



DISTRICT OF COLUMBIA

OFFICE OF THE STATE SUPERINTENDENT OF

**EDUCATION**

**OSSE's Report on the Uniform Per Student Funding Formula  
January 2019**

Section 112(a)(2) of the Uniform Per Student Funding Formula for Public Schools and Public Charter Schools Act of 1998 (UPSFF Act), effective March 26, 1999 (D.C. Law 12-207; D.C. Official Code § 38-2911(a)(2)), requires the Office of the State Superintendent of Education (OSSE) to submit, on behalf of the Mayor, a report to the Council of the District of Columbia every two years that reviews that UPSFF formula and includes recommendations for revisions to the formula. Since the Office of the Deputy Mayor for Education (DME) released the District's first comprehensive education adequacy study, *Cost of Student Achievement: Report of the DC Education Adequacy Study* (Adequacy Study) and the DC Council enacted the Fair Student Funding and School Based Budgeting Act of 2013 (D.C. Law 20-87) amending the UPSFF Act, the DME, with support from OSSE and other Executive Office of the Mayor offices, has and continues to analyze and review the formula, including but not limited to, demographic distribution, local education agency (LEA) and student needs, at-risk funding, and overall fiscal impact.

Per D.C. Official Code § 38-2911(a)(2), OSSE convened a working group with representatives of DC Public Schools (DCPS), DC public charter schools, DC Public Charter School Board (PCSB), the public, and government representatives to solicit input and recommendations regarding revisions to the Formula. The Final Report compiled by DME and OSSE with recommendations from the UPSFF Working Group members regarding revisions to the Formula is presented below. This group met monthly between August 2018 and January 2019 and reviewed Washington, DC UPSFF and education budgeting policies, the Adequacy Study, national research, examples from other jurisdictions, data on at-risk concentration and funding, and the achievement of various funded subgroups: at-risk students, English language learners, and students with disabilities.

## **Report of the Uniform Per Student Funding Formula (UPSFF) Working Group January 2019**

OSSE convened a Uniform Per Student Funding Formula Working Group (“Working Group”) pursuant to D.C. Official Code § 38-2911(a)(2), and staff members from DME and OSSE facilitated the sessions. The members of this group included representatives from DCPS, public charter schools, the public, and government representatives who provided input and recommendations regarding revisions to the formula.

The Working Group’s membership included a variety of vantage points to best provide robust context to the group’s discussions and, ultimately, this report. DCPS’ representatives were from the Office of the Chief Business Officer, including those focused on school funding and budget strategy, and from the Office of Teaching and Learning focused on specialized instruction. From the public charter sector, representatives from E.L. Haynes PCS, Meridian PCS, Friendship PCS, and Carlos Rosario PCS were present. Government representatives included those from the Office of Budget and Performance Management (OBPM), the DC Public Charter School Board (DC PCSB), and the Office of the Chief Financial Officer (OCFO). Representatives from DME and OSSE both facilitated and participated. Other advocacy and local research individuals and groups focused on education funding participated, including the DC Policy Center; Friends of Choice in Urban Schools (FOCUS); the Senior High Alliance of Parents, Principals and Educators (SHAPPE); and the DC Fiscal Policy Institute. To provide a national perspective, a representative from the Education Trust focused on P-12 Policy, Practice, and Research participated, as well as a representative from the Edunomics Lab of Georgetown University. The Edunomics Lab provided a national overview at the Working Group’s October meeting, described in detail in Section IV of this report. Working Group members are listed in Appendix A.

All meetings for this group were public and members of the public were invited to provide comment at each meeting. The meetings took place at OSSE offices on the following dates and times:

- Thursday, Aug. 30, 3:30-5 p.m.
- Thursday, Sept. 27, 3:30-5 p.m.
- Thursday, Oct. 25, 3:30-5 p.m.
- Thursday, Nov. 29, 3:30-5 p.m.
- Thursday, Dec. 13, 3:30-5 p.m.
- Thursday, Jan. 3, 3:30-4:30 p.m.

Topics for the Working Group’s consideration were defined by the group, and included a review of the previous Adequacy Study; an overview of other states’ funding practices from a national perspective, analyses of at-risk concentration at the school-level, and an examination of the achievement levels of various funded subgroups, including students at risk of academic failure, English language learners, and students with disabilities. Some topics, such as extended-day and extended-year funding, facilities funding, adult learner funding, and LEA payment were identified by the group as areas to consider but were not addressed in this series of meetings due to limited time and greater interest in the other focus areas.

Membership, meeting notices, presentations and notes for these meetings are available on the OSSE website at this location: <https://osse.dc.gov/page/2018-19-uniform-student-funding-formula-upsff-working-group>.

