of the FY13 audited enrollment of 45,557, and applied the following:

- (1) Added/subtracted the average change in enrollment over the past four years;
- (2) Controlled for anomalies such as school closings and consolidations; and,
- (3) Gave DCPS a 2% allowance as the LEA of right.

While this process yielded a projection for general education as a whole, it did not provide for specific school-level projections. That level of detail was to be provided by DCPS. However, instead of waiting for OSSE's general education projection prior to determining its school level numbers, DCPS had already utilized its own enrollment projection methodology to develop initial estimates and had begun the process of working with principals and community members. When totaled, these individual school-level projections equaled 46,657, approximately 600 more than

OSSE's general education projection. Rather than revise their numbers downward, DCPS made the decision to use its higher projections and allocate funding to correspond.

While the Committee understands the need for DCPS to begin working with stakeholders as early as possible when it comes to developing school budgets, effort must also be made to have a single standard set of enrollment projections, both for budgeting purposes and for agency accountability.

Spending Plans

During the FY14 budget oversight hearing, the Committee identified non-programmatic expenditures in OSSE's FY14 spending plan as submitted to the Committee of approximately \$820,000. The Committee recommends that OSSE use these funds to support enrollment projection calculations and student audits. Identifying and predicting the District's student population is of the utmost importance for budgeting and planning purposes. Repurposing these funds will ensure that this OSSE function is fully funded and executed in a timely manner.

Committee Recommendations

The Committee recommends a gross operating budget of \$433,409,974 and 360.0 FTEs for OSSE. This is no change from the Mayor's request.

Fiscal Year 2014 Operating Budget, By Revenue Type

	FY 2012 Actual	FY 2013 Approved	FY 2014 Mayor's Proposed	FY 2014 Committee Variance	FY 2014 Committee Recommendation
LOCAL FUND	97,018,693	95,740,270	99,754,418	0	99,754,418
DEDICATED TAXES	244,055	4,266,000	4,266,000	0	4,266,000
FEDERAL PAYMENTS	49,552,520	58,500,150	35,000,000	0	35,000,000
FEDERAL GRANT FUND	210,693,758	228,410,589	250,480,809	0	250,480,809
PRIVATE GRANT FUND	105,395	0	108,119	0	108,119
PRIVATE DONATIONS	1,503	0	0	0	0
SPECIAL PURPOSE REVENUE FUNDS	215,570	5,810,043	5,832,043	0	5,832,043
INTRA-DISTRICT FUNDS	38,008,625	38,033,545	37,968,585	0	37,968,585
OSSE	395,840,119	430,760,598	433,409,974	0	433,409,974

Fiscal Year 2014 Full-Time Equivalents, By Revenue Type

	FY 2013 Approved	FY 2014 Mayor's Proposed	FY 2014 Committee Variance	FY 2014 Committee Recommendation
LOCAL FUND	217.5	212.3	0.0	212.3
DEDICATED TAXES	9.1	7.4	0.0	7.4
FEDERAL PAYMENTS	25.0	17.7	0.0	17.7
FEDERAL GRANT FUND	94.8	120.7	0.0	120.7
PRIVATE GRANT FUND	0.0	0.8	0.0	0.8
PRIVATE DONATIONS	0.0	0.0	0.0	0.0
SPECIAL PURPOSE REVENUE FUNDS	0.0	0.0	0.0	0.0
INTRA-DISTRICT FUNDS	1.7	1.2	0.0	1.2
OSSE	348.0	360.0	0.0	360.0

Fiscal Year 2014 Operating Budget, By Comptroller Source Group (Gross Funds)

	FY 2012 Actual	FY 2013 Approved	FY 2014 Mayor's Proposed	FY 2014 Committee Variance	FY 2014 Committee Proposed
11-REGULAR PAY	14,387,199	18,945,709	23,498,540	0	23,498,540
12-REGULAR PAY - OTHER	6,422,432	6,135,722	3,773,561	0	3,773,561
13-ADDITIONAL GROSS PAY	572,962	0	0	0	0
14-FRINGE BENEFITS	4,209,211	5,838,053	6,599,831	0	6,599,831
15-OVERTIME PAY	8,808	0	0	0	0
20-SUPPLIES AND MATERIALS	450,197	424,313	400,824	0	400,824
30-ENERGY, COMM. AND BLDG RENTALS	6,692	5,842	11,881	0	11,881
31-TELEPHONE, TELEGRAPH, TELEGRAM	426,914	457,723	480,034	0	480,034
32-RENTALS - LAND AND STRUCTURES	3,879,756	4,162,362	3,973,273	0	3,973,273
33-JANITORIAL SERVICES	53,406	0	0	0	0
34-SECURITY SERVICES	1,446	2,129	18,397	0	18,397
35-OCCUPANCY FIXED COSTS	0	79,552	159,922	0	159,922
40-OTHER SERVICES AND CHARGES	6,616,970	6,739,656	8,150,241	0	8,150,241
41-CONTRACTUAL SERVICES - OTHER	23,606,995	22,775,065	19,071,835	(820,000)	18,251,835
50-SUBSIDIES AND TRANSFERS	334,254,456	364,440,305	366,466,339	820,000	367,286,339
70-EQUIPMENT & EQUIPMENT RENTAL	942,674	754,166	805,297	0	805,297
OSSE	395,840,119	430,760,598	433,409,974	0	433,409,974

Fiscal Year 2014 Operating Budget, By Program (Gross Funds)

	FY 2012 Actuals	FY 2013 Approved	FY 2014 Mayor's Proposed	FY 2014 Committee Variance	FY 2014 Committee Proposed
100F-AGENCY FINANCIAL OPERATIONS	1,355,493	2,086,848	2,208,743	0	2,208,743
7000-EDUCATIONAL FACILITIES AND PARTNERSHIPS	7,257,339	0	0	0	0
9960-YR END CLOSE	761,947	0	0	0	0
9980-PAYROLL DEFAULT PROGRAM	42,369	0	0	0	0
A200-DPTY SUPER - BUS & SUPPORT	404,863	0	0	0	0
A400-TEACHING & LEARNING	2,857,949	0	0	0	0
D100-OFFICE OF THE DIRECTOR	47,919,948	3,487,255	3,897,266	0	3,897,266
D200-GENERAL EDUCATION TUITION	2,732,228	2,732,742	2,732,742	0	2,732,742
D300-OFFICE OF THE COO	9,599,651	9,353,235	9,375,015	0	9,375,015
D400-OFFICE OF THE CIO	4,102,471	2,765,087	4,060,221	0	4,060,221
D600-ELEMENTARY & SECONDARY EDUC	142,548,769	223,843,104	222,857,596	0	222,857,596
D700-POST SEC EDUC & WORKFORCE READINESS	45,292,618	52,615,753	51,705,267	0	51,705,767
D800-EARLY CHILDHOOD EDUCATION	91,233,771	96,142,906	93,239,620	0	93,239,620
D900-SPECIAL EDUCATION	39,336,177	37,228,660	43,333,506	0	43,333,506
SB00-STATE BOARD OF EDUCATION	394,526	505,008	0	0	0
OSSE	395,840,119	430,760,598	433,409,974	0	433,409,974

Committee Adjustments to the Operating Budget

The Committee makes the following adjustments to the proposed FY14 operating budget for OSSE:

PROGRAM: *Office of the Director*

APPROPRIATION TITLE: *Local Funds*

CSG41 (contractual services)

The Committee recommends a reduction of \$820,000 in contractual services for the Office of the Director. This \$820,000 in funding had been identified within the agency's FY14 spending plan as supporting expenditures that are not directly tied to programs and services.

The Committee recommends redirecting this \$820,000 to CSG50 (subsidies and transfers) in order to support OSSE's work in making enrollment projections for both DCPS and the public charter schools.

CSG50 (subsidies and transfers)

The Committee recommends an increase of \$820,000 in subsidies and transfers for the Office of the Director. These additional funds were reallocated from within the Office of the Director (CSG41). The Committee directs that these funds be used to support OSSE's efforts in accurately projecting enrollment for DCPS and public charter schools.

Committee Adjustments to FTE Authority

The Committee makes no adjustments to the proposed FY14 FTE authority for OSSE.

FISCAL YEAR 2014 CAPITAL BUDGET

Mayor's Proposed Budget

The Mayor's proposed budget includes \$0 in capital funds for OSSE.

Committee Comments & Analysis

While the Capital Improvement Plan as proposed by the Mayor does not include any funds for OSSE, it does allocate \$12,000,000 to the Deputy Mayor for Education to develop a statewide Student Information System (SIS). The SIS will consolidate information on all public school students in a single, accessible, and uniform location.

The Committee is concerned that the lack of expertise within the DME in this subject area will diminish the execution of this system's development. To this end, during the DME budget hearing the Deputy Mayor stated that while her office would technically "own" the project, the SIS system will be inherited by OSSE in the long term.

Committee Recommendations

The Committee recommends a capital budget of \$2,000,000 for OSSE in FY14 and \$4,000,000 in FY15. This is a \$6,000,000 total increase from the Mayor's request and represents a shift in funding for project number SIS01 from the DME to OSSE.

OSSE Capital Budget - Recommended Change by Project

Fiscal Year 2014

Project Number	Capital Project Name	Source of Funds	Mayor's Proposed	Committee Proposed	Variance
SIS01	Single State-Wide Student Information System	GO Bonds	0	2,000,000	2,000,000
	Total		0	2,000,000	2,000,000

Fiscal Year 2015

Project Number	Capital Project Name	Source of Funds	Mayor's Proposed	Committee Proposed	Variance
SIS01	Single State-Wide Student Information System	GO Bonds	0	4,000,000	4,000,000
	Total		0	4,000,000	4,000,000

Committee Adjustments to the Capital Budget

The Committee makes the following adjustments to the proposed FY14 capital budget for OSSE:

PROJECT: *Single State-Wide Student Information System (SIS01)*

The functions and implementation of the SIS project should reside with OSSE given that it has expertise in student database construction and will ultimately be the operator of this system. This aligns with the understanding of the Committee that the original request for capital funds for this project in fact generated from OSSE but notwithstanding was included within the DME budget. The Committee recommends \$2,000,000 for OSSE in FY14 and \$4,000,000 in FY15. This is a \$6,000,000 total increase from the Mayor's request.

POLICY RECOMMENDATIONS

The Committee recommends for inclusion in the Budget Support Act the following reporting requirements for OSSE:

- A report on efforts to implement a single statewide enrollment methodology for purposes of determining student enrollment and budget projections for DCPS and public charter schools
- A report on the status of implementing the Partnership for Assessment of Readiness for College and Careers (PARCC) exam in public schools. The report shall include at a minimum:
 - Barriers to implementation;
 - Program and technological enhancements needed to administer the new assessment; and
 - Changes in test security protocols to accommodate the PARCC Assessment.
- A report on the development of a uniform school report card for all public schools in the District of Columbia. The report shall include at a minimum:
 - A recommended system of uniform quality measurement that can be used to compare schools across public school sectors;
 - A timetable for implementation; and,
 - A plan to educate and promote the universal report card to parents and students.
- A recommendation on program enhancements that will increase the frequency of residency fraud detection. The report shall include at a minimum:

- The rationale for the recommendation, including data and information used to support the decision; and,
- If advisable, a comprehensive plan, with a timetable, to implement residency fraud prevention program enhancements.
- A report detailing the development of the Student Information System. The report shall include at a minimum:
 - A detailed description on the Student Information System;
 - A timetable for development and estimated launch date;
 - Feedback on the SIS from public LEAs and the PCSB;
 - A recommendation for a data governance policy; and,
 - How the SIS will interact with existing Student Information Systems.

D. 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 publically 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 UPSFF.

DCPCS is organized into the following program(s):

- DC Charter Schools

FISCAL YEAR 2014 OPERATING BUDGET

Mayor's Proposed Budget

The Mayor's FY14 budget proposal included \$616,499,168 in gross operating funds for DCPCS, a \$74,468,448 increase (13.7%) from the FY13 approved budget. The proposed budget supports 0.0 FTEs, which is no change from FY13.

Local Funds (100)

The proposed DCPCS budget includes \$616,499,168 in local funds, an \$81,135,648 increase from the FY13 approved budget. This increase is primarily due to an additional allotment of funds through the Uniform per Student Funding Formula to account for a projected increase in student enrollment of 3,711, from 33,699 in FY13 to 37,410 in FY14.

Intra-District Funds (700)

The proposed DCPCS budget included \$0 in intra-district funds, a \$6,667,200 decrease from the FY13 approved budget. This decrease is primarily due to the elimination of the intra-district portion of the facilities allowance, which is comprised of only local funds beginning in FY14.

Committee Comments & Analysis

Equity in Funding

Throughout the FY14 budget process, the Committee received a great deal of public comment and testimony from the public charter school community regarding funding equity between the public charter schools and DCPS. Specifically, advocates have testified that the proposed FY14 budget and previous budgets submitted by the executive did not address legislative requirements that all operating funding for public schools be appropriated on a uniform per-student basis. In question are payments DCPS receives (and keeps) for inflated enrollment projections, supplemental appropriations for DCPS operational overruns, higher capital expenditures for DCPS per pupil compared to the charter school facilities allotment, and in-kind support DCPS receives from other agencies (DGS, Attorney General, Teacher Retirement). Some advocates testified that this amount could equal or exceed \$80,000,000 in additional funding a year.

In the PCSB’s written testimony to the Committee for its FY14 budget hearing, the agency’s Director stated that “funding for charter students still lags behind funding for DCPS students.” He urged the Council “to take action to address these funding and facilities inequities by ensuring that both sectors are paid based on actual enrollment; incorporating all city services delivered to schools into the Uniform Per Student Funding Formula and through ensuring that charters gain access to vacant school buildings.” The Committee upholds the belief that traditional and charter public schools are two systems within the same family of public education in the District. Each public school type should be funded equitably.

Facilities Access & Planning

Access to sufficient, reliable funding for facilities is a major concern to the public charter school community. In previous budgets, the District relied on federal funding to increase the facility allotment for charter schools from \$2,800 per pupil to \$3,000. In the FY14 proposed budget, the public charter school facilities allotment is constituted entirely from local funds at \$3,000 per student, which the Council supports. However, the Committee has reviewed school facility and finance reports that indicate charter schools may spend up to \$119,000,000 on facility costs in FY13, with over half going to lease payments. While it is important to note that it is often hard to compare facility expenses across each individual charter school, it is clear that the types of facilities and facility needs vary tremendously.

The Committee recognizes that the facilities needs of charter schools vary depending on the type of building each school operates, and that many schools use facilities funds to build reserves for future building purchases or capital needs. For example, the Committee received testimony from certain charter LEAs that indicated without the support of bond financing to help underwrite school construction the facilities allowance would not be sufficient to renovate facilities in a commercial market even with minimum specifications. DCPS does not have to face the same issues when it seeks to expand or renovate schools – that funding is included within the District’s capital improvement plan and is not tied to enrollment projections.

