

To: Charter LEA leaders

From: Ahnna Smith, Interim Deputy Mayor for Education
Hanseul Kang, State Superintendent of Education

CC: Scott Pearson, Executive Director of the DC Public Charter School Board

Date: June 26, 2018

Re: 2018-19 Uniform per Student Funding Formula (UPSFF) Payments

We are writing to share information with you regarding uniform per student funding for the 2018-19 school year in order to provide clear communication, increase transparency, and enhance predictability in regard to this critical aspect of running your LEA.

Uniform per student funding in the upcoming school year will flow to public charter schools in three ways, which are discussed in additional detail below and summarized in an appendix. The Office of the State Superintendent (OSSE) provides enrollment data to the Office of the Chief Financial Officer (OCFO) in order to make the following payments to charter schools:

1. Four regular, quarterly UPSFF payments reconciled to charter schools' October 2018 enrollment audits (including for at-risk students), plus charter facilities financing;
2. Three supplemental payments for charter schools who have audited students with new or increased individual education plan (IEP) designations, new limited English proficient (LEP) designations, and/or new at-risk designations made after their October 2018 enrollment audits; and
3. Two extended school year (ESY) payments for charter schools providing said services for students with disabilities in summer 2019.

1. Quarterly UPSFF Payments, Including Charter Facility Financing

a. Quarterly UPSFF payments

Charter schools will receive four quarterly UPSFF payments for the 2018-19 school year. Payments are made no later than July 15, Oct. 25, Jan. 15, and April 15. It may take a few business days for the payment to post to the LEA bank account.

The first (July 15) payment will fund public charter schools based on the schools’ enrollment projections included in the final approved budget¹ for the upcoming year. The second and third payments (Oct. 25 and Jan. 15) will fund public charter schools based on their unaudited October 2018 enrollment figures. The fourth payment (April 15) will reconcile public charter schools’ annual UPSFF funding to their audited enrollment figures.

To help start the school year successfully, LEAs will continue to receive a larger portion of the total annual funding at the beginning of the school year. For the first quarterly payment, new charter LEAs will receive 45 percent of projected enrollment funding, while existing charter LEAs will receive 35 percent of projected enrollment funding. Under the second quarterly payment, new and existing charter LEAs will both receive 25 percent of enrollment funding based on unaudited October figures. Under the third quarterly payment, new charter LEAs will receive 15 percent of enrollment funding based on unaudited October figures, while existing charter LEAs will receive 20 percent of enrollment funding based on unaudited October figures. Under the fourth quarterly payment, both new and existing charter LEAs will receive reconciliation amounts that make the total amounts paid over the four quarters equivalent to the amounts owed per the District’s annual enrollment audit report.

Please see the below table for a summary of the 2018-19 school year quarterly UPSFF schedule with payment amounts.

2018-19 Regular Quarterly Payment Schedule and Amounts		
Payment date	Existing charter LEAs	New charter LEAs
July 15, 2018	35 percent	45 percent
Oct. 25, 2018	25 percent	25 percent
Jan. 15, 2019	20 percent	15 percent
April 15, 2019	Reconciliation payment (approx. 20 percent)	Reconciliation payment (approx. 15 percent)
TOTAL	100 percent	100 percent

b. Facilities financing as part of the quarterly UPSFF payments

Under the first quarterly payment, new charter LEAs will receive 45 percent of projected facilities funding (based on projected enrollment), while existing charter LEAs will receive 35 percent of projected facilities funding (based on projected enrollment). Under the second quarterly payment, new charter LEAs will receive 55 percent of remaining facilities funding (based on unaudited October enrollment figures), while existing charter LEAs will receive 65 percent of remaining facilities funding (based on unaudited October enrollment figures). If any discrepancy between a charter LEA’s unaudited and audited enrollment figures exists, OSSE will make a reconciliation adjustment within the school’s fourth quarterly (April 15) payment.

¹ The enrollment projections included in the final approved budget are the result of a multi-step process. First, LEAs submit their projections to an enrollment projection team for review and approval consisting of the DC Public Charter School Board (DC PCSB), OSSE, OCFO, and the Deputy Mayor for Education (DME). After reviewing, the enrollment projection team submits the updated projections to the Mayor’s Budgeting Office for inclusion in the Mayor’s budget, which is subject to Council approval. Finally, Council has the authority to further adjust the enrollment projections, which are then included in the final approved budget.