## I. UPSFF

The District’s UPSFF was first implemented in the 1999-2000 school year, following the passage of 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.), and is intended to be the mechanism to provide local funding for students in all LEAs. The funding formula is based on enrollment and sets forth a minimum foundational level required to adequately fund education; for the 2018-19 school year (FY19) the foundation level is \$10,658 per student. The UPSFF allocates local funds only, but deliberations on it have taken into account levels of federal and other revenues that support public education in Washington, DC.

The formula also provides funding weights to support costs associated with:

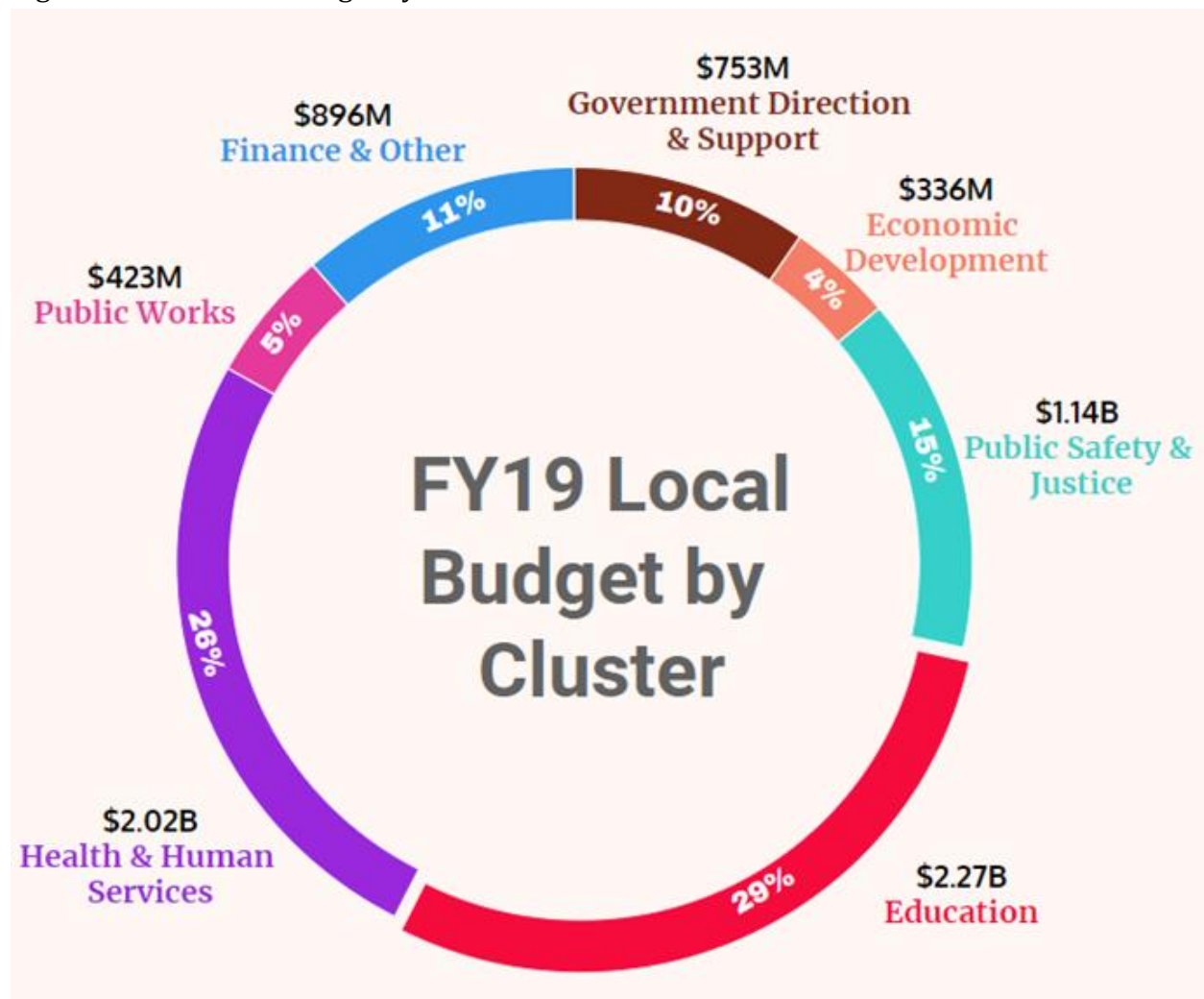
- Grade levels;
- Students with disabilities;
- Limited English proficiency (LEP)/English language learners;
- At-risk status; and
- Students in alternative, adult, and residential schools.

In addition to the foundational funding level and percentage add-ons for particular student characteristics, the formula also provides funding to cover capital facilities costs at public charter schools on a per pupil basis. For the 2018-19 school year the facilities allotment rate is \$3,263 for non-residential facilities and \$8,854 for residential facilities. Throughout

the past 18 years, the funding formula has been periodically revised, with funding categories added or removed, and funding levels adjusted.