It is in the District’s financial interest to provide public charter schools access to facilities that increase quality educational options for families. Understanding that access to closed and excess school buildings is a major barrier to a charter school site, the PCSB indicated that it could assist the city in predicting the facilities needs of existing charters, given its role in approving expansion plans and enrollment ceilings for charters, but the needs of new schools are challenging to predict.

Committee Recommendations

The Committee recommends a gross operating budget of \$616,499,168 million and 0.0 FTEs for DCPCS. This is no change from the Mayor’s request.

Fiscal Year 2014 Operating Budget, By Revenue Type

	FY 2012 Actual	FY 2013 Approved	FY 2014 Mayor's Proposed	FY 2014 Committee Variance	FY 2014 Committee Proposed
LOCAL FUND	508,113,098	535,363,520	616,499,168	0	616,499,168
INTRA-DISTRICT FUNDS	0	6,667,200	0	0	0
DCPCS	508,113,098	542,030,720	616,499,168	0	616,499,168

Fiscal Year 2014 Full-Time Equivalents, By Revenue Type

	FY 2013 FTEs Approved	FY 2014 FTEs Mayor's Proposed	FY 2014 FTEs Committee Variance	FY 2014 FTEs Committee
LOCAL FUND	0.0	0.0	0.0	0.0
INTRA-DISTRICT FUNDS	0.0	0.0	0.0	0.0
DCPCS	0.0	0.0	0.0	0.0

Fiscal Year 2014 Operating Budget, By Comptroller Source Group (Gross Funds)

	FY 2012 Actual	FY 2013 Approved	FY 2014 Mayor's Proposed	FY 2014 Committee Variance	FY 2014 Committee Proposed
50-SUBSIDIES AND TRANSFERS	508,113,098	542,030,720	616,499,168	0	616,499,168
DCPCS	508,113,098	542,030,720	616,499,168	0	616,499,168

Fiscal Year 2014 Operating Budget, By Program (Gross Funds)

	FY 2012 Actuals	FY 2013 Approved	FY 2014 Mayor's Proposed	FY 2014 Committee Variance	FY 2014 Committee Proposed
1000-DC CHARTER SCHOOLS	508,113,098	542,030,720	616,499,168	0	616,499,168
DCPCS	508,113,098	542,030,720	616,499,168	0	616,499,168

Committee Adjustments to the Operating Budget

The Committee makes no adjustments to the proposed FY14 operating budget for DCPCS.

Committee Adjustments to FTE Authority

The Committee makes no adjustments to the proposed FY14 FTE authority for DCPCS.

FISCAL YEAR 2014 CAPITAL BUDGET

The proposed FY14 budget includes no capital funds for DCPCS. The Committee has no recommended changes.

POLICY RECOMMENDATIONS

The Committee has no policy recommendations for DCPCS.

E. 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. The Library system includes a Central Library and 25 Neighborhood Libraries providing services to children, youth, teens, and adults. This includes ensuring that the libraries provide clean, safe and available places for community use. In addition, DCPL helps to bridge the digital divide with public access computers and free WiFi at all libraries as well as data bases, downloadable books and music, and library information via the library's website (dclibrary.org).

DCPL is organized into the following divisions:

- Office of the Chief Librarian
- Library Services
- Business Operations
- Agency Management
- Agency Financial Operations

FISCAL YEAR 2014 OPERATING BUDGET

Mayor's Proposed Budget

The Mayor's FY14 budget proposal included \$53,480,629 million in gross operating funds for DCPL, a \$9,948,000 million increase (22.9%) from the FY13 approved budget. The proposed budget supports 593.6 FTEs, a 28.6 percent increase from FY13.

Local Funds (100)

The proposed DCPL budget included \$52,101,000 million in local funds, a \$10,074,000 million increase from the FY13 approved budget. This increase is primarily due to the expansion of operating hours at all neighborhood libraries and the Martin Luther King Jr. central library.

Federal Grants (200)

The proposed DCPL budget included \$840,068 in federal grants, an \$82,000 decrease from the FY13 approved budget. This decrease is primarily due to an 8.2% reduction in the Library Services and Technology Act grant due to Federal Sequestration.

Special Purpose Revenue (600)

The proposed DCPL budget included \$540,000 in special purpose revenue funds, a \$20,000 increase from the FY13 approved budget. This increase is primarily a result of the available fund balance at the end of FY12.

Intra-District Funds (700)

The proposed DCPL budget included \$0 in intra-district funds, a \$64,000 decrease from the FY13 approved budget. This decrease is primarily due to the end of two Stimulus Memoranda of Understanding (MOUs) in FY 2013 with the Office of the Chief Technology Officer (OCTO).

Committee Comments & Analysis

Expanded Hours and New Hires

During the FY14 budget hearings, the Committee requested a detailed plan for addressing what is a significant human resources challenge in ensuring sufficient library staff are hired, in place, and properly trained for the start of expanded hours. The proposed budget would add 132 FTEs to support expanded hours at all neighborhood libraries and the MLK central library. Combined with the more than 20 currently vacant FTEs, DCPL will have to fill 152 positions over the next several months. Considering the fact that two of the current vacant FTEs, a deputy director of human resources and a personnel staffing specialist, are key human resources positions, DCPL faces a real staffing challenge.

DCPL leadership stated that they believe they have requisite capacity to recruit, hire, and train the proposed number of FTEs designated for FY14 by the beginning of the fiscal year. Further, DCPL leadership developed a staffing and recruitment timeline after the budget hearing. Should there be even small delays in the hiring of these FTEs, the Committee is concerned that the promised expansion of operating hours could be impacted.

Lapse of OCTO Federal Stimulus Grant

In FY12 and FY13, DCPL and OCTO were able to support robust computer literacy programming and classes through two MOUs. These funds served nearly 1,400 students at eleven neighborhood libraries and community centers District-wide. The federal stimulus grant funding that supported these two MOUs will be fully expended during the summer of 2013.

As proposed by the executive, the FY14 DCPL budget contains no funding to backfill this important programming. The failure to backfill this funding is particularly troubling in a year when the GED exam will be transitioned to a computer-based test, made more challenging, and see the most significant changes in its 69-year history. Older adults with limited computer proficiency, a large majority of the population served by the computer literacy classes, are expected to particularly struggle with the new exam.

Connections to District Schools

During the FY14 budget hearing, the Committee noted that both traditional public schools and charter schools are frequently in need of additional library resources and support. That need has been heightened by the executive's decision to cut library staff at a number of District public schools and the fact that many charters lack library facilities all together.

The Committee commends DCPL's leadership for continuing to emphasize outreach to District schools and students. Through the efforts of neighborhood librarians, DCPL can and does supplement school-based library resources and plays a vital role in extending learning beyond the end of the school day, week, and year. DCPL currently has 4 vacant positions that could support enhanced partnerships with schools and adult learners: Assistant Director of Programs and Partnerships; Children's Partnership and Program Coordinators; Adult Partnership and Program Coordinator; and a Teen Program Coordinator. The Committee encourages DCPL leadership to make filling these vacant positions a priority.

Impact of Reduced Training Funds

DCPL’s staff training budget faces a significant cut in the executive’s proposed FY14 budget. After the Council was able to supplement the FY13 budget beyond the meager levels proposed by the executive, DCPL once again faces a reduction to this critical activity. Training funds are used for employee tuition assistance to receive new certifications and skills that enrich the library experience for DCPL patrons. Less funding for training results in greater financial hardship for employees and diminishes the customer experience as well.

Impact on Operating Budget of Library Openings

The proposed FY14 budget includes \$2,132,604 to account for the operating budget impact of the newly completed capital projects. Included in that figure is \$509,354 to fund 8.0 FTEs and \$1,146,000 in non-personnel service funds to support the operation of the two new libraries.

The Committee observed that while these costs were appropriately built into DCPL’s budget baseline due to their ongoing impact, Woodridge is expected to open in January 2015. Staff for Woodridge will have to be hired in FY14 to be adequately trained and some supplies will have to be purchased well in advance of the library’s opening. However, none of these costs will occur until the final months of FY14. The Committee finds that a similar over-estimation of costs was included with respect to the Northeast branch.

Committee Recommendations

The Committee recommends a gross operating budget of \$53,480,629 and 593.6 FTEs for DCPL. This is no change from the Mayor’s request.

Fiscal Year 2014 Operating Budget, By Source of Funds

	FY 2012 Actual	FY 2013 Approved	FY 2014 Mayor's Proposed	FY 2014 Committee Variance	FY 2014 Committee Proposed
LOCAL FUND	35,309,429	42,026,849	52,100,561	0	52,100,561
FEDERAL GRANT FUND	1,293,594	921,623	840,068	0	840,068
PRIVATE DONATIONS	160,950	0	0	0	-
SPECIAL PURPOSE REVENUE FUNDS	208,452	520,000	540,000	0	540,000
INTRA-DISTRICT FUNDS	732,933	64,160	0	0	-
DCPL	37,705,357	43,532,632	53,480,629	0	53,480,629

Fiscal Year 2014 Full-Time Equivalents, By Revenue Type

	FY 2013 FTEs Approved	FY 2014 FTEs Mayor's Proposed	FY 2014 FTEs Committee Variance	FY 2014 FTEs Committee
LOCAL FUND	456.6	588.6	0.0	588.6
FEDERAL GRANT FUND	5.0	5.0	0.0	5.0
PRIVATE DONATIONS	0.0	0.0	0.0	0.0
SPECIAL PURPOSE REVENUE FUNDS	0.0	0.0	0.0	0.0
INTRA-DISTRICT FUNDS	0.0	0.0	0.0	0.0
DCPL	461.6	593.6	0.0	593.6

Fiscal Year 2014 Operating Budget, By Comptroller Source Group (Gross Funds)

	FY 2012 Actual	FY 2013 Approved	FY 2014 Mayor's Proposed	FY 2014 Committee Variance	FY 2014 Committee Proposed
11-REGULAR PAY	19,550,235	21,519,905	27,622,874	(190,000)	27,432,874
12-REGULAR PAY - OTHER	3,052,587	3,446,054	3,517,020	0	3,517,020
13-ADDITIONAL GROSS PAY	543,934	572,425	572,425	0	572,425
14-FRINGE BENEFITS	5,089,725	6,240,868	8,096,372	0	8,096,372
15-OVERTIME PAY	352,633	306,859	306,859	0	306,859
20-SUPPLIES AND MATERIALS	465,347	559,789	680,745	(10,000)	680,745
30-ENERGY, COMM. AND BLDG RENTALS	0	366,500	336,500	0	326,500
31-TELEPHONE, TELEGRAPH, TELEGRAM	0	0	30,000	0	30,000
40-OTHER SERVICES AND CHARGES	3,126,539	3,810,784	5,120,095	(200,000)	5,020,095
41-CONTRACTUAL SERVICES - OTHER	1,580,735	1,383,294	1,467,530	300,000	1,767,530
50-SUBSIDIES AND TRANSFERS	48,675	55,755	59,468	100,000	59,468
70-EQUIPMENT & EQUIPMENT RENTAL	3,894,947	5,270,400	5,670,742	0	5,670,742
DCPL	37,705,357	43,532,632	53,480,629	0	53,480,629

Fiscal Year 2014 Operating Budget, By Program (Gross Funds)

	FY 2012 Actuals	FY 2013 Approved	FY 2014 Mayor's Proposed	FY 2014 Committee Variance	FY 2014 Committee Proposed
1000-AGENCY MANGEMENT PROGRAM	5,523,898	6,654,080	6,768,875	25,000	6,793,875
100F-AGENCY FINANCIAL OPERATIONS	706,840	774,230	765,031	0	765,031
5000-LIBRARY SERVICES	0	0	0	0	0
7000-BOOKS AND MEDIA	0	0	0	0	0
L200-CHIEF LIBRARIAN	388,014	388,984	365,109	0	365,109
L300-LIBRARY SERVICES	22,617,895	27,147,896	33,706,474	(200,000)	33,506,474
L400-BUSINESS OPERATIONS	8,468,712	8,567,443	11,875,139	175,000	12,050,139
DCPL	37,705,357	43,532,632	53,480,629	0	53,480,629

Committee Adjustments to the Operating Budget

The Committee makes the following adjustments to the proposed FY14 operating budget for DCPL:

PROGRAM: *Agency Management*
 APPROPRIATION TITLE: *Local Funds*

CSG40 (other services and charges)

The Committee recommends a decrease of \$75,000 from the budget as proposed for the Agency Management program. These savings are the result of over budgeting for Agency Fixed Costs associated with the Woodridge library. As the library will not open until January of 2015, the Committee directs that the funds stay within Agency Management but are budgeted instead to CSG50 to support enhanced training opportunities for DCPL employees.

CSG50 (subsidies and transfers)

The Committee recommends an increase of \$100,000 in funds within subsidies and transfers. These additional savings are the result of the following:

- \$25,000 in savings identified from within the Library Services program; and,
- \$75,000 the Committee has reallocated from CSG40.

The Committee directs that this additional \$100,000 be used to support enhanced training opportunities for DCPL employees the within the Agency Management Training and Employee Development program.

PROGRAM: *Library Services*

APPROPRIATION TITLE: *Local Funds*

CSG11 (regular pay)

The Committee recommends a reduction of \$190,000 for regular pay within the Library Services program. This \$190,000 represents savings associated with 4 FTEs assigned to the Woodridge library which will not open until January of 2015.

The Committee recommends reallocating this \$190,000 in savings as follows:

- \$175,000 to the Business Operations program to support a partnership with a non-profit organization to conduct computer literacy training classes at neighborhood libraries; and
- \$15,000 to the Agency Management Program to support enhanced employee training and development.

CSG20 (supplies)

The Committee recommends a reduction of \$10,000 for the supplies budget for DCPL. This \$10,000 was assigned to the Woodridge library's supply budget.

The Committee recommends redirecting these funds to the Agency Management Program to support enhanced employee training programs.

PROGRAM: *Business Operations*

APPROPRIATION TITLE: *Local Funds*

CSG40 (other services and charges)

The Committee recommends a reduction of \$125,000 from other services and charges. This \$125,000 represents projected savings in facilities maintenance due to the January 2015 opening of the Woodridge library.

The Committee recommends instead maintaining the \$125,000 within the Business Operations program but reallocating the funds to CSG41, contractual services, to support a computer literacy training classes.

CSG41 (contractual services)

The Committee recommends an increase of \$300,000 for the Business Operation program. These additional funds are the result of the following:

- \$125,000 reallocated from savings identified within Business Operations; and
- \$175,000 reallocated from the Library Services program.

The Committee directs that this additional \$300,000 in funds be used to support a partnership with a non-profit organization to conduct computer literacy training classes at neighborhood libraries.