2. Supplemental UPSFF Payments

Over the course of a school year, public charter schools in the District receive additional funds for those audited students who receive new or changed designations after the District's annual enrollment audit report²:

- new or increased individualized education plan (IEP) levels;
- new limited English proficiency (LEP) designations; and
- new at-risk designations.

In the 2018-19 school year, OSSE will provide data to the OCFO to make supplemental payments in three installments—the OCFO will make the first payment by March 15, the second payment by May 15, and the final payment by July 15 (or the next business day). It may take a few business days for the payment to post to the LEA bank account. As each supplemental payment is made, OSSE will provide each public charter school with the specific demographic data used to calculate its supplemental payment amount via a statement posted to OSSE's secure upload site. OSSE will notify LEA business managers when payments have been made and statements are available to download. Supplemental payments for students with new or increased IEP designations will be prorated to align with dates of IEP service, while supplemental payments for students with new LEP and at-risk designations will be for the full annual per pupil amounts.

3. Extended School Year (ESY) UPSFF Payments

In the 2018-19 school year, public charter schools will receive two payments for those students receiving extended school year (ESY) services. The first ESY payment to charter schools will be 50 percent of projected ESY funding based on the projected ESY enrollment for summer 2019. The first payment will be made in June 2019. After the ESY period for schools has concluded, OSSE will compare attendance records to projected enrollment figures, and will count as enrolled for the duration of the time period any student that attended ESY for at least one day and received ESY services. The second ESY payment (equivalent to approximately 50 percent of funding tied to enrolled students) will reconcile actual attendance in the ESY program against the projected enrollment. The second payment will be made in September 2019.

Changes to LEA financing in FY19 Budget Process

Increase in UPSFF Special Education Compliance weight and discontinuation of the Special Education Enhancement Fund (SEEF) formula grant:

In FY18 OSSE made more than \$3.7 million in funding available to LEAs in the Special Education Enhancement Fund formula grant to help plan for implementing the Enhanced Special Education Services Act of 2014. The FY19 Mayor's Budget increases the UPSFF special education compliance weight, providing \$4.2 million to help LEAs meet the law's requirements. Thus, OSSE will not run the SEEF formula grant again in FY19.

Changing the funding source from grants to the UPSFF provides ongoing, sustained funding for LEAs. Funding will also increase whenever the UPSFF base rate is increased. Increased funding

² Such students must, however, be part of the same charter organization's October enrollment audit report.



through the UPSFF special education compliance weight also allows for the removal of the “subject to appropriations” language in the Enhanced Special Education Services Amendment Act, thus making effective the final three requirements of the Act as of July 1, 2018. The final requirements impacting LEAs are a) shortened timeline for initial evaluations and b) decreasing the age for secondary transition planning.

The special education compliance weight increases the funding from \$708 in FY18 to \$1,055 in FY19 for each special education student. SEEF formula grantees for FY18 must spend 100 percent of their grant funds by the end of the grant period, Sept. 30, 2018, or unspent funds will revert to the SEEF to fund other initiatives in future years.

Discontinuation of the School Technology Fund:

In FY19, funding for the School Technology Fund grant is no longer included in OSSE’s budget. Funding for this grant was halved in FY18, and in FY19 it will be totally phased out. This funding was originally made available for LEAs to improve the technological capacity for computer-based testing. DC has tested all students online in recent years (other than students requiring a paper-based test as an accommodation), completing the transition to computer-based testing.

Other Updates

LEA Payment System:

As you know, during FY18 the Office of the Deputy Mayor for Education (DME) and OSSE worked with a LEA working group to identify business rules that could guide the LEA Payment Initiative, an initiative intended to revise the ways that public schools (both charter and DC Public Schools) receive UPSFF dollars, in terms of both enrollment measurement (taking mid-year enrollment into account) and disbursement of funds. The LEA Payment Initiative had a “hold harmless” provision for FY18 and FY19 meaning that no budgetary adjustments would be made regardless of mid-year enrollment. Recently the DME has also decided that the hold harmless provisions will be applied to FY20 as well. The DME will provide additional information when planning for the LEA Payment Initiative resumes.

