



UPSFF Working Group: Final Recommendation 1

January 2021

Proposed Recommendation 1

Recommendation 1: The Working Group recommends increasing the foundation level to account for LEAs' anticipated increases in personnel and non-personnel costs, particularly in the pandemic and recovery contexts. The UPSFF foundation level should increase each subsequent year to keep in line with those costs.

The Working Group reviewed several options presented in the 2020 UPSFF Study regarding how the UPSFF foundation level could be adjusted to address the cost pressure findings in the study. The majority of Working Group members favor an increase to the foundation level of 4%, citing the study finding that DCPS and the PCS LEAs included in the study experienced a 4.1% Compound Annual Growth Rate (CAGR) increase in per pupil expenditures from FY16 to FY19. While the Working Group acknowledges the limitations of the Foundation Level Cost Drivers chapter of the study, including the limited number of charter LEA participants and the pre-pandemic period of analysis, the majority of the Working Group thinks this is the best information available to inform this recommendation. A smaller number of Working Group members opposed this recommended increase and preferred recommending targeted funding increases to specific sub-sets of students that demonstrated the greatest academic need.