FISCAL YEAR 2014 CAPITAL BUDGET

Mayor's Proposed Budget

The Mayor's proposed budget includes \$12,950,000 million in capital funds for DCPL in FY14.

Committee Comments & Analysis

Woodridge Neighborhood Library

The Capital Improvement Plan (CIP) includes \$4,800,000 million in FY14 to support the design, demolition, interim facility, and new construction of the Woodridge Neighborhood Library. The 22,500 square foot building will be LEED Gold certified. The design phase for this project is approximately 50 percent complete, according to DCPL's responses to the Committee's budget questions. The construction phase will begin in late calendar year 2013 and last approximately 18 months. The new Woodridge Library is expected to open in January of 2015.

Martin Luther King Jr. Memorial Library

The proposed capital budget includes \$3,800,000 million in FY14 to support the planning process for the planned Martin Luther King Jr. Memorial Library renovation project. Specifically these funds will be used to select the architectural team and provide schematic designs of the new facility. The design process will build off of studies completed in November 2011 and September 2012. Architectural selection will begin in late summer of 2013. Schematic design will begin at the beginning of calendar year 2014 and last approximately 9 months. Funding for actual renovation of the library is not provided for until fiscal years 2017 and 2018. It is important to note that in those years the District will be extremely close to its debt limit. For example, under the proposed FY14-FY19 Capital Improvements Plan, the District is projected to be within \$1.1 million of the debt limit. This small margin means that even a small cost overrun in any one of the District's capital projects could cause the District to reach its debt limit.

Committee Recommendations

The Committee recommends a capital budget of \$12,950,000 million for DCPL. This is no change from the Mayor's request.

POLICY RECOMMENDATIONS

The Committee recommends for inclusion in the Budget Support Act the following reporting requirement for DCPL:

- A report on the planning for the renovation of the Martin Luther King Jr. Central Library. The report shall include at a minimum:
 - A detailed update on design plans;

- A description of the project's financing including any and all public-private partnerships or use of financing other than District capital funds;
- A detailed timeline on the steps that will be taken leading up to the start of construction in FY17 and through to completion in FY18; and
- A description of the project's community and stakeholder engagement plan with an explanation of how the project will reflect the needs and perspectives of District residents.

F. 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 to both academic and non-academic performance.

The PCSB is organized into the following division:

- Agency Management

FISCAL YEAR 2014 OPERATING BUDGET

Mayor's Proposed Budget

The Mayor's FY14 budget proposal included \$4,133,816 in gross operating funds for the PCSB, a \$639,197 increase (18.3%) from the FY13 approved budget. The proposed budget supports 1 FTE, which represents no change from the PCSB's FY13 budget.

Local Funds (100)

The proposed PCSB budget includes \$1,086,000 in local funds, a \$10,000 increase from the FY13 approved budget. This increase is primarily due to an increase in the agency's request for additional funds to support continuing efforts to develop a common system of choice for the District of Columbia public charter schools.

Special Purpose Revenue (600)

The proposed PCSB budget includes \$3,047,816 in special purpose revenue funds, a \$629,197 increase from the FY13 approved budget. This increase is primarily due to increased revenues from an administrative oversight fee that is driven by charter school enrollment, charter school grants, and other revenues to support the agency's oversight and monitoring responsibilities.

Committee Comments & Analysis

PCSB Budget

The Public Charter School Board's total revenue for FY 2014 is projected to equal \$5,200,000 dollars, which includes the agency's local appropriation, private grants, and other incomes earned from fees. The agency's budget supports 31 full-time employees and three part-time employees. Given that the PCSB is not part of the District's financial system, only its local and special purpose revenue is presented in the proposed budget and financial plan along with the 1 FTE representing the agency's assigned AFO.

Charter School Support

With 43 percent of the public school population attending District public charters, there are increasing demands from both the public charter school community and government agencies to include charter school representatives in educational planning efforts. During the FY14 budget hearing, the PCSB indicated that it already takes part in several citywide and agency initiatives such as the School Based Health Center Expansion Task Force, the Truancy Task Force, and the

Student Longitudinal Education Database Working Group. However, involvement in these groups is often limited by the amount of staff time the Board can allocate outside its primary role of monitoring and overseeing charter school performance and compliance.

At the same time, the PCSB is often asked to serve as the intermediary between District agencies and the charter schools. The Committee concurs with the PCSB that since each charter school is its own Local Education Agency (LEA), it is incredibly difficult for city agencies to reach out to 57 individual charter LEAs across 102 campuses. The PCSB revealed that representatives from the Office of the Chief Technology Officer, the Department of Transportation, Child and Family Services, Metropolitan Police Department, and the Department of Health have asked the PCSB to act as an intermediary so that charter schools are more engaged in agency initiatives and programming that affect public charter school students.

Having an individual who can liaison between government agencies and charter schools would be exceedingly helpful to the education sector in terms of providing coordination between charters, DCPS, and other city agencies to improve directed services and information to charter schools and the students they serve.

PCS Budget Development

The PCSB plays a significant role in the development of the public charter school's budget by working with OSSE to project charter school enrollment. The PCSB begins the process of charter school enrollment projections by requesting that schools submit an initial forecast for the upcoming fiscal year by November 30th. The PCSB then takes each charter LEA's estimate and compares their figures with the charter's enrollment ceiling and past enrollment trends in order to develop a final projection that is then submitted to the Office of the Chief Financial Officer and the Office of the State Superintendent by December 31st. The Office of the State Superintendent reviews the charter school estimates that are presented and analyzes the information against the state-wide educational database to propose any changes that ultimately inform the proposed budget and financial plan. The Committee applauds the PCSB for incorporating the expertise and resources of the state education agency into this process that aims to provide a more realistic enrollment projection.

Special Education Services

During the PCSB's performance oversight hearing and again at its budget oversight hearing, the Committee received public comments on the need for additional transparency within the charter sector regarding the sector's population of students with special needs. Additionally, the Committee asked the agency to identify how it ensures the LEAs under its purview are accommodating students with special needs. As part of the PCSB's monitoring and oversight role, the agency works closely to obtain information from OSSE, in addition to routinely monitoring data collected from each charter school, and conducting a qualitative site review to ensure schools are providing services to special education students. Furthermore, the agency's new audit trigger policy, that flags schools for audits when their percentage of special education students is low or when they serve no Level 3 and 4 students, plays a vital role in the agency's efforts to ensure schools are providing an appropriate educational experience to all students.

The agency specified that it is in the planning stage of developing Equity Reports. These reports will show the performance of students with disabilities as compared to the rest of the student population (proficiency on DC CAS). Since the public charter school sector enrollment of

students with disabilities is 12% of the entire population, and the PCSB reported that “breaking down data by Special Education Level shows that charter schools vary from DCPS by no more than one percentage point in each level,” it would be beneficial to the public if the agency included school enrollment demographics in the Equity Reports when they are released in summer 2013. Though the Committee has not identified additional funding for this purpose, it will monitor the equity reports that the PCSB publishes during the upcoming fiscal year and work with agency officials to increase its ability to share school level data.

Unified Enrollment Process

In FY13, the PCSB began the first phase of its common application process by launching a common application timeline and lottery date for over 85 participating public charter campuses. The PCSB’s common application initiative was primarily supported by private grants. That support permitted the PCSB to begin a public awareness campaign regarding the common timeline and the schools that participated, along with general information for parents about how to navigate the charter application process.

Prior to this school year, over half of the DC public charter schools had different application deadlines and different lottery dates. Because families typically apply to multiple schools, navigating the enrollment process for each charter LEA and their specific deadlines was complicated and challenging. In many cases, this resulted in families holding slots multiple schools until the results of their preferred school were announced. For school leaders, the uncertainty this wait list shuffle caused impacted their ability to budget and plan for the upcoming school year. Until school leaders became aware of the number of students that intended to enroll in their respective schools they were hindered in hiring staff and purchasing supplies.

Subsequently, the PCSB convened a charter LEA task force to explore additional opportunities for collaboration in future school years. The taskforce will discuss ideas such as a single online application form that would allow families to apply to multiple schools simultaneously and a system for ensuring that students are not enrolled in multiple schools. In the agency’s response to pre-hearing questions from the Committee, the PCSB estimated that the next phase of the unified lottery initiative will cost \$1,110,000 to cover a project manager, website development, a parent education campaign, and an algorithm to integrate school applications into a single site. The Committee supports the PCSB in this effort to centralize charter school enrollment and looks forward to the agency’s centralized system of choice that will be piloted in FY14. In addition, the committee encourages this work to go farther, and looks forward to the development of a school admissions algorithm and software that would include both DCPS and public charters to create a unified school admissions process for both sectors.

Committee Recommendations

The Committee recommends a gross operating budget of \$4,208,816 for PCSB, a \$75,000 increase from the FY14 proposed budget. The Committee also recommends 1.0 FTE for PCSB, which is no change from the Mayor’s request.

Fiscal Year 2014 Operating Budget, By Source of Funds

	FY 2012 Actual	FY 2013 Approved	FY 2014 Mayor's Proposed	FY 2014 Committee Variance	FY 2014 Committee Proposed
LOCAL FUND	1,065,325	1,076,000	1,086,000	75,000	1,161,000
SPECIAL PURPOSE REVENUE FUNDS	0	2,418,619	3,047,816	0	3,047,816
PCSB	1,065,325	3,494,619	4,133,816	75,000	4,208,816

Fiscal Year 2014 Full-Time Equivalents, By Revenue Type

	FY 2013 FTEs Approved	FY 2014 FTEs Mayor's Proposed	FY 2014 FTEs Committee Variance	FY 2014 FTEs Committee Proposed
LOCAL FUND	0.0	0.0	0.0	0.0
SPECIAL PURPOSE REVENUE FUNDS	1.0	1.0	0.0	1.0
PCSB	1.0	1.0	0.0	1.0

Fiscal Year 2014 Operating Budget, By Comptroller Source Group (Gross Funds)

	FY 2012 Actual	FY 2013 Approved	FY 2014 Mayor's Proposed	FY 2014 Committee Variance	FY 2014 Committee Proposed
11-REGULAR PAY	95,658	98,611	112,072	0	112,072
14-FRINGE BENEFITS	18,011	30,101	32,277	0	32,277
50-SUBSIDIES AND TRANSFERS	951,656	3,365,907	3,989,466	75,000	4,064,466
PCSB	1,065,325	3,494,619	4,133,816	75,000	4,208,816

Fiscal Year 2014 Operating Budget, By Program (Gross Funds)

	FY 2012 Actual	FY 2013 Approved	FY 2014 Mayor's Proposed	FY 2014 Committee Variance	FY 2014 Committee Proposed
10-DC PUBLIC CHARTER SCHOOLS BOARD	1,065,325	3,494,619	4,133,816	75,000	4,208,816
PCSB	1,065,325	3,494,619	4,133,816	75,000	4,208,816

Committee Adjustments to the Operating Budget

The Committee makes the following adjustments to the proposed FY14 operating budget for PCSB:

PROGRAM: *DC Public Charter Schools Board*
 APPROPRIATION TITLE: *Local Funds*

CSG50 (subsidies and transfers)

The Committee recommends an increase of \$75,000. These funds are the result of savings identified with the Office of the Deputy Mayor for Education. The Committee directs that that these additional funds be used to support the Board's efforts to enhance coordination and strategic planning between the public charter schools and District agencies.

FISCAL YEAR 2014 CAPITAL BUDGET

Mayor's Proposed Budget

The Public Charter School Board does not have a capital allocation for FY14. The Committee makes no changes to that proposal.

POLICY RECOMMENDATIONS

The Committee does not recommend any additional requirements for the Public Charter School Board for inclusion in the Budget Support Act.

G. 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 disabilities 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 nonpublic 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 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 2014 OPERATING BUDGET

Mayor's Proposed Budget

The Mayor's FY14 budget proposal included \$80,000,000 in gross operating funds for Non-Public Tuition, a \$29,591,506 decrease (27.2%) from the FY13 approved budget. The proposed budget supports 18 FTEs, which is no change from FY13.

Local Funds (100)

The proposed Non-Public Tuition budget included \$80,000,000 in local funds, a \$29,591,506 decrease from the FY13 approved budget. This decrease is primarily due to a projected decrease in student enrollment in non-public placements.

Committee Comments & Analysis

Budget Reduction

In a letter that accompanied transmission of the FY14 budget as proposed by the Mayor to the Council, the Chief Financial Officer listed the budget for non-public tuition as a "budget item to monitor." Given the large decline in funding for this program, the CFO indicated that this program would need to be monitored closely to ensure that it achieves the built in savings. Based on projected spending for the current fiscal year, combined with projected enrollment for FY14, OSSE believes that the budget is adequate to support the needs of those students who require non-public placements.

Staffing Levels

During the FY14 budget oversight process, the Committee requested a position listing for OSSE, including those programs it oversees, along with a notation as to whether or not the position was

vacant. Based on the information submitted to the Committee for the non-public placement budget, there looks to be at least one position that has been vacant for a significant length of time. In addition, there has been no reduction in staffing levels from FY13 to FY14 despite the projection of reducing placements by 10 percent.

Committee Recommendations

The Committee recommends a gross operating budget of \$79,868,033 for Non-Public Tuition. This is a \$131,967 decrease from the Mayor's request. The Committee also recommends 17.0 FTEs, a 1.0 FTE decrease from the Mayor's budget proposal.

Fiscal Year 2014 Operating Budget, By Revenue Type

	FY 2012 Actual	FY 2013 Approved	FY 2014 Mayor's Proposed	FY 2014 Committee Variance	FY 2014 Committee Proposed
LOCAL FUND	119,622,480	109,940,506	80,000,000	(131,967)	79,868,033
NPT	119,622,480	109,940,506	80,000,000	(131,967)	79,868,033

Fiscal Year 2014 Full-Time Equivalents, By Revenue Type

	FY 2013 FTEs Approved	FY 2014 FTEs Mayor's Proposed	FY 2014 FTEs Committee Variance	FY 2014 FTEs Committee
LOCAL FUND	18.0	18.0	(1.0)	17.0
NPT	18.0	18.0	(1.0)	17.0

Fiscal Year 2014 Operating Budget, By Comptroller Source Group (Gross Funds)

CSG	FY 2012 Actual	FY 2013 Approved	FY 2014 Mayor's Proposed	FY 2014 Committee Variance	FY 2014 Committee Proposed
11-REGULAR PAY - CONT FULL TIME	956,149	1,066,961	1,260,111	(106,254)	1,153,857
12-REGULAR PAY - OTHER	97,794	177,963	0	0	0
13-ADDITIONAL GROSS PAY	601	0	0	0	0
14-FRINGE BENEFITS - CURR PERSONNEL	239,923	267,957	282,265	(25,713)	256,552
15-OVERTIME PAY	571	0	0	0	0
20-SUPPLIES AND MATERIALS	725	6,000	6,000	0	6,000
40-OTHER SERVICES AND CHARGES	992,732	60,000	50,000	0	50,000
41-CONTRACTUAL SERVICES - OTHER	0	134,000	25,000	0	25,000
50-SUBSIDIES AND TRANSFERS	117,333,734	108,202,625	78,351,625	0	78,351,625
70-EQUIPMENT & EQUIPMENT RENTAL	250	25,000	25,000	0	25,000
NPT	119,622,480	109,940,506	80,000,000	(131,967)	79,868,033

Fiscal Year 2014 Operating Budget, By Program (Gross Funds)

Program	FY 2012 Actuals	FY 2013 Approved	FY 2014 Mayor's Proposed	FY 2014 Committee Variance	FY 2014 Committee Proposed
1000-NON-PUBLIC TUITION	118,629,748	109,940,506	80,000,000	(131,967)	79,868,033
9090-YR END CLOSE	992,732	0	0	0	0
NPT	119,622,480	109,940,506	80,000,000	(131,967)	79,868,033

Committee Adjustments to the Operating Budget

The Committee makes the following adjustments to the proposed FY14 operating budget for non-public tuition:

PROGRAM: *Non-Public Tuition*

APPROPRIATION TITLE: *Local Funds*

CSG11 (Regular Pay)

The Committee recommends a reduction of \$106,254 in regular pay to reflect a decrease of 1.0 FTE. The Committee directs the \$106,254 in savings to the State Board of Education (SBOE) to support the restoration of the Office of the Ombudsman for Public Education.