At the Working Group’s first meeting in August, OBPM presented a city-wide overview of the budgeting process, including the budget cycle’s timeline and the total FY19 local funding allocations by cluster (Education, Government Direction & Support, Economic Development, Public Safety & Justice, Health and Human Services, Public Works, and Finance & Other) (see Figure 1). For the education cluster, this includes both the UPSFF allocations to DCPS and the individual public charter LEAs, as well as all the other agency operating budgets included in the education cluster (i.e., the Department of Parks and Recreation, DC Public Libraries, OSSE, and the University of the District of Columbia).

Figure 1: FY19 Local Budget by Cluster



\*Note: Percentages are calculated by whole numbers and numbers may not add up due to rounding.

OBPM stressed the importance of considering the education budget in the context of the broader budgeting process. Each new fiscal year's UPSFF rates are determined during the annual budgeting process by using the current fiscal year's rates as a base and building upon that by considering a variety of factors. First, the prior year's foundation amount is taken into account. Next, the impact of expected cost increases, including DCPS personnel costs associated with union contracts and non-personnel DCPS costs, such as energy, are taken into account. Then, enrollment projection analysis is completed for both DCPS and the charter sector to determine the anticipated enrollment for each LEA. Finally, revenue estimates from the OCFO's Office of Revenue Analysis (ORA) are also considered, along with the overall budget for the District government. In addition, OBPM clarified that the UPSFF process is unique compared to the broader city budget process, as it allocates the funding explicitly on both the anticipated number of students that will be enrolled and estimated increased costs.

## II. Study of Costs of Education in the District: Adequacy Study Review

In 2013, then DME sponsored a study, "The Cost of Student Achievement: Report of the DC Education Adequacy Study" (referred to as the "Adequacy Study") to:

- Estimate the resources needed to ensure all DC students can meet current academic performance standards, including the Common Core State Standards;
- Identify potential changes in the structure and policies governing education funding to ensure funding equity between DCPS and the public charter school sector; and
- Provide transparency into the costs that are included in the UPSFF, as well as local funds DCPS and public charter schools receive that flow to schools outside the UPSFF.

Findings of the Adequacy Study indicated gaps between then-current and recommended funding levels for several categories of students, including: middle school students, high school students, English language learners (ELL), and alternative and adult students.

The Working Group looked back at the Adequacy Study during the September meeting to review its methodology and recommendations and also to assess the progress made toward those recommendations since FY15, the first fiscal year budget that took the Adequacy Study into account. The FY15 budget prioritized the Adequacy Study's recommendations that were furthest from the then-current funding. First, the general education weights increased for middle grades (1.03 to 1.08), high school grades (1.16 to 1.22), alternative students (1.17 to 1.44), and adult students (0.75 to 0.89). The leveled (1-4) special education weights each incorporated the previous capacity fund weight (0.40),

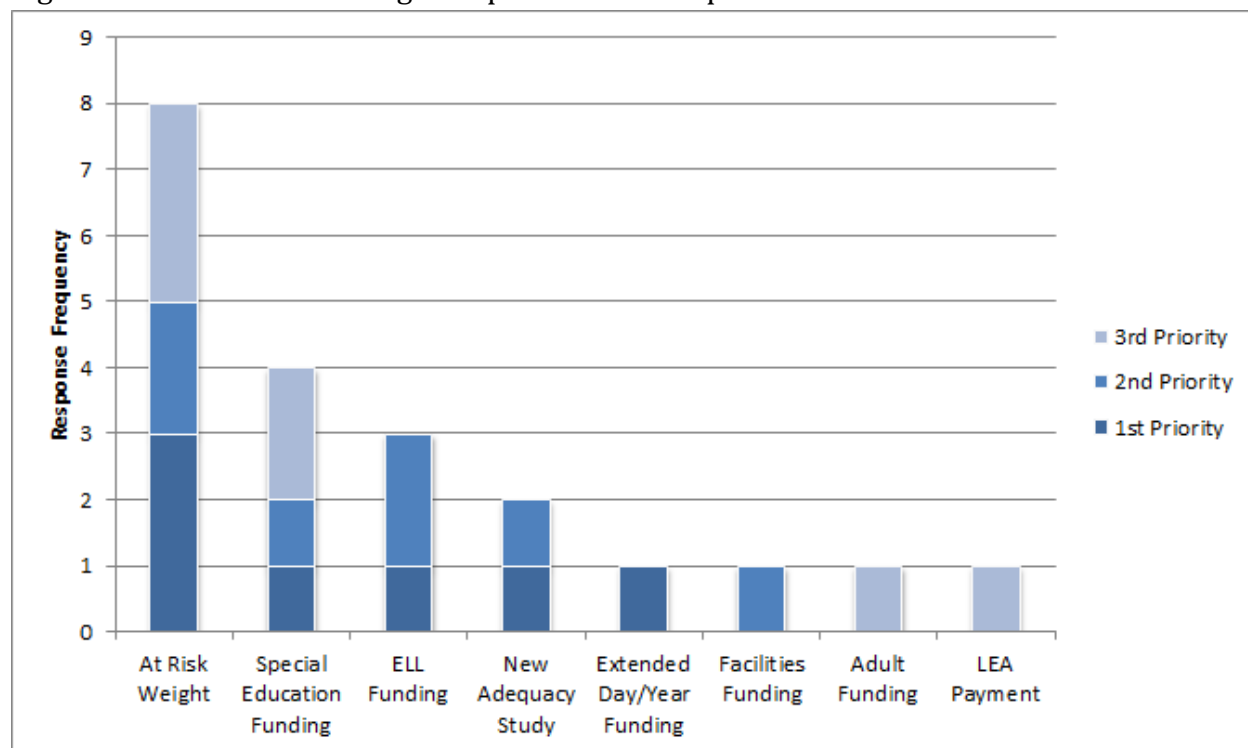
and the EL weight increased from 0.45 to 0.49. Finally, the At Risk weight was established that fiscal year (0.219), while also eliminating the summer school weight (0.17).

