

**TESTIMONY OF SOUMYA BHAT, EDUCATION FINANCE AND POLICY ANALYST
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**At the FY 2016 Performance Oversight Hearing for the
Office of the Deputy Mayor for Education
March 2, 2016**

Chairman Grosso 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 promotes opportunity and widespread prosperity for all residents of the District of Columbia through thoughtful policy solutions.

Today, I'd like to focus my comments on two parts of the Office of the Deputy Mayor for Education's (DME) work:

- The periodic revision of the school funding formula which funds all of DC's traditional public and public charter schools.
- An issue from the School Boundary Plan that the Cross-Sector Collaboration Task Force can consider – an admissions preference for “at-risk” students for all public schools.

Periodic Revision of the Uniform Per Student Funding Formula

In 2013, the DME commissioned a long overdue study of the city's school funding formula – the Uniform Per Student Funding Formula (UPSFF). The final report released included recommendations on how the city can more sufficiently fund the needs of DC Public Schools and public charter schools, including the addition of a new supplemental weight category for “at-risk” students. This was a considerable feat and underscored the value of the regular study and revision of the school funding formula to ensure schools are receiving adequate funding to meet the needs of DC students, many of which are low-income.

According to the UPSFF legislation, the Mayor was required to submit to the Council a report recommending revisions to the Formula based on a study of actual costs by January 30 of this year. The requirement includes the convening of a technical working group, including members of the public to solicit input. See below for text from the legislation:

§ 38-2911. Periodic revision of Formula.

(a) (1) Except as provided in paragraph (2) of this subsection, the Mayor and Council, in consultation with representatives of DCPS and of the Public Charter Schools, shall review and revise this Formula within 2 years of its establishment, within 2 years after this initial review and revision, and once every 4 years subsequently. Revisions shall be based upon information and data including study of actual costs of education in the District of Columbia, consideration of performance incentives created by the Formula in practice,

research in education and education finance, and public comment.

(2) Beginning January 30, 2016, the Mayor shall submit to the Council a report every 2 years that reviews the Formula and includes recommendations for revisions to the Formula based upon a study of actual costs of education in the District of Columbia, research in education and education finance, and public comment.

(b) The study of actual costs of education pursuant to subsection (a) of this section shall include but not be limited to the following:

(1) The relation of funding levels to student outcomes;

(2) Maintenance of effort in specified areas of focus to promote continuity of effective practices;

(3) Improved techniques for determining specific levels of funding needed to provide adequate special education services;

(4) Improved measures of change in the cost of education; and

(5) A review of the costs associated with serving at-risk students and of how at-risk students are identified.

(c) The Office of the State Superintendent for Education shall be responsible for the development of the report required by subsection (a) of this section and shall convene a working group, which shall be comprised of, at a minimum, representatives from DCPS, public charter schools, and the public, to solicit input and recommendations regarding revisions to the Formula.

DCFPI strongly supports the convening of a Technical Working Group to advise OSSE and the DME in the monitoring of the UPSFF; if this is not possible for the FY 2017 budget process, as seems likely, it should be done this year in time to inform the FY 2018 budget process. While it is important to frequently assess the UPSFF in terms of weights and base levels, we do not believe that a full-scale commissioned adequacy study is necessary every few years. Instead, the TWG would actively participate in the periodic update of the UPSFF with OSSE and DME to ensure the formula keeps up with actual needs in our city's schools.

In order to do this, the Technical Working Group will need to be convened as early as possible to do a proper study of the costs associated with providing education for various student populations, including at-risk, special education, English language learners, adult and alternative students. It will also be important for the DME and OSSE to have enough time to provide actual cost data for both school sectors. We'd like to hear from the DME on next steps towards creating this group, including a timeline.

One Issue for the Cross-Sector Collaboration Task Force to Consider

DCFPI applauds the Deputy Mayor for Education for launching a two-year effort to improve coordination between DC Public Schools and public charter schools by creating a Cross-Sector

Collaboration Task Force. This group will focus on concrete strategies on a range of policy issues, including how to share best practices and data, coordinate school openings and closings, and promote student enrollment stability. With enrollment growing in both DCPS and the city's public charter schools, and with the number of students in charter schools almost as high as the number in DCPS, it is increasingly important for these two pillars of public education to work well together. DCFPI looks forward to watching this process unfold and learning about key trends heard from the various focus groups being held across the city.

One issue we hope the task force will consider is creating a preference for at-risk students for low-poverty schools in the annual admissions lottery, My School DC, as recommended by the 2014 School Boundary plan (Recommendations 23 and 24). Non-selective and selective DCPS and charter schools with less than 25 percent at-risk students would give priority to at-risk students for 25 percent of seats in lottery admissions.

As both school sectors serve large numbers of at-risk students, DCFPI sees this preference as an important issue to be considered by the Cross-Sector Collaboration Task Force. Research shows that promoting socio-economic diversity in schools improves outcomes for low-income students without adversely affecting middle class students, as long as a core of middle class children attend the school. An out-of-boundary preference for at-risk students to attend schools with higher average incomes would help improve socio-economic diversity in some of our city's most high-demand schools.

We understand from the DME's performance oversight responses that implementation of the preference will be delayed for DCPS until the 2017-18 school year. We hope that DCPS will follow through with implementing this, and that the Cross-Sector Collaboration Task Force will address the issue for both DCPS and public charter schools.

Thank you again for the opportunity to testify. I am happy to answer any questions.