CSG14 (Fringe Benefits)

The Committee recommends a reduction of \$25,713 in fringe benefits to reflect the decrease of 1.0 FTE from Non-Public Tuition. The Committee directs the \$25,713 to the SBOE to support the restoration of the Office of the Ombudsman for Public Education.

Committee Adjustments to FTE Authority

The Mayor's proposed budget includes 18 FTEs to support the non-public tuition program. The Committee recommends a decrease of 1.0 FTE for a total of 17.0 FTEs.

Non-public tuition enrollment steadily declined over the past several years and the Committee believes that the current number of FTEs is no longer reflective of the staffing needs required to oversee non-public placements. The Committee recommends that this FTE be moved to the SBOE to support the restoration of the Office of the Ombudsman for Public Education so that those non-public students who will be entering District LEAs in FY14 have a strong advocate to work on their behalf during what might be a difficult transition process.

POLICY RECOMMENDATIONS

The Committee recommends for inclusion in the Budget Support Act the following reporting requirements for Non-Public Tuition:

- A semi-annual report for all nonpublic tuition paid for each student and the name of the vendor receiving payment.
- Quarterly reports beginning October 1, 2013 on non-public placements. The reports shall include at a minimum:
 - A redacted listing of each student in non-public placement that includes:
 - The student's level of need;
 - Justification for placement into a non-public facility;
 - The date the student was originally placed into a nonpublic facility; and,
 - The name of the LEA unable to meet a student's individual level of need.
- Quarterly reports beginning October 1, 2013 on non-public students that have returned to a District LEA. The reports shall include at a minimum:

- A redacted listing of each student returning from a non-public placement that includes:
 - The student's level of need;
 - Justification for return from a non-public facility;
 - The date the student was originally placed into a nonpublic facility and date they returned to a District LEA;
 - The name of the receiving LEA; and,
 - The reason a receiving LEA can now accommodate the student.

H. 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 2014 OPERATING BUDGET

Mayor's Proposed Budget

The Mayor's FY14 budget proposal included \$88,007,702 in gross operating funds for OSSE DOT, a \$3,682,573 decrease (4.9%) from the FY13 approved budget. The proposed budget supports 1,509.5 FTEs, a 100.7 decrease from FY13.

Local Funds (100)

The proposed OSSE DOT budget included \$86,700,000 in local funds, a \$4,500,000 decrease from the FY13 approved budget. This decrease is primarily due a reduction of \$3,122,267 in summer positions and \$1,508,127 in vacant positions in personal services in the Terminal Operations program.

Intra-District Funds (700)

The proposed OSSE DOT budget included \$820,000 in intra-district funds, an \$820,000 increase from the FY13 approved budget. This increase is the result of a projected increase in Medicaid reimbursements.

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 a student's local school. According to OSSE, significant improvements have been made in recent years, including achieving savings through fleet replacement and as a result of fewer non-public placements and the recent dismissal of *Petties v. District of Columbia* litigation.

While the Committee commends OSSE on the progress it has made with respect to special education transportation, it also recognizes that with a large number of special needs students

transitioning back to local LEAs, OSSE will have to take extra steps to ensure that transportation requirements are being met.

Committee Recommendations

The Committee recommends a gross operating budget of \$88,007,702 and 1,509.5 FTEs for OSSE DOT. This is no change from the Mayor's request.

Fiscal Year 2014 Operating Budget, By Revenue Type

	FY 2012 Actual	FY 2013 Approved	FY 2014 Mayor's Proposed	FY 2014 Committee Variance	FY 2014 Committee Proposed
LOCAL FUND	93,059,322	91,190,275	86,687,702	0	86,687,702
INTRA-DISTRICT FUNDS	0	500,000	1,320,000	0	1,320,000
SED	93,059,322	91,690,275	88,007,702	0	88,007,702

Fiscal Year 2014 Full-Time Equivalents, By Revenue Type

	FY 2013 FTEs Approved	FY 2014 FTEs Mayor's Proposed	FY 2014 FTEs Committee Variance	FY 2014 FTEs Committee
LOCAL FUND	1610.2	1509.5	0.0	1509.5
INTRA-DISTRICT FUNDS	0.0	0.0	0.0	0.0
SED	1610.2	1509.5	0.0	1509.5

Fiscal Year 2014 Operating Budget, By Comptroller Source Group (Gross Funds)

	FY 2012 Actual	FY 2013 Approved	FY 2014 Mayor's Proposed	FY 2014 Committee Variance	FY 2014 Committee Proposed
11-REGULAR PAY	14,833,137	14,207,203	14,056,431	0	14,056,431
12-REGULAR PAY - OTHER	41,840,501	45,591,746	40,778,369	0	40,778,369
13-ADDITIONAL GROSS PAY	452,352	0	0	0	0
14-FRINGE BENEFITS	15,708,912	13,726,334	15,358,069	0	15,358,069
15-OVERTIME PAY	3,583,855	1,616,670	1,616,670	0	1,616,670
20-SUPPLIES AND MATERIALS	643,733	774,913	877,950	0	877,950
30-ENERGY, COMM. AND BLDG RENTALS	2,758,015	3,626,717	3,193,148	0	3,193,148
31-TELEPHONE, TELEGRAPH, TELEGRAM	658,167	738,473	775,397	0	775,397
32-RENTALS	1,338,000	933,806	1,649,202	0	1,649,202
33-JANITORIAL SERVICES	171,813	0	0	0	0
34-SECURITY SERVICES	1,020,832	983,353	1,205,140	0	1,205,140
35-OCCUPANCY FIXED COSTS	21,250	607,178	188,934	0	188,934
40-OTHER SERVICES AND CHARGES	6,777,259	5,555,117	3,571,986	0	3,571,986
41-CONTRACTUAL SERVICES - OTHER	1,195,721	1,652,028	3,183,019	0	3,183,019
50-SUBSIDIES AND TRANSFERS	466,000	486,631	400,000	0	400,000
70-EQUIPMENT & EQUIPMENT RENTAL	1,583,064	1,190,106	1,153,388	0	1,153,388
99-UNKNOWN PAYROLL POSTINGS	6,711	0	0	0	0
SED	93,059,322	91,690,275	88,007,702	0	88,007,702

Operating Budget, By Program (Gross Funds)

	FY 2012 Actuals	FY 2013 Approved	FY 2014 Mayor's Proposed	FY 2014 Committee Variance	FY 2014 Committee Proposed
4400-STATE SPECIAL EDUCATION TRANSPORTATION	93,101,691	0	0	0	0
9980-PAYROLL DEFAULT PROGRAM	(42,369)	0	0	0	0
T100-OFFICE OF DIRECTOR	0	4,752,716	5,073,145	0	5,073,145
T200-PERFORMANCE MANAGEMENT	0	2,127,076	2,635,437	0	2,635,437
T300-PARENT CALL CENTER	0	726,504	897,784	0	897,784
T400-ROUTING AND SCHEDULING	0	426,764	368,694	0	368,694
T500-INVESTIGATIONS	0	601,966	464,084	0	464,084
T600-TERMINAL OPERATIONS	0	72,240,483	69,882,187	0	69,882,187
T700-FLEET MANAGEMENT	0	10,814,765	8,686,372	0	8,686,372
SED	93,059,322	91,690,275	88,007,702	0	88,007,702

Committee Adjustments to the Operating Budget

The Committee makes no adjustments to the proposed FY14 operating budget for Special Education Transportation.

Committee Adjustments to FTE Authority

The Committee makes no adjustments to the proposed FY14 FTE authority for Special Education Transportation.

FISCAL YEAR 2014 CAPITAL BUDGET

Mayor's Proposed Budget

The Mayor's proposed budget includes \$6,021,000 in capital funds for OSSE DOT. These funds have been dedicated to the Special Education Vehicle Replacement Program.

Committee Comments & Analysis

OSSE DOT's fleet of buses ranges in age from 3-15 years old. OSSE DOT seeks to sustain a replacement schedule of 8-year useful life for its bus fleet. Under this plan, OSSE DOT would replace 100 vehicles per year in 5 tranches spaced evenly throughout the year. This plan would allow OSSE DOT to replace each of their 800 vehicles every 8 years. The Committee supports the continued replacement of vehicles to reduce maintenance costs and increase operating efficiency.

Committee Recommendations

The Committee recommends a capital budget of \$6,021,000 for OSSE DOT. This is no change from the Mayor's request

POLICY RECOMMENDATIONS

The Committee recommends for inclusion in the Budget Support Act the following reporting requirements for Special Education Transportation:

- A semi-annual report issued no later than January 15, 2014 and July 1, 2014 on Special Education Transportation expenditures during FY14.
- A report on transportation for ambulatory students with IEPs. The report shall include at a minimum:
 - A determination of the number of ambulatory students receiving special education transportation;
 - An update on the agency's work to determine fidelity to requirements regarding transportation for ambulatory students;
 - A plan for increasing transportation autonomy for ambulatory students with IEPs that reduces costs; and,
 - A plan to expand transportation training and use of metro/fare cards.
- Recommendations for how the District could enhance service delivery while reducing costs, including contracting with outside vendors to provide transportation at a reduced cost for students attending non-public schools outside of the District of Columbia, shared routes, and staggered arrival times.

I. STATE BOARD OF EDUCATION

The mission of the District of Columbia State Board of Education (SBOE) is to monitor and provide policy leadership and recommendations to the District's education system in support of all District residents acquiring the skills and knowledge to succeed in a competitive global economy and thrive as a 21st century citizen.

SBOE is organized into the following program(s):

- State Board of Education

FISCAL YEAR 2014 OPERATING BUDGET

Mayor's Proposed Budget

The Mayor's FY14 budget proposal included \$586,804 in gross operating funds for SBOE, a \$586,804 increase from the FY13 approved budget. The proposed budget supports 12 FTEs, a 12 FTE increase from FY13.

Local Funds (100)

The proposed SBOE budget included \$586,804 in local funds, a \$586,804 increase from the FY13 approved budget. The proposed budget supports 12 FTEs, a 12 FTEs increase from FY13. The activities of the State Board of Education were previously budgeted in the Office of the State Superintendent of Education. On April 1, 2013, SBOE became an independent agency with autonomy over their budget and personnel under "The State Board of Education Personnel Authority Amendment Act of 2012." As such, there is no prior year budget information for the SBOE.

Committee Comments & Analysis

Office of the Ombudsman for Public Education

During the FY14 budget hearings, members of the Committee along with several public witnesses raised questions about the position and funding of the Ombudsman for Public Education. Established as part of Public Education Reform Amendment Act of 2007, the Office of the Ombudsman for Public Education is charged with hearing concerns and complaints of parents and education stakeholders, responding with accurate and helpful information, and resolving issues as presented.

As part of the "State Board of Education Personnel Authority Amendment Act of 2012," effective April 1, 2013 the Office of the Ombudsman was officially transferred from the Deputy Mayor of Education to the SBOE. As an independent agency, the SBOE is the best home for the Office of the Ombudsman to serve as an independent advocate for education issues affecting citizens. In addition, the work of the Ombudsman naturally aligns with many of the functions already undertaken by the SBOE, including fielding calls and comments from students and parents concerning bullying, finding mental health support inside of the school, special education needs and transportation, and student discipline. Despite this critical role, the Ombudsman has not been funded since FY09 under the Fenty Administration.

This practice continued with the FY14 budget as proposed by the Mayor; neither the budget for DME nor SBOE included an allocation of funds for the Office of the Ombudsman.

The Committee believes that the Ombudsman is an important component of the education system within the District of Columbia. As more students move between DCPS and charter schools, along with a greater emphasis on transitioning students from non-public placements, it will be essential that these students and parents have an advocate to speak on their behalf.

FTEs

During its FY14 budget hearing, the SBOE raised a question as to whether or not the budget as proposed had sufficient funding for FTEs to fulfill its role as a policy office. Specifically, SBOE was funded for 12 FTEs, 9 of which represent the elected Board members. The other 3 FTEs are the Executive Director (filled), Administrative Assistant (filled) and Policy Analyst (vacant).

Given the objectives presented by SBOE as a part of their strategic plan for FY13 and FY14 and their role as monitor and policy approval of the District’s education system, the Committee believes that their current number of FTEs should be sufficient to effectively meet their obligations to provide policy guidance and leadership on education issues within the District. In addition, the Committee recommends that the SBOE not undertake any additional responsibilities, but rather focus on their reestablishment and working aggressively and actively in public education policy work.

Committee Recommendations

The Committee recommends a gross operating budget of \$866,475, a \$279,671 increase from the Mayor’s request. The Committee also recommends 15.0 FTEs, an increase of 3 FTE over proposed budget.