Although there were several weight increases due to the recommendations from the Adequacy Study, the current UPSFF weights continue to lag in some areas. For instance, the ELL weight continues to be less than the Adequacy Study recommendation, recommended at 0.61 and currently at 0.49, resulting in a weight gap of 20 percent. At first glance, the At Risk weight as implemented in FY19 (0.224) appears to be less than the weight as recommended by the Adequacy Study (0.37). However, the groups of students included in the Adequacy Study's "At Risk" definition (students in foster care, homeless students, and students whose families qualify for Temporary Assistance for Needy Families (TANF)) were narrower and faced more acute challenges that made them at risk for academic failure than the broader definition as implemented by the law (the three aforementioned groups as well as high school students one or more years overage and students whose families qualify for Supplemental Nutrition Assistance Program (SNAP)). Due to the differences between these two groups, the progress toward the Adequacy Study recommendation is not comparable, because there is a larger number of students who are receiving at-risk funding using the broader at-risk definition.

### III. Process for Identifying the Working Group Focus Areas

Following the introductory meeting where the UPSFF and budgeting process were described, and the Adequacy Study reviewed, the DME and OSSE facilitators requested that Working Group members complete a survey in order to identify the focus area topics for the duration of the process. The results were presented and discussed at the September meeting.

Figure 2: Prioritized Working Group Focus Area Topics



The top four focus area results were the At Risk weight, special education funding, English language learner funding, and a new adequacy study (as shown in Figure 2).

Since its convening in August, the UPSFF Working Group primarily focused on the current gaps between the Adequacy Study recommendations and FY19 weights for at-risk students and English language learners, as well as what other areas needed more study and exploration, and at the end of the process, whether the overall foundation amount has kept pace with the rising costs of school operation.

#### IV. Research in Education and Education Finance: National Landscape Overview

The Working Group requested the expertise of school finance experts to provide insight on other jurisdictions' school funding practices specific to the Working Group's focus areas. The Edunomics Lab presented a detailed national overview at the October meeting. The Edunomics Lab is a Georgetown University-based research center focused on exploring and modeling education finance decisions. The national landscape review presentation included several key takeaways that helped drive and inform the Working Group's recommendations, and are outlined here.

*Washington, DC's UPSFF should be compared to state-level funding formulas, not LEA-level funding formulas.*

Washington, DC is a unique entity that serves multiple governmental roles in its status as a federal district. As a result, in different circumstances, DC government acts as a local-level, county-level, and state-level body, while also running a traditional school district, DCPS. When reviewing the UPSFF in this context, it can be challenging to determine the correct level of analysis, particularly when comparing the formula to other public school funding formulas.

There are three main reasons why the UPSFF is most appropriately considered a state-level funding formula, and should therefore be compared with other state-level formulas. First, the UPSFF distributes money directly to the LEAs, making the UPSFF's function analogous to other states' formulas. As with many other states, when the LEA receives its state/local funding, it is at their discretion how funding is allocated to the school-level. Second, the UPSFF funds all LEAs or all school districts uniformly, similar to how other states allocate funding. Finally, state-level formulas, including the UPSFF, tend to have broader funding categories, instead allowing the individual LEAs the flexibility to implement more complex, targeted funding formulas when disbursing money to schools. This allows the LEA, as the agency closest to the schools, to exercise more autonomy and drive innovation at the school level.

