A BILL

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To amend the Uniform Per Student Funding Formula for Public Schools and Public Charter Schools Act of 1998 to provide for additional supplements for students eligible for free and reduced meals, for students at schools with low graduation rates, and for students enrolled in career and technical education programs, to provide for at least 80 percent of local funds within DCPS be allocated to schools, to provide for greater principal autonomy in school budget development, to establish certain school support expenditures that are the responsibility of the Chancellor, to provide for school stabilization of local funding; and to provide for student transportation subsidies.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the “Fair Student Funding and School-Based Budgeting Act of 2013”.

Sec. 2. Uniform Per Student Funding Formula.

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

(a) Insert new sections 106a, 106b, 106c and 106d to read as follows:

“Sec. 106a. Additional supplements to foundation level.

“(a) In addition to the supplemental allocations set forth in section 106, the Mayor shall provide for additional supplemental allocations on the basis of the following:

“(1) Beginning in school year 2014-2015:

“(A) A weight shall be added to the Formula for students identified as eligible for free and reduced meals; and
“(B) A weight shall be added to the Formula for students in grades 9 through 12 who attend a school with a four year graduation rate of less than 75 percent in the prior academic year; and

“(2) Beginning in school year 2016-2017, a weight shall be added to the Formula for students in grades 11 and 12 who are participating in a career and technical education program approved by the Office of the State Superintendent of Education.”

“(b) The above weights shall be applied cumulatively in the counts of students who fall into more than one of the above categories.

“Sec. 106b. DCPS school local fund allocations.

“(a)(1) Beginning with school year 2014-2015, DCPS shall allocate at least 80 percent of the local funds generated pursuant to the Formula to schools for purposes of supporting school budgets developed pursuant to section 106c. These funds shall be distributed proportionally based upon the application of the Formula to each school’s projected student count. All remaining local funds shall be used by DCPS to support central administration functions and certain school support expenditures as set forth in section 106d.

“(2) Notwithstanding paragraph (1), DCPS may exclude from the local budget for purposes of calculating the 80 percent allocation any local funds provided to DCPS for the express purpose of compliance with a court order, settlement agreement, or other legally binding decision.

“(b) Nothing in this subsection shall alter DCPS’s control of and obligations regarding funds other than local funds, including distribution of non-local funds to DCPS schools.”

“Sec. 106c. DCPS school budgets.
“(a) Beginning in school year 2015-2016, each principal shall be responsible for the development of the annual budget for his or her school in accordance with standards set forth by the Chancellor pursuant to this Act.

“(b) By October 1, 2014, the Chancellor shall establish standards for the development of school budgets. At minimum, these standards shall:

“(1) Require each principal to:

“(A) Develop and submit to the Chancellor a school budget based on the funds projected to be provided to the school;

“(B) Engage the school community, including parents and school personnel, in the development of the school budget;

“(C) Comply with budgeting and accounting practices and standards set forth in District of Columbia law; and

“(D) Provide the Chancellor with a written statement explaining with particularity how the proposed budget will promote student achievement and address student needs for which the school is projected to receive supplemental allocations under section 106a; and

“(2) Set forth the student and school-level expenditures that the principal shall be responsible for when developing a school budget.

“(c) The Chancellor shall provide principals with the professional development and technical support necessary to enable principals to comply with the requirements of this act and to meet the standards established pursuant to subsection (b) of this section.

“(d) Nothing in this section shall prohibit the centralized purchasing of educational supplies and materials.
“(e) The Chancellor shall review the budgets submitted by principals to ensure that they conform to the standards established pursuant to subsection (b) of this section, promote student achievement, and address student needs for which the school is projected to receive supplemental allocations under section 106a.

“(f) DCPS shall exercise oversight to ensure that school expenditures are consistent with approved budgets.

“(g) At least annually the Chancellor shall evaluate the performance of each DCPS principal based upon implementation of the approved budget, including a review of whether or not the school budget has enhanced student performance and achievement.

“(h) The Chancellor shall maintain records for all DCPS school budgets as part of the centralized services provided to each school. The Chancellor shall make school budgets and related records public, including, but not limited to, posting such records online. DCPS shall pay the costs of maintaining and publicizing the school’s financial records from the funding reserved for central administration pursuant to section 106b.

“Sec. 106d. DCPS school support expenditures.

“(a) At minimum, the Chancellor shall be responsible for and shall use the funds retained by DCPS under section 106b to support costs associated with the following:

“(1) Principals’ salaries and professional development for principals;

“(2) Related services as required by students’ Individualized Education Programs;

“(3) Transportation services and supplies;

“(4) Food services and staff;

“(5) Nurses and health services and supplies;

“(6) Maintenance staff, excluding custodians, and supplies;
“(7) Security staff and services;
“(8) Testing and assessment materials;
“(9) Technology support staff; and
“(10) Utilities.

(b) Insert a new section 116 to read as follows:

“Sec. 116. School budget stabilization.
“(a) No DCPS school shall lose more than five percent of its local fund revenues from the previous fiscal year as a result of the application of the Formula.
“(b) Paragraph (a) shall not apply to a DCPS school that experiences a significant decrease in enrollment from the previous year due to elimination of one or more grade levels offered at the school, the closing or consolidation of one school into another, or other substantial instructional or programmatic change.”

Sec. 3. Student transportation subsidies.

Beginning in school year 2015-2016, Office of the State Superintendent of Education (“OSSE”) shall provide all DCPS and public charter high school student that are identified as eligible for free and reduced meals with fully subsidized public transportation subsidies. These subsidies shall be distributed pursuant to regulations set forth by OSSE.

Sec. 4. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

Sec. 5. Effective date.
This act shall take effect following approval by the Mayor (or in the event of veto by the Mayor, action by the Council to override the veto), a 30-day period of Congressional review as provided in section 602(c)(1) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813: D.C. Official Code § 1-206.02(c)(1)) and publication in the District of Columbia Register.