Fiscal Year 2014 Operating Budget, By Source of Funds

	FY 2012 Actual	FY 2013 Approved	FY 2014 Mayor's Proposed	FY 2014 Committee Variance	FY 2014 Committee Proposed
LOCAL FUND	0	0	586,804	279,671	866,475
SBOE	0	0	586,804	279,671	866,475

Fiscal Year 2014 Full-Time Equivalents, By Revenue Type

	FY 2013 FTEs Approved	FY 2014 FTEs Mayor's Proposed	FY 2014 FTEs Committee Variance	FY 2014 FTEs Committee
LOCAL FUND	0.0	12.0	3.0	15.0
SBOE	0.0	12.0	3.0	15.0

Fiscal Year 2014 Operating Budget, By Comptroller Source Group (Gross Funds)

	FY 2012 Actual	FY 2013 Approved	FY 2014 Mayor's Proposed	FY 2014 Committee Variance	FY 2014 Committee Proposed
11-REGULAR PAY	0	0	142,854	0	142,854
12-REGULAR PAY - OTHER	0	0	153,033	0	153,033
14-FRINGE BENEFITS	0	0	71,605	0	119,609
20-SUPPLIES AND MATERIALS	0	0	4,000	0	4,000
40-OTHER SERVICES AND CHARGES	0	0	206,214	0	206,214
50-SUBSIDIES AND TRANSFERS	0	0	2,000	279,671	281,671
70-EQUIPMENT & EQUIPMENT RENTAL	0	0	7,098	0	7,098
SBOE	0	0	586,804	279,671	866,475

Fiscal Year 2014 Operating Budget, By Program (Gross Funds)

	FY 2012 Actuals	FY 2013 Approved	FY 2014 Mayor's Proposed	FY 2014 Committee Variance	FY 2014 Committee Proposed
SB00-STATE BOARD OF EDUCATION	0	0	586,804	279,671	866,475
Grand Total	0	0	586,804	279,671	866,475

Committee Adjustments to the Operating Budget

The Committee makes the following adjustments to the proposed FY14 operating budget for SBOE:

PROGRAM: *State Board of Education*
 APPROPRIATION TITLE: *Local Funds*

CSG50 (subsidies and transfers)

The Committee recommends a \$279,671 increase in local funds for CSG50. These additional funds are the result of the following:

- \$147,704 in savings from the Deputy Mayor for Education
- \$131,967 in savings from the Non-Public Tuition Program

The Committee directs that these additional funds be used by the SBOE to support the re-establishment of the Office of the Ombudsman for Public Education by January 1, 2014 in order to support the educational needs of students and their families.

Committee Adjustments to FTE Authority

The Committee recommends an increase of 3.0 FTE (local) above the Mayor's FY14 proposal of 12.0 FTEs. These additional FTEs will allow the SBOE to re-establish the Office of the Ombudsman by Public Education by January 1, 2014.

FISCAL YEAR 2014 CAPITAL BUDGET

The Mayor's proposed budget did not include any capital funding for SBOE. The Committee makes no changes to this recommendation.

POLICY RECOMMENDATIONS

The Committee recommends for inclusion in the Budget Support Act the following reporting requirements for the SBOE:

- Provide to the Council an implementation plan for the re-establishment of the Office of the Ombudsman. Such a report is necessary to ensure that the Office of the Ombudsman will be fully operational by January 1, 2014.

In addition to the reporting requirements, the Committee recommends including language in the Budget Support Act to adjust the number of staff members assigned to the Board to support its administrative functions. This will ensure that the Board has the personnel authority necessary to re-establish the Office of the Ombudsman for Public Education.

J. DEPUTY MAYOR FOR EDUCATION

The Office of the Deputy Mayor for Education (DME) is responsible for developing and implementing the Mayor's vision for education programs and services in the District of Columbia and coordinating the education-related agencies within the District in creating and maintaining a high quality education continuum from early childhood to K-12 to postsecondary and the workforce.

DME is organized into the following program(s):

- Department of Education

NOTE: According to the Executive's organizational chart⁴, the Deputy Mayor for Education has direct oversight over only one District agency: the Office of the State Superintendent for Education. The other major education agencies and programs – DCPS, University of the District of Columbia, the DC Community College, the Public Charter School Board, and the Public Charter Schools – all have a reporting structure outside of the purview of the Deputy Mayor for Education.

FISCAL YEAR 2014 OPERATING BUDGET

Mayor's Proposed Budget

The Mayor's FY14 budget proposal included \$1,826,134 in gross operating funds for DME, a \$476,723 decrease (-20.7%) from the FY13 approved budget. The proposed budget supports 12 FTEs, a 1 FTE increase from FY13.

Local Funds (100)

The proposed DME budget included \$1,826,134 in local funds, a \$476,723 decrease from the FY13 approved budget. This decrease is primarily due to the removal of \$500,000 in one-time funding that had been allocated to DME for implementation of the "Charter School Relocation Assistance Act of 2013" as included in the FY13 Budget Support Act of 2012. These funds were to support the relocation of Hospitality PCS while Roosevelt High School was under construction.

Committee Comments & Analysis

Disconnected Youth

During the FY14 budget hearings, the Committee raised concerns about the District's investment in disconnected youth – youth that are neither in school nor working. According to its FY13 performance plan, the DME was supposed to have developed a plan to engage disconnected youth and provide them with necessary supports. As of the hearing, no such plan had been issued. The Deputy Mayor testified that they are currently working on a plan to create a Re-engagement Center for disconnected youth to provide them with single point of entry in order to

⁴ Organizational chart included in the FY14 budget as proposed (Executive Summary). Available at http://cfo.dc.gov/sites/default/files/dc/sites/ocfo/publication/attachments/DC_Govt_FY2014_Budget_Executive_Summary.pdf

track them and provide support. The Deputy Mayor also stated that a feasibility study for the center is in the works and should be completed by the end of 2013, but that a consultant has not yet been hired to conduct the study.

Truancy

The FY14 budget as proposed by the Mayor includes \$1,000,000 to support truancy initiatives. These funds, however, were allocated to the Office of the Deputy Mayor for Health and Human Services and not the Deputy Mayor for Education; despite the Deputy Mayor for Education's role in coordinating education-related agencies, funding to support initiatives designed to get students back into school was not included within the DME budget. Instead, the Deputy Mayor testified during the agency's FY14 budget hearing that her focus would be to work with the Deputy Mayor of Health and Human Services to transform the Truancy Taskforce during the upcoming year. Goals include: (1) tracking progress against metrics that provide the best indicators of whether the taskforce's efforts are actually reducing truancy; and (2) tracking the status of "best practices" initiatives of each participating entity and using the results to adjust ongoing truancy efforts.

Launched by Mayor Gray in 2011, the truancy taskforce was an effort to resurrect a successful effort from the Williams Administration to provide for a cross-agency review of the impacts of truancy and to develop and implement initiatives to reduce truancy and promote school attendance. To date, there has been little to show of the taskforce's work. While the taskforce did launch a public educational campaign, "The More You Learn, The More You Earn," actual programs for truant students were extremely limited. Pilot programs were launched at two middle schools and two high schools serving less than 50 kids in total.

Additionally, DME testified that the transit subsidy fare cards budgeted in FY13 for truant students at various LEAs had, after a long delay, been distributed. A report from the LEAs is forthcoming, detailing the number of students who received fare cards and the impact on attendance.

Raise DC

During the FY14 budget hearings, questions were raised concerning Raise DC, the Mayor's cradle-to-career partnership initiative and how it will effectively service the city. Launched over a year ago, Raise DC recently released a baseline report card that compiled existing data on education, employment, health and socio-economic status and set forth specific goals and targeted outcomes. To date, work has yet to begin on actually coordinating programs and services directed at achieving these goals and outcomes. In addition, little information has been provided as to the role of the "anchor institution" – The Community Foundation for the National Capital Region – or how Raise DC will actually operate.

Committee Recommendations

The Committee recommends a gross operating budget of \$1,468,430 for DME in FY14. This is a \$357,704 decrease from the Mayor's request. In addition, the Committee recommends 8 FTEs, which is a reduction of 4 positions from the proposed budget.

Fiscal Year 2014 Operating Budget, By Source of Funds

	FY 2012 Actual	FY 2013 Approved	FY 2014 Mayor's Proposed	FY 2014 Committee Variance	FY 2014 Committee Proposed
LOCAL FUND	1,676,493	2,302,857	1,826,134	(357,704)	1,468,430
Gross	1,676,493	2,302,857	1,826,134	(357,704)	1,468,430

Fiscal Year 2014 Full-Time Equivalents, By Revenue Type

	FY 2013 FTEs Approved	FY 2014 FTEs Mayor's Proposed	FY 2014 FTEs Committee Variance	FY 2014 FTEs Committee
LOCAL FUND	11.0	12.0	(4.0)	8.0
DME	11.0	12.0	(4.0)	8.0

Fiscal Year 2014 Operating Budget, By Comptroller Source Group (Gross Funds)

	FY 2012 Actual	FY 2013 Approved	FY 2014 Mayor's Proposed	FY 2014 Committee Variance	FY 2014 Committee Proposed
11-REGULAR PAY	963,638	1,070,217	1,208,059	(309,700)	898,359
12-REGULAR PAY - OTHER	10,112	0	0	0	0
13-ADDITIONAL GROSS PAY	2,005	0	0	0	0
14-FRINGE BENEFITS	145,281	316,326	187,249	(48,004)	139,245
20-SUPPLIES AND MATERIALS	7,157	15,000	5,000	0	5,000
31-TELEPHONE, TELEGRAPH, TELEGRAM	370	0	20,079	0	20,079
40-OTHER SERVICES AND CHARGES	377,938	201,314	38,747	0	38,747
41-CONTRACTUAL SERVICES - OTHER	169,993	200,000	360,000	0	360,000
50-SUBSIDIES AND TRANSFERS	0	500,000	0	0	0
70-EQUIPMENT & EQUIPMENT RENTAL	0	0	7,000	0	7,000
DME	1,676,493	2,302,857	1,826,134	(357,704)	1,468,430

Fiscal Year 2014 Operating Budget, By Program (Gross Funds)

	FY 2012 Actuals	FY 2013 Approved	FY 2014 Mayor's Proposed	FY 2014 Committee Variance	FY 2014 Committee Proposed
2000-DEPARTMENT OF EDUCATION	1,676,493	2,302,857	1,826,134	(357,704)	1,468,430
DME	1,676,493	2,302,857	1,826,134	(357,704)	1,468,430

Committee Adjustments to the Operating Budget

The Committee makes the following adjustments to the proposed FY14 operating budget for DME:

PROGRAM: *Department of Education*
 APPROPRIATION TITLE: *Local Funds*

CSG11 (regular pay)

The Committee recommends a \$309,700 reduction in regular pay to reflect a decrease of 4.0 FTE from DME.

The Committee directs the \$309,700 in savings as follows:

- \$135,000 to DCPS to fund STEM programming at H.D. Woodson High School;
- \$99,700 to the State Board of Education to support the re-establishment of the Office of the Ombudsman for Public Education; and

- \$75,000 to the Public Charter School Board to support its efforts of better coordination and planning between the public charter schools and District agencies.

CSG14 (fringe benefits)

The Mayor proposed \$187,000 in local funding for fringe benefits in FY14. The Committee recommends \$138,996, a reduction of \$48,004 in fringe benefits to reflect the decrease of 4.0 FTE from DME.

Committee directs \$48,004 to the State Board of Education to support the re-establishment of the Office of the Ombudsman for Public Education.

Committee Adjustments to FTE Authority

The Committee makes the following adjustments to the proposed FY14 FTE authority for DME:

PROGRAM: *Department of Education*

APPROPRIATION TITLE: *Local Funds*

The Committee recommends a decrease of 4 FTEs (local) from the Mayor's FY14 proposal of 12.0 FTEs. The Committee believes that 8 FTE is sufficient to meet the agency's mandate of supporting coordination among education-related agencies and programs in the District of Columbia, especially given that the office has direct oversight over only one District agency. For comparison's sake, the Deputy Mayor for Health and Human Services was allocated only 6 FTEs and has direct oversight over nine District agencies.

FISCAL YEAR 2014 CAPITAL BUDGET

Mayor's Proposed Budget

The Mayor's proposed FY14 budget includes \$8,000,000 for DME for the development of a statewide student information system (SIS). This project also receives an additional \$4,000,000 in FY15 as part of the proposed capital improvement plan.

Committee Comments & Analysis

The goal of the SIS project is to consolidate information on public school students in a single, accessible and uniform location, allowing each school to input and use data as needed. It would allow agencies and schools to easily share information and allow all LEAs and OSSE to operate on the same tracking system. This is important for many reasons: budget formulation would be easier because the system would provide a uniform foundation for enrollment; it will be easier to track students mobility across schools and between DCPS and charters; and the system would allow for better monitoring of student disciplinary actions and truancy.

It is the Committee's understanding that OSSE had made the initial request for capital dollars for the SIS, given that they are the responsible agency and have significant experience managing student data systems. The budget as proposed, however, placed the funds within DME. In reality, this means that DME would likely be the "owner" of the project but that implementation would still fall to OSSE. The Deputy Mayor did testify that in the long run she believes that the SIS should operate under OSSE.

Committee Recommendations

The Committee recommends a capital budget of \$6,000,000 for the DME in FY14. This is a \$2,000,000 decrease from the Mayor’s request as included in the CIP.

DME Capital Budget - Recommended Change by Project

Fiscal Year 2014

Project Number	Capital Project Name	Source of Funds	Mayor’s Proposed	Committee Proposed	Variance
SIS01	Single State-Wide Student Information System	GO Bonds	\$8,000,000	\$0	(\$8,000,000)
NEW	Language Immersion MS/HS Facilities Grant	ITSB Bonds	\$0	\$6,000,000	\$6,000,000
	Total		\$8,000,000	\$6,000,000	(2,000,000)*

Fiscal Year 2015

Project Number	Capital Project Name	Source of Funds	Mayor’s Proposed	Committee Proposed	Variance
SIS01	Single State-Wide Student Information System	GO Bonds	\$4,000,000	\$0	(\$4,000,000)
	Total		\$4,000,000	\$0	(\$4,000,000)*

*Capital Funds Transferred to OSSE

Committee Adjustments to the Capital Budget

The Committee makes the following adjustments to the proposed capital budget for DME:

PROJECT: Student Information System (SIS01)

The Committee recommends eliminating the capital funding for project number SIS01 from the DME budget for FY14. The Committee redirects these funds as follows:

- \$2,000,000 in FY14 funding to OSSE for purposes of implementing the SIS project as presented within the CIP. During its FY14 budget hearing, OSSE testified that only \$6,000,000 was needed for completion of the project. The remaining \$4,000,000 to OSSE in FY15 to complete the creation of the SIS.

NEW PROJECT: Language Immersion MS/HS Grant

In addition to the recommendation for FY14, the Committee also recommends that the remaining \$6,000,000 stay within DME for the purpose of a capital grant to support construction of a language immersion middle/high public charter school that will meet the growing demand for language immersion curriculum in the District. The source of these funds shall be from income tax secured bonds which, pursuant to D.C. Official Code § 1-204.90, may be used for purposes that contribute to the education of residents of the District.

POLICY RECOMMENDATIONS

The Committee recommends for inclusion in the Budget Support Act the following reporting requirements for the Deputy Mayor of Education:

- The DME shall provide to the Council a report on its efforts to re-engage disconnected youth, including the development, funding and staffing needed for the planned Re-Engagement Center, as well as, a report on the management of transit subsidies for youth.
- The DME shall provide to the Council a report on continued implementation of the “South Capitol Street Memorial Act of 2012,” including an FY14 spending plan.