*State-level funding formula decisions are best made when contextualized by robust information on student outcomes tailored to student needs.*

Although we know that public school students continue to improve on the Partnership for Assessment of Readiness for College and Careers (PARCC) state assessment for all students and across subgroups in DC (see Figure 3), we do not necessarily know the impact of how resources are spent on those special need student subgroups. The Working Group was advised to consider all formula changes in the context of the outcomes of the student groups funded by the formula as well as how those outcomes differ by special need groups. In other words, would any proposed change bring more or less funding to groups performing lower or higher than others? Without this context, it is challenging to make recommendations to change funding levels of the foundation amount, a particular subgroup, both, or neither. Further, understanding where we are with our current outcomes helps drive the conversation of what outcomes the UPSFF is meant to drive toward.



Figure 3: City-wide PARCC Performance Over Time

Student Group	English Language Arts			Math		
	Percent Level 4+			Percent Level 4+		
	2016	2017	2018	2016	2017	2018
All	26.7	30.5	33.3	24.8	26.9	29.4
At-Risk	13.2	15.8	18.4	12.9	14.2	15.7
English Learners	13.8	16.5	18.8	18.5	21.2	20.9
Students with Disabilities	5.4	4.8	5.7	6.4	5.3	6.4
Student Group	% Point Change			% Point Change		
	16 to 17	17 to 18	Total change	16 to 17	17 to 18	Total change
All	3.8	2.8	6.6	2.1	2.5	4.6
At-Risk	2.6	2.6	5.2	1.3	1.5	2.8
English Learners	2.7	2.3	5	2.7	-0.3	2.4
Students with Disabilities	-0.6	0.9	0.3	-1.1	1.1	0

*States use varying measures to target resources toward students at risk of academic failure and English language learners.*

Several states have measures to direct additional funding toward students living in poverty, as national research has shown that these students require more funding to succeed in school. In the UPSFF, that component is the weight for students identified as “at risk for academic failure,” commonly abbreviated as the “At Risk” weight. The At Risk weight was first implemented in FY15 following the publication of the DC Adequacy Study and the passage of the Fair Student Funding and School Based Budgeting Act of 2013 (D.C. Law 20-87). The FY19 At Risk weight is 0.224, and applies to students in at least one of five at-risk characteristic categories:

- Students who are in foster care;
- Students who are homeless;
- Students who live in low-income families eligible for TANF;
- Students who qualify for SNAP; or
- A high school student who is one year older, or more, than the expected age for the grade in which the student is enrolled.

One common poverty measure that is not used as a criterion for the UPSFF At Risk weight, but is used as a poverty measure elsewhere, is Free and Reduced-Price Meals (FARM) status. Since the 2012-13 school year, Washington, DC started participating in a pilot program that had LEAs implement the Community Eligibility Provision (CEP), a federal policy that allows the nation’s highest poverty schools and districts to serve breakfast and lunch at no cost to all enrolled students without collecting household applications. In the 2018-19 school year, DC has 45 eligible or near-eligible LEAs with schools that have an identified student (direct certified, homeless, or foster care) population of 40 percent or more according to data reported in the District of Columbia’s Direct Certification System report, or by the State Agency Homeless Coordinator and/or the Child and Family Services Agency (CFSA), as of April 1 of each year. As Edunomics pointed out, since the CEP effectively raises the FARM population at qualifying schools to 100 percent, its inclusion in an At Risk formula would do little to target those funds toward the intended students.

Across the country, states and schools districts are exploring other at-risk measures, beyond poverty, and methods to put additional funds toward those students, particularly at the LEA formula level. Prior to making adjustments to the UPSFF’s At Risk weight, the Edunomics Lab recommends reviewing the outcomes of the students currently funded by the weight to determine if the funds are being adequately targeted.

States differ in the ways they structure their ELL weights, as well. Some states, including DC, have a single ELL weight for all students regardless of the student’s English proficiency level. DC’s UPSFF weight for ELL students is 0.49 in FY19, last increased in FY15 from 0.45. Other states incorporate more information into their weighting structure: some vary the weight based on student English proficiency, some provide a higher weight corresponding to ELL concentration within districts, and others do a combination of those models. As with other formula recommendations, the Edunomics Lab advised that any changes to the EL weight would be best informed by further analysis of ELL student outcomes in DCPS and public charter school LEAs.

*DC’s current funding structure for special education students, based on hours served, allows for increased flexibility for LEAs.*

The Working Group was interested in exploring restructuring special education category weights to attach funding to disability type rather than its current, broader structure based on hours the student receives special education services. Currently, students in need of special education services are categorized into one of four levels, summarized in the table below:

	Hours of Special Education Services	FY19 UPSFF Weight
Level 1	Eight hours or less per week of specialized services	0.97
Level 2	More than eight hours and less than or equal to 16 hours per school week of specialized services	1.20
Level 3	More than 16 hours and less than or equal to 24 hours per school week of specialized services	1.97
Level 4	More than 24 hours per week of specialized services which may include instruction in a self-contained (dedicated) special education school other than residential placement	3.49

As with other add-on weights, the special education weights are cumulative. In addition to these weights, there are other add-on special education weights that all students receiving special education services qualify for:

Weight	FY19 UPSFF Weight
Special Education Compliance	0.099
Attorney's Fees Supplement	0.089

A smaller number of students with disabilities also qualify for funding to provide Extended School Year (ESY) services, outside of the LEA's regular school year, or services in a residential setting, if a residential program is offered by the LEA.

