



JUNE 27, 2019

Transparency: A Key to Education Equity and Better School Budgets By Ed Lazere

The budget for DC schools is developed too much in the dark, often with disastrous results. School budgets that meet the needs of all students, engage parents, and reverse historic education inequities faced by Black students should be built them with our eyes wide open and all the information needed to make sound funding decisions. Two bills being considered by the DC Council would help improve education equity—especially around how DC Public Schools uses "at risk" funds—by demanding more transparency.

The just-approved school budget offers a solid argument for more transparency. The budget will grow 3 percent per student, yet average DCPS teacher costs are rising over 4 percent, meaning resources won't be enough system-wide to maintain staffing and services. In addition, DCPS is diverting about half of the funds intended to support students considered at risk of falling behind academically, instead using the funds to cover basic staff positions. This supplantation robs students of promised resources and weakens our main chance to create education equity. And finally, a majority of schools in Wards 7 and 8 face budget



cuts, a result of falling enrollment and problems in the way DCPS allocates resources to schools, among other factors. A budget focused on equity would not cut funding to these schools.

The two bills before the DC Council—the <u>School Based Budgeting and Transparency Amendment Act</u> and the <u>At-Risk Funding Transparency Amendment Act</u>—would help get better budget outcomes.

- Build School Budgets with Solid Information: The DCPS budget should be developed with an understanding of factors that drive costs, but this does not happen. Over the past decade, increases to the uniform per-student funding formula (UPSFF) ranged from nothing to 3 percent, and they were never based on an assessment of how education costs are rising. The School Based Budgeting Act would require an assessment of funding needed to maintain staffing and services at each school, which could then be added up to a total school budget (other than central administration). This robust "current services" budget would have to take into account rising costs of staff and supplies, and would give policymakers and school advocates a clear sense of how much schools need.
- Improve Transparency of "At Risk" Funds: The DC school funding formula provides \$2,400 per child for students in low-income families and other students who are at risk of falling behind academically. It provides opportunities for schools to do things like adding counselors, putting more aides or tutors in classrooms, and strengthening extracurricular activities. However, research from Mary Levy and the DC Auditor confirms that every year a large share of DCPS at-risk funds are used to pay for basic staff positions that all schools receive.

The At-Risk School Funding Transparency Act would help stop this shameful practice by requiring each school's budget to clearly break out what is being supported with basic funds and what is supported with at-risk funds. This would make it easier to spot when at-risk funds are being used for basic services rather than supplements.

• Engage Parents and other Stakeholders: DCPS has a process for engaging each school's stakeholders in setting their school's budget, but improvements would help ensure that parents, teachers and others fully understand their ability to shape the school's budget and feel empowered to do so. The At-Risk School Funding Transparency Act would require principals and Local School Advisory Teams to develop a plan for how they will use at-risk funds at their school, helping ensure that stakeholders get a chance to say how this important resource is used.

Better, more equitable school budgets could be coming. DCFPI looks forward to seeing these bills move forward.

DC FISCAL POLICY INSTITUTE 2