- The DME shall provide to the Council a report on implementation of the “Attendance Accountability Amendment Act of 2013.”
- The DME shall provide to the Council its recommendations on expanding compulsory attendance requirements to students attending Pre-K 3 and Pre-K.
- A report on its plans to award a capital grant of \$6,000,000 for construction of a language immersion public charter school serving middle and high school aged students. The report shall include at a minimum:
 - The name of the grantee and a detailed description of the capital project to be supported by the grant;
 - A timeline for completion of the capital project; and
 - An analysis of need of capital funding for charter schools with recommendations on expanding such capital grant funding for charter schools.
- A report detailing the supplemental services and funding provided to DCPS outside of the UPSFF.
 - The report shall specify the amount of funds for each service and expenditure
 - The report shall clarify the criteria on which these services and related resources are allocated and a specific plan for how the District intends to allocate these resources to all schools in order to achieve equity and equal access to resources per D.C. Official Code §38-2913

K. D.C. PUBLIC LIBRARY TRUST

In addition to reviewing the proposed budget for DCPL, the Committee is also charged with reviewing the proposed budget for the District of Columbia Library Trust.

The Trust contains the following 2 activities:

- The Georgetown Peabody Trust Fund – is comprised of a bequest of \$10,000. The Peabody Library Association of Georgetown provided the funds by deed, gift of securities, cash, and other valuables in 1979, to support the Georgetown library branch and for other designated purposes; and
- Theodore W. Noyes Trust Fund – is comprised of a bequest of \$7,000.

The Mayor's proposed budget for the Trust includes \$17,000 in special purpose revenue and 0 FTEs. The Committee makes no changes to the budget as proposed.

Fiscal Year 2014 Operating Budget, By Source of Funds

	FY 2012 Actual	FY 2013 Approved	FY 2014 Mayor's Proposed	FY 2014 Committee Variance	FY 2014 Committee Proposed
SPECIAL PURPOSE REVENUE FUNDS	236	17,000	17,000	0	17,000
Library Trust	236	17,000	17,000	0	17,000

Fiscal Year 2014 Full-Time Equivalents, By Revenue Type

	FY 2013 FTEs Approved	FY 2014 FTEs Mayor's Proposed	FY 2014 FTEs Committee Variance	FY 2014 FTEs Committee
SPECIAL PURPOSE REVENUE FUNDS	0.0	0.0	0.0	0.0
Library Trust	0.0	0.0	0.0	0.0

Fiscal Year 2014 Operating Budget, By Comptroller Source Group (Gross Funds)

	FY 2012 Actual	FY 2013 Approved	FY 2014 Mayor's Proposed	FY 2014 Committee Variance	FY 2014 Committee Proposed
20-SUPPLIES AND MATERIALS	0	8,000	8,000	0	8,000
40-OTHER SERVICES AND CHARGES	236	6,000	6,000	0	6,000
70-EQUIPMENT & EQUIPMENT RENTAL	0	3,000	3,000	0	3,000
Library Trust	236	17,000	17,000	0	17,000

Fiscal Year 2014 Operating Budget, By Program (Gross Funds)

	FY 2012 Actuals	FY 2013 Approved	FY 2014 Mayor's Proposed	FY 2014 Committee Variance	FY 2014 Committee Proposed
1-DCPL TRUST FUNDS	236	7,000	7,000	0	7,000
2-DCPL TRUST FUNDS	0	10,000	10,000	0	10,000
Grand Total	236	17,000	17,000	0	17,000

III. FISCAL YEAR 2014 BUDGET REQUEST ACT APPROPRIATION LANGUAGE RECOMMENDATIONS

On Thursday, March 28, 2013, Chairman Mendelson introduced, on behalf of the Mayor, the "Fiscal Year 2014 Budget Request Act of 2013" (Bill 20-198). The Committee recommends the following changes to the bill as introduced⁵:

Public Education System

Public education system, including the development of national defense education programs, \$2,044,475,000 (including \$1,685,436,000 from local funds (including \$4,266,000 from dedicated taxes), \$298,359,000 from Federal grant funds, \$20,510,000 from other funds, \$5,170,000 from private funds, and \$35,000,000 from funds previously appropriated in this Act under the heading "Federal Payment for Resident Tuition Support" to be allocated as follows:

(1) District of Columbia Public Schools. – ~~\$707,493,000~~ \$707,628,000 (including ~~\$644,302,000~~ \$644,437,000 from local funds, \$47,038,000 from Federal grant funds, \$11,090,000 from other funds, \$5,062,000 from private funds; provided, that this appropriation shall not be available to subsidize the education of any nonresident of the District of Columbia at any District of Columbia public elementary or secondary school during fiscal year ~~2013~~ 2014 unless the nonresident pays tuition to the District of Columbia at a rate that covers 100% of the costs incurred by the District of Columbia that are attributable to the education of the nonresident (as established by the Chancellor of the District of Columbia Public Schools); provided further, that not to exceed \$10,600 for the Chancellor shall be available from this appropriation for official reception and representation expenses; provided further, that, notwithstanding the amounts otherwise provided under this heading or any other provision of law, there shall be appropriated to the District of Columbia Public Schools on July 1, 2013, an amount equal to 10% of the total amount of the local funds appropriations request provided for the District of Columbia Public Schools in the proposed budget of the District of Columbia for fiscal year 2014 (as submitted to Congress), and the amount of such payment shall be chargeable against the final amount provided for the District of Columbia Public Schools under the District of Columbia Appropriations Act, 2014;

(2) ...

(3) Office of the State Superintendent of Education. – \$395,441,000 (including \$104,020,000 from local funds (including \$4,266,000 from dedicated taxes), \$250,481,000 from Federal grant funds, \$5,832,000 from other funds, \$108,000 from private funds, \$35,000,000 from funds previously appropriated in this Act under the heading "Federal Payment for Resident Tuition Support,"; provided, that of the amounts provided to the Office of the State Superintendent of Education, \$1,000,000 from local funds shall remain available until June 30, 2014, for an audit of the student enrollment of each District of Columbia public school and of each District of Columbia public charter school; provided further, that \$5,000,000 in fiscal year 2013 unexpended local funds shall remain available until expended for the Blackman and Jones v. District of Columbia consent decree;

(4) District of Columbia Public Charter Schools. – \$616,499,000 from local funds; provided, that there shall be quarterly disbursement of funds to the District of Columbia public charter schools, with the first payment to occur within 15 days of the beginning of the fiscal year;

⁵ Recommended changes do not include any funds being transferred to the Committee by other standing Committees of the Council. Any such additional funds will be reconciled upon review by the Committee of the Whole.

provided further, that if the entirety of this allocation has not been provided as payments to any public charter schools currently in operation through the per pupil funding formula, the funds shall remain available until expended for public education in accordance with section 2403(b)(2) of the District of Columbia School Reform Act of 1995, approved April 26, 1996 (110 Stat. 1321; D.C. Official Code § 38-1804.03(b)(2)); provided further, that of the amounts made available to District of Columbia public charter schools, \$110,000 shall be made available to the Office of the Chief Financial Officer as authorized by section 2403(b)(6) of the District of Columbia School Reform Act of 1995, approved April 26, 1996 (110 Stat. 1321; D.C. Official Code § 38-1804.03(b)(6)); provided further, that, notwithstanding the amounts otherwise provided under this heading or any other provision of law, there shall be appropriated to the District of Columbia public charter schools on July 1, 2013, an amount equal to ~~25%~~ 30% of the total amount of the local funds appropriations request provided for payments to public charter schools in the proposed budget of the District of Columbia for fiscal year 2014 (as submitted to Congress), and the amount of such payment shall be chargeable against the final amount provided for such payments under the District of Columbia Appropriations Act, 2014; provided further, that the annual financial audit for the performance of an individual District of Columbia public charter school shall be funded by the charter school;

(5) ...

(6) District of Columbia Public Libraries. – \$53,481,000 (including \$52,101,000 from local funds, \$840,000 from Federal grant funds, and \$540,000 from other funds); provided, that not to exceed \$8,500 for the Public Librarian shall be available from this appropriation for official reception and representation expenses; Provided further, that any funds deposited into the Library Collections Account, established by the Library Collections Account Amendment Act of 2012 (D.C. Law 19-168; D.C. Official Code § 39-114) are authorized for expenditure and shall remain available until expended;

(7) Public Charter School Board. – ~~\$4,134,000~~ \$4,209,000 (including ~~\$1,086,000~~ \$1,161,000 from local funds and \$3,048,000 from other funds);

(8) Non-Public Tuition. – ~~\$80,000,000~~ \$79,868,000 from local funds;

(9) Special Education Transportation. – \$86,688,000 from local funds; provided, that, notwithstanding the amounts otherwise provided under this heading or any other provision of law, there shall be appropriated to the Special Education Transportation agency under the direction of the Office of the State Superintendent of Education, on July 1, 2013, an amount equal to 10% of the total amount of the local funds appropriations request provided for the Special Education Transportation agency in the proposed budget of the District of Columbia for fiscal year 2014 (as submitted to Congress), and the amount of such payment shall be chargeable against the final amount provided for the Special Education Transportation agency under the District of Columbia Appropriations Act, 2014; provided further, that amounts appropriated under this heading may be used to offer financial incentives as necessary to reduce the number of routes serving 2 or fewer students;

(10) District of Columbia State Board of Education. – ~~\$587,000~~ \$866,000 from local funds; and

(11) Office of the Deputy Mayor for Education. – ~~\$1,826,000~~ \$1,468,000 from local funds.

IV. FISCAL YEAR 2014 BUDGET SUPPORT ACT RECOMMENDATIONS

On Thursday, March 28, 2013, Chairman Mendelson introduced, on behalf of the Mayor, the “Fiscal Year 2014 Budget Support Act of 2013” (Bill 20-199). The bill contains a number of subtitles for which the Committee has provided comments in addition to new subtitles that the Committee recommends.

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

The Committee provides comments on the following subtitles of the “Fiscal Year 2014 Budget Support Act of 2013”:

1. Title IV, Subtitle A. Uniform Per Student Funding Formula For Public Schools And Public Charter Schools Amendment
2. Title IV, Subtitle B. Enrollment Transparency Amendment
3. Title IV, Subtitle C. District Of Columbia Public Charter Schools Payment Improvement
4. Title IV, Subtitle D. DC State Athletics Activities Fund

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 and Tax Conformity Clarification Amendment Act of 1998 to increase the foundation level within the Uniform per Student Funding Formula from \$9,124 to \$9,306. In addition, the subtitle sets forth the various weights for different categories of general and special education, along with other education categories and removes the weight for the “special education compliance fund”.

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.

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. 401. States the short title

Sec 402. Sets the foundation level and various weighting factors for FY14 for purposes of the Uniform per Student Funding Formula

Legislative Recommendations for Committee of the Whole

Sec. 401. Short title.

This subtitle may be cited as the "Funding for Public Schools and Public Charter Schools Amendment Act of 2013".

Sec. 402. The Uniform Per Student Funding Formula for Public Schools and Public Charter Schools and Tax Conformity Clarification Amendment Act of 1998, effective March 26, 1999 (D.C. Law 12-207; D.C. Official Code § 38-2901 *et seq.*), is amended as follows:

(a) Section 104 (D.C. Official Code § 38-2903) is amended by striking the phrase "\$9,124 per student for fiscal year 2013" and inserting the phrase "\$9,306 per student for fiscal year 2014" in its place.

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

Grade Level	Weighting	Per Pupil Allocation in FY 2014
Pre-School	1.34	\$12,470
Pre-Kindergarten	1.30	\$12,098
Kindergarten	1.30	\$12,098
Grades 1-3	1.00	\$9,306
Grades 4-5	1.00	\$9,306
Grades 6-8	1.03	\$9,585
Grades 9-12	1.16	\$10,795
Alternative program	1.17	\$10,888
Special education	1.17	\$10,888
Adult	0.75	\$6,980

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

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

"General Education Add-ons:

Level/Program	Definition	Weighting	Per Pupil Supplemental FY 2014
LEP/NEP	Limited and non-English proficient students	0.45	\$4,188
Summer	An accelerated instructional program in the summer for students who do not meet literacy standards pursuant to promotion policies of the District of Columbia Public Schools and public charter schools	0.17	\$1,582

"Special Education Add-ons:

Level/ Program	Definition	Weighting	Per Pupil Supplemental FY 2014
Level 1: Special Education	Eight hours or less per week of specialized services	0.58	\$5,397
Level 2: Special Education	More than 8 hours and less than or equal to 16 hours per school week of specialized services.	0.81	\$7,538
Level 3: Special Education	More than 16 hours and less than or equal to 24 hours per school week of specialized services	1.58	\$14,703
Level 4: Special Education	More than 24 hours per week which may include instruction in a self-contained (dedicated) special education school other than residential placement	3.10	\$28,849
Special Education Capacity Fund	Weighting provided in addition to special education level add-on weightings on a per student basis for each student identified as eligible for special education.	0.40	\$3,722
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	1.70	\$15,820

"Residential Add-ons:

Level/ Program	Definition	Weighting	Per Pupil Supplemental FY 2014
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	0.374	\$3,480
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	1.360	\$12,656
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	2.941	\$27,369
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	2.924	\$27,211
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	0.68	\$6,328

"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 FY 2014
Special Education Level 1 ESY	Additional funding to support the summer school/program need for students who require extended school year (ESY) services in their IEPs.	0.064	\$596

Special Education Level 2 ESY	Additional funding to support the summer school/program need for students who require extended school year (ESY) services in their IEPs	0.231	\$2,150
Special Education Level 3 ESY	Additional funding to support the summer school/program need for students who require extended school year (ESY) services in their IEPs	0.500	\$4,653
Special Education Level 4 ESY	Additional funding to support the summer school/program need for students who require extended school year (ESY) services in their IEPs	0.497	\$4,625".

TITLE IV, SUBTITLE C. ENROLLMENT TRANSPARENCY AMENDMENT

Purpose, Effect, and Impact on Existing Law

As proposed, this subtitle would make certain changes to the current law surrounding the taking of a student census, the development of enrollment projections, and application of the UPSFF.

While the Committee commends the Executive for beginning the process of standardizing the enrollment methodology, it has concerns about making changes to the law before a formal review and public comment take place.

Committee Recommendation

The Committee recommends that this section be stricken from the FY14 Budget Support Act. Instead the Committee will recommend that OSSE provide the Council with an update on recommendations to implement a statewide enrollment projection methodology.