Please do not hesitate to contact Interim Deputy Mayor Ahnna Smith at Ahnna.Smith@dc.gov, State Superintendent Hanseul Kang at Hanseul.Kang@dc.gov, or OSSE Special Assistant for Budget and Finance Ryan Aurori at Ryan.Aurori@dc.gov with any questions you may have concerning this announcement.



Appendix A – Full Schedule of Projected 2018-19 UPSFF Payments

1.a. 2018-19 Regular Quarterly Payment Schedule and Amounts		
Payment date	Existing charter LEAs	New charter LEAs
July 15, 2018	35 percent	45 percent
Oct. 25, 2018	25 percent	25 percent
Jan. 15, 2019	20 percent	15 percent
April 15, 2019	Reconciliation payment (approx. 20 percent)	Reconciliation payment (approx. 15 percent)
TOTAL	100 percent	100 percent

1.b. 2018-19 Facilities Payment Schedule and Amounts		
Payment date	Existing charter LEAs	New charter LEAs
July 15, 2018	35 percent	45 percent
Oct. 25, 2018	65 percent	55 percent
April 15, 2019	Reconciliation payment as necessary	Reconciliation payment as necessary
TOTAL	100 percent	100 percent

2. 2018-19 Supplemental Payment Schedule and Amounts	
Payment date*	Existing and new charter LEAs
March 15, 2019	As calculated per new student designations
May 15, 2019	As calculated per new student designations
July 15, 2019	As calculated per new student designations
TOTAL	As calculated per new student designations

3. 2018-19 ESY Payment Schedule and Amounts	
Payment date*	Existing and new charter LEAs
June 30, 2019	50 percent
Sept. 30, 2019	Reconciliation payment (approx. 50 percent)
TOTAL	100 percent

**or next business day*



Appendix B – School Year 2018-19 UPSFF Funding Amounts

**District of Columbia Public Charter Schools (GC0)
Per Pupil Funding Analysis (D.C. Act 12-494)
PUBLIC CHARTER SCHOOLS
FY19 Budget**

Foundation Level Per Pupil:	\$ 10,658
Non-Residential Facilities Allotment:	\$ 3,263
Residential Facilities Allotment:	\$ 8,854

General Education		Per Pupil
Grade Level	Weighting	Allocation
Pre-Kindergarten 3	1.34	\$ 14,282
Pre-Kindergarten 4	1.30	\$ 13,855
Kindergarten	1.30	\$ 13,855
Grades 1	1.00	\$ 10,658
Grades 2	1.00	\$ 10,658
Grades 3	1.00	\$ 10,658
Grades 4	1.00	\$ 10,658
Grades 5	1.00	\$ 10,658
Grades 6	1.08	\$ 11,511
Grades 7	1.08	\$ 11,511
Grades 8	1.08	\$ 11,511
Grades 9	1.22	\$ 13,003
Grades 10	1.22	\$ 13,003
Grades 11	1.22	\$ 13,003
Grades 12	1.22	\$ 13,003
Alternative	1.44	\$ 15,348
Special Ed Schools	1.17	\$ 12,470
Adult	0.89	\$ 9,486

Special Education	Weighting	Allocation
Level 1	0.97	\$ 10,338
Level 2	1.20	\$ 12,790
Level 3	1.97	\$ 20,996
Level 4	3.49	\$ 37,196

Special Education Compliance (<i>formerly known as "Blackman Jones Compliance"</i>)	0.099	\$ 1,055
Attorney's Fees Supplement	0.089	\$ 949
Subtotal Special Ed Compliance		\$ 2,004



English Language Learners	Weighting	Allocation
Subtotal - ELL	0.49	\$ 5,222

Special Education-Residential	Weighting	Allocation
Level 1 Residential	0.370	\$ 3,943
Level 2 Residential	1.340	\$ 14,282
Level 3 Residential	2.890	\$ 30,802
Level 4 Residential	2.890	\$ 30,802

English as a Second Language Residential	Weighting	Allocation
LEP/NEP Residential	0.668	\$ 7,120

Residential	Weighting	Allocation
Residential	1.67	\$ 17,799

At Risk	Weighting	Allocation
At Risk	0.224	\$ 2,387

Special Education Add-ons & ESY	Weighting	Allocation
Level 1 ESY	0.063	\$ 671
Level 2 ESY	0.227	\$ 2,419
Level 3 ESY	0.491	\$ 5,233
Level 4 ESY	0.491	\$ 5,233