Some states distribute special education funds differently, tying the funding to the students' specific disability type. The Edunomics team provided Oklahoma's formula as an example for the Working Group's review. In Oklahoma's case, disability types range from Speech/Language Impairment, with a weight of 0.05, to Deaf-Blindness, with a weight of 3.90. Oklahoma also includes a weight of 1.20 for a Special Education Summer Program, which does not appear to be based on a disability type.

Although formulas like Oklahoma's appear to provide more nuance to special education funding, Edunomics cautioned the Working Group that there may be trade-offs associated with abandoning the broader, hour-based categories currently used by the UPSFF. First, the disability types as defined by the formula may cover a wide range of disability manifestations within the type, requiring a wide range of services that may have varying costs. As a result, a single "autism" weight may not be adequate to capture the needs of all students served by an LEA that are on the autism spectrum. Second, advances in technology may make the cost estimates for some disabilities' required services out of date shortly after the formula is adjusted. Although not as precise an instrument as a formula based on disability types, the hours-based levels in the UPSFF allow for maximum flexibility for LEAs serving students with disabilities.

#### V. Public Input: Working Group Member Recommendations

Based on the review of the Adequacy Study, the national expertise feedback, and materials provided during the Working Group meetings, the Working Group members developed recommendations for all four of the prioritized focus area categories. In addition, at the end of the process, the Working Group members also agreed to develop a recommendation focused on whether the overall foundation amount has kept pace with the rising costs of school operation.

The following lists the Working Group members' recommendations in preferential order. Throughout the series of Working Group meetings, government representatives tied recommendation discussions back to the August budgeting presentation, stressing that the budgeting process is dependent upon revenues and a comprehensive look at Washington, DC's city-wide needs. The Working Group makes these recommendations with the understanding that there are constraints inherent in the budget-making process, and that revenue realities may fluctuate from year to year.

**Recommendation 1:** *Over the next four years, Washington, DC should close the gaps between the current English Language Learner weight and the English Language Learner weight as recommended in the Adequacy Study, as well as the current At Risk weight and the At Risk weight as recommended in the Adequacy Study, taking into account the difference between the narrower set of At Risk subgroups analyzed by the Adequacy Study and the broader set of At Risk subgroups used for the At Risk definition as described in D.C. Official Code §38-2901(2A).*

The Working Group makes this recommendation based on the performance information of the students in the At Risk and ELL categories and the achievement gap between these students and their peers. The performance levels include test scores and attendance at a minimum. The performance levels in DC are consistent with research findings on the educational barriers faced by at-risk students. Having adequate at-risk and ELL weights in the UPSFF is thus essential to assist in achieving educational achievement equity in DC. While the identified at-risk populations in the Adequacy Study are more limited than the current at-risk definition in the UPSFF, the Working Group believes the needs of at-risk students remain significant, and that current performance measures justify increasing the at-risk weight. Recommendations 3 and 4 further attest to the range of needs of the students in this group.

**Recommendation 2:** *UPSFF foundation level increases should be more predictable for LEAs by tying increases to an index measure that takes Washington, DC's education costs into account, with the goal of closing the gap between the current foundation level and the Adequacy Study's recommended foundation level.*

The Working Group recommends tying the foundation amount to an index measure that looks holistically and specifically at education costs in Washington, DC, such as the Employment Cost Index (ECI) used by the Bureau of Labor Statistics. In addition, the Working Group members advised that the gap between the current and recommended foundation amounts, per the Adequacy Study, be closed, similar to Recommendation 1.

**Recommendation 3:** *The UPSFF should include an additional student weight based on higher relative need for certain characteristics (i.e., CFSA, homelessness), on top of the already received At-Risk weight funding for all five definition categories, requiring the additional funding to follow the student to the school.*

The Working Group discussed at-risk concentration at length over the course of several meetings with the hypotheses that 1) students who are in higher need categories and/or multiple at-risk categories require more resources to adequately serve them; and 2) schools with higher concentrations of at-risk students require more resources to adequately serve those students. The Working Group reviewed information about the academic performance of at-risk students in aggregate, schools with high at-risk concentrations, and those high concentration schools that have “beat the odds” or have had greater than expected academic outcomes. The group considered at-risk concentration at the student level (referring to the number and relative impact of individual at-risk characteristics a student may have, captured here in Recommendation 3), and at-risk concentration at the school level (referring to the percentage of at-risk students at a given school, captured below in Recommendation 4).