TITLE IV, SUBTITLE C. DISTRICT OF COLUMBIA PUBLIC CHARTER SCHOOLS PAYMENT IMPROVEMENT

Purpose, Effect, and Impact on Existing Law

As proposed, this subtitle amends the Uniform Per Student Funding Formula for Public Schools and Public Charter Schools Act of 1998 to adjust the payment structure for public charter schools from four equal distributions to instead allow for additional funding to be available during the first quarter payment. In addition, the subtitle will add new language to ensure that charter schools receive a timely allocation to support summer school programming.

These adjustments will ensure that charter schools have sufficient funding to support costs associated with the start of a school year, along with necessary fun

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. 421. States the short title of the subtitle

Sec. 422. Adjusts the payment schedule for charter schools to increase the amount of funds to be provided as part of the first quarter payment; sets forth a process for providing payment to charter schools for summer school programming

Legislative Recommendations for Committee of the Whole

Sec. 421. Short title.

This subtitle may be cited as the “District of Columbia Public Charter Schools Payment Improvement Act of 2013”.

Sec. 422. Section 107b of the Uniform Per Student Funding Formula for Public Schools and Public Charter Schools Act of 1998, effective March 26, 1999 as amended (D.C. Law 12-207; D.C. Code § 38-2906.02), is amended as follows:

(a) Subsection (a) is amended by striking the phrase “4 equal”.

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

(1) The introductory text is amended by striking the phrase “Each payment shall be one-fourth of each public charter school’s entitlement,” and inserting the phrase “Payments shall be” in its place.

(2) Paragraph (1) is amended by striking the period and inserting the phrase “and shall be 30% of the school’s entitlement.” in its place.

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

(A) Strike the phrase “and January 15 payments” and insert the word “payment” in its place,

(B) Strike the phrase “October 5” and insert the phrase “October 5 and shall be equal to 55% of the school’s entitlement less amounts paid in July” in its place.

(4) Paragraph (3) is amended to read as follows:

“The basis of the January 15 payment shall be the unaudited October enrollment numbers for that school contained in reports submitted by the eligible chartering authorities on October 5 and shall be equal to 80% of the school’s entitlement less amounts paid in July and October.”.

(5) A new paragraph (4) is added to read as follows:

“(4) The basis of the April 15 payment shall be the audited October enrollment numbers and shall be equal to 100% of the school’s entitlement less amounts paid in July, October, and January; provided, that these amounts shall be adjusted in accordance with the provisions of subsection (c) of this section.”.

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

(1) The existing text is designated paragraph (1).

(2) The newly designated paragraph (1) is amended by striking the phrase “such students” and inserting the phrase “such students, as set forth in subsection (g) of this section” in its place.

(3) New paragraphs (2) and (3) are added to read as follows:

“(2)(A) Payments for summer school shall be made by the Chief Financial Officer on April 15 on the basis of a funding schedule from the District of Columbia Public Charter School Board listing each charter school offering a summer school program in accordance with the requirements of section 2401(b)(3)(B) of the District of Columbia School Reform Act of 1995, approved April 26, 1996 (110 Stat. 1321; D.C. Official Code §38-1804.01(b)(3)(B)).

“(B) The Office of the State Superintendent of Education shall certify enrollment projections based upon information contained in the state education longitudinal data system that form the basis of the funding schedule. The payment amount shall be equal to 75% of the total summer school entitlement for each charter school.

“(C) Not later than August 25 of each year, the Office of the State Superintendent of Education shall certify the final actual summer school enrollment for each charter school. The final payment for summer school will be issued to each charter school not later than September 30 of each year and shall be equal to the remainder of the school’s entitlement.

“(3) Payments for the Special Education Extended School Year add-on shall be made in full to each charter school by the Chief Financial Officer following certification of the actual enrollment for each school by the Office of the State Superintendent of Education.”.

TITLE IV, SUBTITLE D. DC STATE ATHLETICS ACTIVITIES FUND

Purpose, Effect, and Impact on Existing Law

As introduced, this subtitle will allow for the District to have a dedicated fund to support interscholastic athletic activities for students. In addition, the subtitle permits the fund to receive financial support not only from local appropriations but also from sponsorships, ticket sales, and other sources of revenue.

On December 18, 2012, the Council unanimously approved an emergency version of this subtitle, the “District of Columbia State Athletic Activities, Programs, and Office Fund emergency Act of 2012” (A19-0607). This emergency measure expired on April 14, 2013. A permanent measure is now necessary to ensure the continuation of the 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. 431. States the short title of the subtitle

Sec. 432. Establishes the State Athletic Activities, Programs and Office Fund (“Fund”) as nonlapsing fund to be administered by the State Superintendent of Education; directs that the Fund be used to support interscholastic athletic programs and to support the District State Athletic Association; states that the Fund shall be funded by annual appropriations along with proceeds resulting from athletic programs and activities; provides the Mayor with rulemaking authority to implement the subtitle.

Legislative Recommendations for Committee of the Whole

Sec. 431. Short title,

This subtitle may be cited as the “State Athletic Activities, Programs, and Office Fund Act of 2013”.

Sec. 432. (a) There is established as a nonlapsing fund the State Athletic Activities, Programs, and Office Fund (“Fund”), which shall be used solely as provided in subsection (b) of this section, and which shall be administered by the State Superintendent of Education. The Superintendent may designate or assign the authority to administer the Fund to an entity within the Office of State Superintendent of Education, including the State Athletic Office (“SAO”).

(b) (1) The Fund shall be used to enhance the development of state interscholastic athletic programs and competitions and to supplement the operations budget of the District of Columbia State Athletic Association (“DCSAA”). The Statewide Director of Athletics shall prioritize resources from the Fund to ensure well-designed and effective interscholastic athletic programs and competitions.

(2) The Fund may be used for the financial support of state athletic programs and competitions that are well-designed and effective and comply with National Federation of State High School Associations standards and District laws and regulations, including for:

- (A) Championship events;
- (B) Equipment;
- (C) Memorabilia;
- (D) Training;
- (E) Security;
- (F) Awards; and
- (G) Related operations.

(c) The Fund shall be funded by annual appropriations, which shall be deposited into the Fund, and any proceeds resulting from athletic programs and activities organized or directed by the SAO or DCSAA, or both, including:

- (A) Sponsorships or advertisements;
- (B) Ticket or merchandise sales;
- (C) Fundraising activities;
- (D) Competitions; or
- (E) Other athletic programs and activities.

(d) All funds deposited into the Fund and any interest earned on those funds 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, but shall be continually available for the uses and purposes set forth in subsection (b) of this section without regard to fiscal year limitation, subject to authorization by Congress.

(e) The Mayor, pursuant to Title I of the District of Columbia Administrative

Procedure Act, approved October 21, 1968 (82 Stat. 1204; D.C. Official Code § 2-501 *et seq.*) may issue rules to implement the provisions of this act. The proposed rules shall be submitted to the Council for a 30-day period of review, excluding Saturdays, Sundays, holidays and days of the Council recess. If the Council does not approve or disapprove the proposed rules, by resolution, within the 30-day period, the proposed rules shall be deemed approved.

B. RECOMMENDATIONS FOR NEW BUDGET SUPPORT ACT SUBTITLES

The Committee on Education recommends the following new subtitles to be added to the “Fiscal Year 2014 Budget Support Act of 2013”:

1. Library Collections Account Amendment
2. State Board Personnel Amendment
3. School Boundaries
4. Reporting requirements
5. Master Facilities Plan Approval
6. DME grant making

TITLE IV, SUBTITLE X. LIBRARY COLLECTIONS ACCOUNT AMENDMENT

Purpose, Effect and Impact on Existing Law

As part of the FY 2013 Budget Support Act of 2012, the Council authorized the establishment of a non-lapsing fund for the District of Columbia Public Library for purposes of capturing all receipts from the sale of used books and other library materials; the sale of library-related merchandise; and gifts, grants, and donations designated for collections. Monies deposited in the fund shall be used solely for the purpose of procuring books and other library materials, including compact disks, electronic materials, or other records and materials, to maintain and enhance the collection of the District of Columbia Public Library.

In emergency and temporary legislation approved by the Council, this name of this account was changed to the “Library Collections Account.” The proposed subtitle will ensure that the already approved name change is maintained on a permanent basis.

Committee Recommendation

The Committee recommends including this new subtitle as part of the FY14 Budget Support Act.

Section-by-Section Analysis

Sec. 4XX. States the short title.

Sec. 4XX. Changes the name of an existing non-lapsing fund for the District of Columbia Public Libraries.

Legislative Recommendations for Committee of the Whole

Sec. 4XX. Short title.

This subtitle may be cited as the “Library Collections Account Amendment Act of 2013”.

Sec. 4XX. An Act To establish and provide for the maintenance of a free public library and reading room in the District of Columbia, approved June 3, 1896 (29 Stat. 244; D.C. Official Code § 39-101 *et seq.*), is amended as follows:

(a) Section 7 (D.C. Official Code ' 39-107) is amended by striking the phrase “into the Books and Other Library Materials Account, established by section 14” and inserting the phrase “into the Library Collections Account, established by section 14” in its place.

(b) Section 14 (D.C. Official Code § 39-114) is amended by striking the phrase “Books and Other Library Materials Account” both times it appears and inserting “Library Collections Account” in its place.

TITLE IV, SUBTITLE X. STATE BOARD AMENDMENT ACT

Purpose, Effect, and Impact on Existing Law

Pursuant to the State Board of Education Personnel Authority Amendment Act of 2012, authority over the Office of the Ombudsman for Public Education was transferred to the State Board of Education. To ensure full implementation of this new responsibility, a change is necessary to current law regarding the number of staff the SBOE is allocated.

Committee Recommendation

The Committed recommends including this new subtitle as part of the FY14 Budget Support Act.

Section-by-Section Analysis

Sec. 4XX. States the short title of the subtitle

Sec. 4XX. Amends the Merit Personnel Amendment Act to provide personnel flexibility for the State Board of Education

Legislative Recommendations for Committee of the Whole

Sec. 4XX. This subtitle may be cited as the “The District of Columbia Government Comprehensive Merit Personnel Amendment Act of 2013”.

Sec. 4XX. Section 903(a) 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 to read as follows:

“(10) The State Board of Education may appoint staff to serve an administrative role for the elected members of the Board; provided, that funding is available and provided, further that at least 3 FTEs are appointed to the Office of Ombudsman for Public Education”.

TITLE IV, SUBTITLE X. SCHOOL BOUNDARIES

Purpose, Effect, and Impact on Existing Law

As the amount of school-aged children in the District grows and schools reach capacity, the re-establishment of boundaries is imminent. It is crucial that parents are given adequate notice of changes that affect their children’s education.

This subtitle will clarify the amount and form of notice required to give parents prior to any proposed action to establish, modify, or alter any attendance zone boundary.

Committee Recommendation

The Committed recommends including this new subtitle as part of the FY14 Budget Support Act.

Section-by-Section Analysis

Sec. 4XX. States the short title.

Sec. 4XX. Establishes criteria for notice to parents regarding establishing, modifying, or altering of any attendance zone boundaries implementation.

Legislative Recommendations for Committee of the Whole

Sec. 4XX. Short title.

This subtitle may be cited as the “Attendance Zone Boundaries Act of 2013”.

Sec.4XX. Attendance Zone Boundaries; establishment, modification, alteration.

Upon the effective date of this act, notwithstanding any other law or regulation, no approved establishment, modification, or alteration of any attendance zone boundary shall be implemented, or in any manner initiated, until the 2015-2016 school year or with less notice than a full school year to the parent or guardian of each affected student, whichever is greater.

TITLE IV, SUBTITLE X. EDUCATION AGENCIES REPORTING REQUIREMENTS

Purpose, Effect, and Impact on Existing Law

As part of the FY14 budget review process, each of the agencies under the purview of the Committee submitted information on the record and testified at hearings about initiatives planned for the upcoming fiscal year, including associated costs or savings. In addition, agencies offered insight into ongoing planning efforts that will have direct impacts on service delivery and FY14.

Requiring each of these agencies to submit reports to the Council on these various efforts will not only ensure smooth implementation but will provide accountability and oversight with respect to agency spending.

Committee Recommendation

The Committee recommends including this new subtitle as part of the FY14 Budget Support Act.

Section-by-Section Analysis

Sec. XXX. States the short title of the subtitle

Sec. XXX. Sets forth reporting requirements for DCPS, OSSE, the SBOE and DME.

Legislative Recommendations for Committee of the Whole

Sec. XXX. Short Title

This subtitle may be cited as the “Education Programs and Services Reporting Requirements Act of 2014”.

Sec. XXX. District of Columbia Public Schools reporting requirements.

By October 1, 2013, the District of Columbia Public Schools shall:

- (1) Submit to the Council recommendations for improving transparency of the DCPS budget, including an implementation plan for establishing a single budgeting system for the agency;
- (2) Submit to the Council and make publically available on its website, the final budgets for each school along with a list of actual staff positions filled for 2013-2014 school year;
- (3) Submit a report to the Council on its work with the Department of General Services to analyze DCPS energy usage and develop a mechanism that allows the agency to reinvest its savings from consolidations and fixed costs into its operational needs;
- (4) In collaboration with the Office of the State Superintendent of Education, submit to the Council a strategic plan to increase access to, participation in, and the funding of an intramural and interscholastic athletics program in the District of Columbia Public Schools by the 2014-2015 school year. The strategic plan shall at minimum include:
 - (A) A list of all intramural, junior varsity and varsity sports currently offered by DCPS along with the number of students that participate in each sport;
 - (B) A spending plan for school year 2013-2014 for all DCPS intramural, junior varsity and varsity sports; and
 - (C) An implementation plan, including spending plan and timeline, for the expansion of intramural, junior varsity and varsity sports within DCPS;
- (5) Provide the Council with a strategic plan to improve parental engagement efforts for the 2013-2014 school year, including:
 - (A) A plan for regular communication with parents regarding DCPS programs, services, initiatives and student performance; and
 - (B) A plan for use of the established parent resource centers to help in engaging parents;and
- (6) DCPS shall provide the Council with a plan for the construction of regulation-size athletic fields at Stuart-Hobson Middle School. Such plan shall be based upon consultation and collaboration with the Office of Planning and the Department of General Services and shall include at minimum:
 - (A) Alternative approaches on how to address the parking needs for the school, including identifying available parking at other locations such as Logan Annex or other appropriate sites; and
 - (B) A spending plan that does not exceed the current capital allocation for Stuart-Hobson as set forth in the CIP.

Sec. XXX. District of Columbia Public Library requirements.

By October 1, 2013, the District of Columbia Public Library shall report on the planning for the renovation of the Martin Luther King Jr. Central Library. The report shall include at a minimum:

- (1) A detailed update on design plans;
- (2) A description of the project’s financing including any and all public-private partnerships or use of financing other than District capital funds;
- (3) A detailed timeline on the steps that will be taken leading up to the start of construction in FY17 and through to completion in FY18; and
- (4) A description of the project’s community and stakeholder engagement plan with an explanation of how the project will reflect the needs and perspectives of District residents.

