



**TESTIMONY OF SOUMYA BHAT, EDUCATION FINANCE AND POLICY ANALYST  
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**At the Oversight Hearing on  
The Proposed Fiscal Year 2015 Budget of the District of Columbia Public Schools  
Before the DC Council Committee on Education  
April 17, 2014**

Chairman Catania and members of the Committee on Education, thank you for the opportunity to speak today. My name is Soumya Bhat, and I am the Education Finance and Policy Analyst at the DC Fiscal Policy Institute. DCFPI is a non-profit organization that engages in research and public education on the fiscal and economic health of the District of Columbia, with an emphasis on policies that affect low- and moderate-income residents.

I am here today to offer feedback on the proposed fiscal year (FY) 2015 budget of District of Columbia Public Schools (DCPS). There were several promising changes to the school funding formula this year, including a two percent increase to the base level, the addition of a new supplement weight category for at-risk students, and increased local resources for adult, alternative, English language learner, and special education students. DCFPI is highly supportive of these enhanced local resources, but we want to ensure that the allocation of these dollars is transparent, and that the DCPS schools with the biggest concentrations of need are seeing their share of the city's enhanced educational investments.

**At-Risk Funding**

The proposed general fund budget for DCPS is \$709 million, a 6 percent increase from FY 2014 when inflation and supplemental funding are taken into account. Based on the 21,407 identified at-risk students across the school system, the new at-risk weight appears to add \$44 million in local funds to the DCPS budget. However, this new weight encompasses funding for summer school, which used to have its own separate weight in the formula, but no longer does. So, the net new funding for at-risk students is \$44 million, less summer school costs. Summer school was budgeted at \$17 million last year, but actual expenditures were close to \$4 million. This means the new funding could be as much as \$40 million.

DCFPI is highly supportive of the new funding for at-risk students, but we are concerned that the additional funds are not equitably distributed across DCPS schools for FY 2015. Because the proposed budget does not show how at-risk funds would be spent next school year – and it is clear that at-risk funds do not follow the student to their school's budget – it is difficult for advocates and parents to see where the dollars would go under the mayor and Chancellor's budget plan.

The proposed DCPS budget clearly reflects several of the Chancellor's initiatives, including extended school day options for all middle schools and the lowest 40 performing elementary schools, enhanced middle grade curriculum and staffing, and funds for activities focused on promoting student satisfaction. About \$5.7 million in extended school day funds are proposed to be allocated to 52 DCPS schools to lengthen the school day to 4:15pm for four days a week, provided teachers buy into the idea per terms in the Washington Teachers Union contract. The "Proving What's Possible" student satisfaction awards, totaling \$4.8 million across schools, can go towards a number of activities, including field trips, enrichment activities, and anti-bullying programs. However, it is not clear from the budget book whether or not these efforts were supported by the new at-risk funds or if there was a comprehensive plan developed by school leaders to determine the best approach for their students.

DCFPI realizes that there are many important initiatives in the proposed DCPS budget, and that the FY 2015 budget does not fully fund an at-risk weight at the level recommended by the recent adequacy study. Nevertheless, the decision by Mayor Gray and Chancellor Henderson to use the new funding for selected initiatives – rather than following the student – means there are some schools with large concentrations of at-risk students who would not see much of an increase from last year. For example, Anacostia High School would see only a modest increase despite the fact that almost 80 percent of Anacostia HS's students (over 600) are considered at-risk. But their overall budget would see only \$151 more general education dollars per pupil and no funds for extending the school day. (Note: this figure excludes special education, ELL, and federal funding and is adjusted for the average teacher salary reduction.) Anacostia High School would receive "Proving What's Possible" (PWP) student satisfaction money, but the award only amounts to \$77,400<sup>1</sup>. The PWP fund, it should be noted, were not targeted to schools with large concentrations of at-risk students but instead were offered to all DCPS schools.

Beyond this, DCPS has not provided any indication that it plans to serve at-risk students more broadly next year. That is, it is not clear if or when Anacostia High and other schools left out this year will receive additional help.

DCFPI would like to see greater transparency in how the at-risk funds will be used for FY 2015 and that this money be distributed more equitably to schools with the biggest concentrations of need. Greater transparency would allow parents and other stakeholders to weigh in on whether or not their school is getting its fair share of education resources.

## **Budget Transparency**

- This year, the DCPS budget is also being presented in a new format, which includes allocations at the school level and attempts to have the official budget from the CFO better match the way DCPS spends its funds. Readers can now see how DCPS budgeted directly to individual schools, school-wide programs, school support, and central office funding. We are pleased that the Committee on Education has taken on the issue of school budget transparency head-on. Recognizing that this year is a baseline year, DCFPI offers the following recommendations for improved transparency:

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<sup>1</sup> DCPS Budget Allocation Spreadsheet.

<http://dcps.dc.gov/DCPS/About+DCPS/Budget+and+Finance/FY15+Fiscal+Report+Card>.

- There is no data for FY 2013 and FY 2014 and Tables GAO-4 and GAO-5 are not found in the budget book. This information would help with the macro-level spending comparisons for activities from year-to-year. The CFO should be asked to provide a cross-walk between the old and new budget formats.
- There remains the issue of comparing what is seen in the Uniform Per Student Funding Formula and what is seen in the individual budgets of schools. For example, there is no way to see how the at-risk funding would be spent at the school-level next year, because the school-level budgets have no line item or program code for at-risk students and there is no enrollment projection for each school's at-risk population. The school-level budgets also provide no enrollment figures for special education or English language learner, even though the per-pupil funding formula includes weights for these groups, which means stakeholders are likely to be interested in whether funds allocated for these purposes actually reach schools.
- While having a budget that better matches how DCPS plans to spend the money makes sense, the actual definitions of school, school support, and central office should be more clearly defined in the budget book and should not change from year to year. DCFPI would like to explore ways to accomplish this through Council oversight.
- The budget format offers activity level information within each budget category. Adding another level of detail under the program and activity levels to reflect “service” would offer greater specificity about what service is actually being provided within that line item. For example, the activity line for “parental engagements” does not offer the reader enough information to understand precisely what types of services would be funded under this line item when it appears under each of the central, school-wide, and school support budget categories.

Chairman Catania and members of the Council, thank you again for the opportunity to offer input. I am happy to answer any questions.