At the student level, the group members recognized that a single at-risk characteristic may not accurately capture the costs to educate students who may meet the at-risk definition through very different characteristics (students who solely qualify for SNAP benefits and students who are solely homeless, for example). The group hypothesized that the negative impact on a student’s academic performance of being homeless or in the foster care system is likely to be greater than students who qualify for SNAP benefits, TANF benefits, or are over-age. The result is Recommendation 3, which seeks additional funding for students who qualify for at-risk funding via the homeless and CFSA characteristics in addition to their already received or “status quo” at-risk funding.

Further, the group recognized that the at-risk categories are not mutually exclusive; in other words, although a single student only needs to demonstrate one of the at-risk characteristics to qualify for at-risk funding, a student can demonstrate multiple characteristics. For example, based on the 2017-18 school year enrollment audit data, 47 percent of students who are SNAP eligible are also TANF eligible. The group considered funding those students who demonstrate more characteristics at a higher level than those who demonstrate fewer characteristics. However, since that structure viewed the characteristics equally, that option was discarded in favor of the more targeted Recommendation 3, focused on the specific at-risk characteristics that the group felt needed to be funded at a higher level.

**Recommendation 4:** *Policy makers should study if it is appropriate to revise the UPSFF to address concentrations of at-risk students, including whether the funding should be focused at the school level or LEA level, and if there are any unintended consequences of providing additional funding to schools or LEAs that meet determined threshold(s) of at-risk concentration. Further, if the additional funding is deemed appropriate, the study should provide a recommendation on the mechanism to implement the additional funding.*

Although there was consensus around the desire to focus on at-risk student needs and on Recommendation 3 in particular, addressing additional funding for at-risk students meeting specific characteristics, there was not consensus on whether more funding for school-level at-risk concentration is appropriate. Some Working Group members felt that the need to address at-risk concentration, particularly at the school level, was clear, backed up by national research, and required more immediate action. Other Working Group members felt that the school level may be the wrong level of analysis (and preferred focusing at-risk concentration funding at the LEA level), and may even create an incentive to further concentrate at-risk students at specific schools within an LEA to receive the additional concentration funding. As a result, Recommendation 4 requests a study to answer those questions.

Recommendation 4 further requests, pending the results of the questions mentioned in the preceding paragraph, a recommendation for the mechanism to best implement additional funding if deemed appropriate. Over the course of the Working Group meetings, the group considered several options, all centered on a not-yet determined “tipping point” of school-level at-risk concentration. First, the group considered a model by which once a school hit that determined tipping point, the school would receive funding at a level of 100 percent at-risk for their school (similar to how CEP is disbursed). However, this model functionally distributed fewer at-risk dollars per at-risk student to schools that were already closest to 100 percent at-risk than those just above the tipping point threshold, which was ultimately determined to undermine the purpose of a school-level at-risk concentration weight. The group further considered an additional concentration weight for all schools above a certain tipping point threshold allocated on top of the “status quo” At Risk weight at the individual student level, but determined that not enough information was available to provide a robust recommendation for that option. In addition, it was pointed out that a tipping point may not be equitable for schools that fall right below the determined point. Due to these varying concerns, the implementation recommendation should include benefits and deterrents for multiple types of processes including having a single tipping point vs. a sliding scale of tipping points, the appropriate level of additional funding for the point(s), and analysis on the impact to schools that fall just below the determined point(s).

**Recommendation 5:** *The 2013 Adequacy Study should serve as a foundation for further study in three areas: the instructional foundation amount, the special education weights, and the English Language Learner weight. Specifically, more analysis is necessary to understand the following questions:*

- 1. Is the foundation level as recommended in the Adequacy Study, including the underlying cost drivers, still relevant in the current Washington, DC education context? If not, what should those updated costs be?*
- 2. Should the English Language Learner weight be tiered reflecting differing costs by service needs, and along what line of differentiation?*
- 3. How do special education services and settings vary across the current Level designations, and how do resulting actual special education costs vary within those levels?*

Working Group members had several topics they wanted to explore further in order to best make recommendations for future formula changes. The Adequacy Study, as the most recent, thorough and comprehensively researched examination of the UPSFF, is useful to determine guidance on UPSFF rates. Given the comprehensiveness of the study, the group determined that an entirely new Adequacy Study would not be necessary. Instead, the 2013 Adequacy Study should serve as the foundation for a more targeted study of a few key topic areas: the formula's foundation amount, the English Language Learner weight, and special education costs.

While the group did come to consensus on a foundation recommendation with Recommendation 2, the group would like to more specifically analyze how current educational costs compare to the Adequacy Study's underlying costs studied for the foundation amount. The Working Group wants to know both whether the 2013 cost drivers are still relevant, and if not, what new costs need to be considered to provide a better current estimate.