Sec. XXX. Office of the State Superintendent of Education reporting requirements.

(a) By October 1, 2013, the Office of the State Superintendent of Education (OSSE) shall submit to the Council the following:

(1) A report on transportation for ambulatory students with IEPs. The report shall include at a minimum:

(A) A determination of the number of ambulatory students receiving special education transportation;

(B) An update on the agency's work to determine fidelity to requirements regarding transportation for ambulatory students;

(C) A plan for increasing transportation autonomy for ambulatory students with IEPs that reduces costs; and,

(D) A plan to expand transportation training and use of metro/fare cards;

(E) Recommendations for how the District could enhance transportation services and reduce costs, including contracting with outside vendors to provide transportation at a reduced cost for students attending non-public schools outside of the District of Columbia, shared routes and staggered school start times.

(2) A report on the status of implementing the Partnership for Assessment of Readiness of College and Careers (PARCC) Assessment in public schools. The report shall include at a minimum:

(A) Barriers to implementation;

(B) Program and technological enhancements needed to administer the new assessment; and

(C) Changes in test security protocols to accommodate the PARCC Assessment;

(3) A report on the development of a uniform school report card for all public schools in the District of Columbia. The report shall include at a minimum:

(A) A recommended system of uniform quality measurement that can be used to compare schools across public school sectors;

(B) A timetable for implementation; and,

(C) A plan to educate and promote the universal report card to parents and students.

(4) A recommendation on program enhancements that will increase the frequency of residency fraud detection. The report shall include at a minimum:

(A) The rationale for the recommendation, including data and information used to support the decision; and,

(B) If advisable, a comprehensive plan, with a timetable, to implement residency fraud prevention program enhancements.

(5) A report detailing the development of the Student Information System. The report shall include at a minimum:

(A) A detailed description on the Student Information System;

(B) A timetable for development and estimated launch date;

(C) Feedback on the SIS from public LEAs and the PCSB;

(D) A recommendation for a data governance policy; and,

(E) How the SIS will interact with existing Student Information Systems;

(6) A report on efforts to implement a single statewide enrollment methodology for purposes of determining student enrollment and budget projections for DCPS and public charter schools; and

(7) A report on recommendations to implement a statewide enrollment projection methodology for DCPS and public charter school students.

(b) In addition to the reporting requirements listed above, OSSE shall provide to the Council

(1) A semi-annual report issued no later than January 15, 2014 and July 1, 2014 on Special Education Transportation expenditures during FY14, along with a projected spending plan for the remainder of the fiscal year;

(2) A semi-annual report issued no later than January 15, 2014 and July 1, 2014 on non-public tuition expenditures during FY14, including the name of each vendor receiving a payment, along with a projected spending plan for the remainder of the fiscal year.

(3) Quarterly reports, beginning October 1, 2013 on all non-public placements. At a minimum such reports shall include the following information for each student in a non-public placement:

(A) The student's level of need;

(B) Justification for placement into a non-public facility;

(C) The date the student was originally placed into a nonpublic facility; and,

(D) The name of the local education agency that was unable to meet the student's individual level of need;

(4) Quarterly reports, beginning October 1, 2013, on all non-public students that have returned to a District local education agency (LEA). At a minimum such reports shall include the following information for each student returning from a non-public placement:

(A) The student's level of need;

(B) Justification for return from a non-public facility;

(C) The date the student was originally placed into a nonpublic facility and date they returned to a District LEA;

(D) The name of the receiving LEA; and

(E) A statement explaining how the receiving LEA will be able to meet the educational needs of the returning student.

Sec. XXX. State Board of Education reporting requirements.

By December 1, 2013, the State Board of Education shall submit to the Council an implementation plan for the re-establishment of the Office of the Ombudsman. Such a report is necessary to ensure that the Office of the Ombudsman will be fully operational by January 1, 2014.

Sec. XXX. Office of the Deputy Mayor for Education reporting requirements.

(a) By October 1, 2013, the Office of the Deputy Mayor for Education shall submit to the Council the following:

(1) A report on efforts to re-engage disconnected youth, including the development, funding and staffing needed during FY14 for the planned Re-Engagement Center;

(2) A report on the distribution and utilization of transit subsidies, including an FY14 spending plan, for students ages 19-21;

(3) A report on continued implementation of the "South Capitol Street Memorial Act of 2012," including an FY14 spending plan;

(4) A report on FY14 implementation of the "Attendance Accountability Amendment Act of 2013";

(5) A report on implementation of the capital grant of \$6,000,000 for construction of a language immersion public charter school serving middle and high school aged students. The report shall include at a minimum:

(1) The name of the grantee and a detailed description of the capital project to be supported by the grant;

(2) Timeline for completion of the capital project; and

(3) An analysis of need of capital funding for charter schools with recommendations on expanding such capital grant funding for charter schools; and

(6) A report detailing the supplemental services and funding provided to DCPS outside of the UPSFF, including:

(1) The amount of funds for each service and expenditure; and

(2) The criteria on which these services and related resources are allocated and a specific plan for how the District intends to allocate these resources to all schools in order to achieve equity and equal access to resources per D.C. Official Code §38-2913.

(b) By January 1, 2014, the Office of the Deputy Mayor for Education shall submit to the Council a recommendation on expanding compulsory attendance requirements to students attending Pre-K 3 and Pre-K.

TITLE XXX, SUBTITLE XXX. MASTER FACILITIES PLAN APPROVAL

Purpose, Effect and Impact on Existing Law

As part of the Fiscal Year 2011 Budget Support Act of 2010, the Council designated the Office of the Deputy Mayor for Education as the lead on public education master facilities planning efforts, including the development of the Master Facility Plan (MFP). The Council also approved \$1.5 million to support a collaborative master facilities planning project for District of Columbia Public Schools (DCPS) and public charter schools (PCS). In the “Fiscal Year 2013 Budget Support Act of 2012”, the Council made certain changes to the law governing the MFP, including adding a requirement that the MFP be subject to a public hearing and receive Council approval.

During the hearing on the proposed plan the Committee raised concerns that that the MFP and the capital improvement plan (CIP) for DCPS as transmitted with the proposed FY14 budget did not correspond. Specifically, the Committee questioned how hundreds of millions of dollars of school improvements in the “High” and “Moderate High” neighborhood clusters as identified by the MFP identified have been pushed back as part of this year’s CIP.

Despite these concerns, the Committee recommends approval of the MFP as simply a review of facilities needs in the District and not a planning document for purposes of FY14.

Committee Recommendation

The Committee recommends including this new subtitle as part of the FY14 Budget Support Act.

Section-by-Section

Sec. XXX. States the short title.

Sec. XXX. Approves the 2013 Master Facilities Plan as required by Council under section 1104 of the School Based Budgeting and Accountability Act of 1998 (D.C. Official Code § 38-2803).

Legislative Recommendations for Committee of the Whole

Sec. XXX. Short title.

This subtitle may be cited as the “Public Education Master Facilities Plan Council Approval Resolution 2013”

Sec. XXX. This subtitle services as approval of the 2013 Public Education Master Facilities Plan for the District of Columbia pursuant to section 1104 of the School Based Budgeting and Accountability Act of 1998.

TITLE XXX, SUBTITLE XXX. DME GRANTMAKING AUTHORITY

Purpose, Effect and Impact on Existing Law

This subtitle will give the Office of the Deputy Mayor for Education one time grant making power to support a community grant for the construction of a language immersion middle and high school in the District. There is a growing need in the District for language-immersion curriculum in order to build global students who can compete in the growing world. This limited grant making authority would allow for such a program to be developed and supported in the District to serve students.

Committee Recommendation

The Committee recommends including this new subtitle as part of the FY14 Budget Support Act.

Section-by-Section

Sec. XXX. States the short title.

Sec. XXX. Authorizes the Deputy Mayor of Education with limited one time grant making authority in order to make a capital grant for a language immersion middle and high school.

Legislative Recommendations for Committee of the Whole

Sec. 4XX. Short title.

This subtitle may be cited as the “Deputy Mayor for Education Limited Grant-Making Authority Act of 2013”.

Sec. XXX Deputy Mayor for Education grant-making authority.

For fiscal year 2014, the Deputy Mayor for Education shall have grant-making authority solely for the purpose of providing a capital grant of \$6,000,000 for facility construction of a language immersion public charter school serving middle and high school-aged students in the District.

V. COMMITTEE ACTION AND VOTE

On May 9, 2013, at 10:30 a.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 FY14 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
- Deputy Mayor for Education
- D.C Public Library Trust

The agenda also included a review and vote on the Committee's recommendations for the FY14 Budget Request and Support Acts, and approval of the Committee's FY12 performance oversight report. Committee Chairperson Catania determined the presence of a quorum consisting of himself and Councilmembers Grosso, Wells, Alexander and Barry.

Statements for the Record:

Councilmember Grosso: Commented on his support for the budget, specifically the funding for the Office of the Ombudsman for Public Education. He is eager to receive the Ombudsman implementation plan and have the office begin operations. Additionally, he expressed his support for the middle school stabilization funds in the budget and the support of public libraries throughout the District.

Councilmember Wells: Expressed his support for the District of Columbia Public Library budget, specifically the funding for materials acquisition and extended hours. Additionally, Councilmember Wells spoke of his support for the repairs made to the operating budget for schools that were affected by the change from "big" school to "small" school. Finally, the modernization plan for Stuart-Hobson Middle School was discussed. Councilmember Wells requested that DCPS report, by October 1, 2013 on its collaboration with the Department of General Services and the Office of Planning to develop a solution that creates a regulation-sized athletic field for the school while also addressing the parking needs of the school. It was suggested that teachers park three blocks away at the Logan Annex so that the field can be built within budget constraints.

Councilmember Alexander: Commented on her deep support for the funding of the STEM program at H.D. Woodson High School which had a new building constructed for the purposes of being a STEM school. She also expressed her support for the extra summer school funding and support of school libraries, specifically at Kimball ES, Thomas ES, Burrville ES where there will now be full time librarians. Additionally, she is glad to see two Ward 7 schools, H.D. Woodson HS and Sousa MS, supported by stabilization. Councilmember Alexander did not offer any amendments, but stated she would like to see dedicated funding for athletics, specifically for teams that are successful in winning championships. She stated that she believes it is unfair for those students to not be recognized for their

hard work, and she does not believe she should have to fund trophies out of her pocket as she did for H.D. Woodson's Girls Basketball team this year.

Councilmember Barry: Offered an amendment to the Capital budget that decreased funds from Project YY1MX to be allocated to various other school modernization projects including \$3,038,000 for DCPS to upgrade its student reporting and attendance system. The amendment was accepted. Councilmember Wells then offered an oral amendment to Councilmember Barry's amendment which was accepted. Additionally, Councilmember Barry offered 3 policy recommendations for amendments to reporting requirements for DCPS which included providing possible restructuring of the Truancy Taskforce; reporting on a parent engagement plan; and providing details about how to implement a full-fledged intramural athletic program. Without objection, Councilmember Catania suggested the Committee incorporate timelines for each recommendation and report back on requirements to implement these recommendations.

Councilmember Marion Barry (Ward 8) moved an amendment to make changes to the Capital Budget of DCPS:

- Decrease the FY14 allocation for the YY1MX Malcolm X Modernization Project from \$21,870,000 to \$6,000,000.
- Shift the \$8,074,000 FY15 allocation for YY182 Garfield ES Modernization to FY14.
- Allocate \$2,000,000 in FY14 for capital improvements to PK337-Martin Luther King Jr. Modernization
- Allocate \$5,795,000 in FY14 and \$5,036,000 in FY15 for YY177 Bancroft ES Modernization
- Allocate \$3,038,000 in FY15 for DCPS to upgrade the Student Tracking and Reporting System.

Councilmember Barry's amendment was accepted by the Chair.

Councilmember Tommy Wells (Ward 6) then made an oral amendment to the adjustments made as part of Councilmember Barry's amendment allocations:

- Decrease the FY14 allocation for the YY1MX Malcolm X Modernization Project from \$21,870,000 to \$6,000,000.
- Shift the \$8,074,000 FY15 allocation for the YY182 Garfield ES Modernization to FY14.
- Allocate \$1,500,000 in FY14 and \$500,000 in FY15 for capital improvements to PK337 Martin Luther King Jr. Modernization
- Allocate \$1,000,000 in FY14 for the YY197 Watkins ES Modernization. Decrease the FY15 allocation for YY197 Watkins ES Modernization from \$9,453,000 to \$8,953,000.
- Allocate \$5,295,000 in FY14 and \$5,536,000 in FY15 for YY177 Bancroft ES Modernization
- Allocate \$2,538,000 in FY15 for DCPS to upgrade the Student Tracking and Reporting System.

Councilmember Wells' amendment was accepted by the Chair.

Committee Chairperson Catania called for a vote on the recommended operating and capital budgets for the agencies under its purview as presented in the Committee's FY14 Committee Budget Report.

Members in favor: Committee Chairperson Catania, Councilmembers Grosso, Wells,
Alexander and Barry
Members opposed: None
Members abstaining: None
Members absent: None

The Committee's recommended operating and capital budgets were unanimously adopted by a 5-0 vote.

Committee Chairperson Catania called for a vote on the Committee's recommendations for the FY14 Budget Request Act.

Members in favor: Committee Chairperson Catania, Councilmembers Grosso, Wells,
Alexander and Barry
Members opposed: None
Members abstaining: None
Members absent: None

The Committee's FY14 Budget Request Act recommendations were unanimously adopted by a 5-0 vote.

Committee Chairperson Catania called for a vote on the Committee's recommendations for the FY14 Budget Support Act.

Members in favor: Committee Chairperson Catania, Councilmembers Grosso, Wells,
Alexander and Barry
Members opposed: None
Members abstaining: None
Members absent: None

The Committee's recommendations for the FY14 Budget Support Act were unanimously adopted by a 5-0 vote.

Committee Chairperson Catania called for a vote on the FY12 Performance Oversight Report.

Members in favor: Committee Chairperson Catania, Councilmembers Grosso, Wells,
Alexander and Barry
Members opposed: None
Members abstaining: None
Members absent: None

The Committee's FY12 Performance Oversight was unanimously adopted by a 5-0 vote.

Committee Chairperson asked if there was any additional business before the Committee. Hearing none, the meeting was adjourned at 11:02.

VI. ATTACHMENTS

- A. April 10, 2013 FY 2014 Budget Oversight Hearing Witness List and Testimony
- B. April 17, 2013 FY 2014 Budget Oversight Hearing Witness List and Testimony
- C. April 22, 2013 FY 2014 Budget Oversight Hearing Witness List and Testimony
- D. April 26, 2013 FY 2014 Budget Oversight Hearing Witness List and Testimony
- E. May 2, 2013 FY 2014 Budget Oversight Hearing Witness List and Testimony
- F. Committee FY12 Performance Oversight Report