The group showed interest in changing the English Language Learner weight beyond just closing the gap, as described in Recommendation 1. Currently, all English language learners have the same weight, despite varying levels of English proficiency and services provided to those students. The group considered tiering the weight, either by incorporating students' ACCESS English proficiency levels, students' newcomer status, or both. However, the group did not have enough information to determine the associated costs and relevant instructional best practices with each of those designations, nor whether variation within those designations may make them inappropriate markers by which to structure funding.



Similar to the English language learner conversation, the Working Group showed interest in considering other ways to structure the formula's special education weights. Currently, the weights are tiered according to the number of service hours a student receives. During the national overview, the Working Group reviewed the pros and relative trade-offs of that structure, as described in Section IV. However, the group would like to explore the cost variation within each of those levels, and how service type and setting differences may be best captured within the formula.

## VI. Summarized Recommendations

The results of the UPSFF Working Group are summarized in this document, and as mentioned in the introduction, presentations, and further notes of the meetings are available on OSSE's website.

Per the detailed report above, the Working Group members developed five recommendations based on a review of the Adequacy Study, national expertise, and Washington, DC specific information. These recommendations represent the collective effort of the Working Group members provided at the meetings following several months of information gathering and deliberation. The following lists the Working Group member's recommendations in preferential order, and recognizing that the budgeting process is dependent upon revenues and a comprehensive look at Washington, DC's needs city-wide.

The recommendations of the UPSFF Working Group members convened in 2018 are:

- Recommendation 1: Over the next four years, Washington, DC should close the gaps between the current English Language Learner weight and the English Language Learner weight as recommended in the Adequacy Study, as well as the current At Risk weight and the At Risk weight as recommended in the Adequacy Study, taking into account the difference between the narrower set of At Risk subgroups analyzed by the Adequacy Study and the broader set of At Risk subgroups used for the At Risk definition as described in D.C. Official Code § 38-2901(2A).
- Recommendation 2: UPSFF foundation level increases should be more predictable for LEAs by tying increases to an index measure that takes Washington, DC's education costs into account, with the goal of closing the gap between the current foundation level and the Adequacy Study's recommended foundation level.

- Recommendation 3: The UPSFF should include an additional student weight based on higher relative need for certain characteristics (i.e., CFSA, homelessness), on top of the already received At-Risk weight funding for all five definition categories, requiring the additional funding to follow the student to the school.
- Recommendation 4: Policy makers should study if it is appropriate to revise the UPSFF to address concentrations of at-risk students, including whether the funding should be focused at the school level or LEA level, and if there are any unintended consequences of providing additional funding to schools or LEAs that meet determined threshold(s) of At-Risk concentration. Further, if the additional funding is deemed appropriate, the study should provide a recommendation on the mechanism to implement the additional funding.
- Recommendation 5: The 2013 Adequacy Study should serve as a foundation for further study in three areas: the instructional foundation amount, the special education weights, and the English Language Learner weight. Specifically, more analysis is necessary to understand the following questions:
  - Is the foundation level as recommended in the Adequacy Study, including the underlying cost drivers, still relevant in the current Washington, DC education context? If not, what should those updated costs be?
  - Should the English Language Learner weight be tiered reflecting differing costs by service needs, and along what line of differentiation?
  - How do special education services and settings vary across the current Level designations, and how do resulting actual special education costs vary within those levels?

The Office of the Deputy Mayor for Education and the Office of the State Superintendent of Education extend their immense gratitude to the LEA leaders, members of the public, and government representatives who participated in this Working Group.

## Appendix A: Working Group Members

Ryan Aurori - Office of the State Superintendent Facilitator

Jennifer Comey - Deputy Mayor for Education, Facilitator

Kevin Wenzel - Deputy Mayor for Education, Facilitator

Ary Amerikaner - EdTrust

Vanessa Carlo-Miranda - E.L. Haynes PCS

Chelsea Coffin - DC Policy Center

Jeff Cooper - Meridian PCS

Naomi DeVeaux - DC Public Charter School Board

Allen Francois - District of Columbia Public Schools

Faida Fuller - Friendship PCS

Sara Goldband - District of Columbia Public Schools

Tim Hatton - Office of Budget and Performance Management

Irene Holtzman - FOCUS

Mary Levy - Independent education finance analyst

Cyndi Matlack - Carlos Rosario PCS

Alonso Montalvo - Office of the Chief Financial Officer

Ozoemena Nnamadim - DC Public Charter School Board

Cathy Reilly - Senior High Alliance of Parents, Principals and Educators (S.H.A.P.P.E.)

Paris Saunders - Office of the Chief Financial Officer

Ramin Taheri - Deputy Mayor for Education

Ed Lazere - DC Fiscal Policy Institute

Shana Wang - District of Columbia Public Schools

Kathleen Webb - District of Columbia Public Schools