



FY15 Proposed Budget Stakeholder Briefing

Tuesday, April 22, 2014

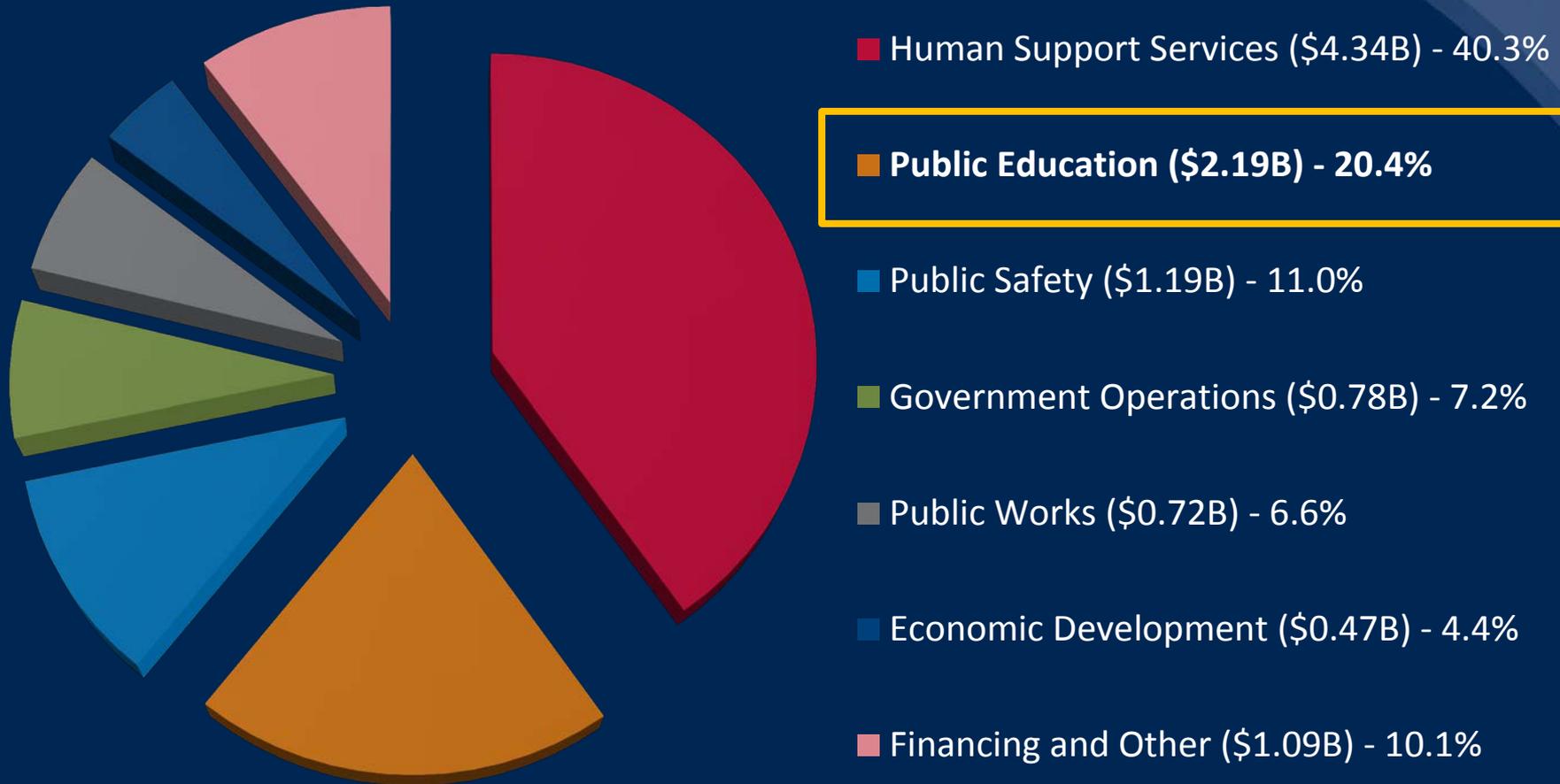
Office of the State Superintendent of Education

AGENDA

- **WELCOME**
- **THE MAYOR'S FY15 BUDGET OVERVIEW**
 - Continuing improvements in public education
 - Additional Revenue Priority List
 - Proposed Enhancements
- **ABOUT OSSE**
 - Mission
 - Key Functions
 - *State Education Agency*
 - *Non-Public Tuition*
 - *Charter School Payments*
 - *Special Education Transportation*
 - Goals
- **OSSE'S FY15 PROPOSED BUDGET OVERVIEW**
 - Early Childhood
 - Post-Secondary and Career Education
 - Non-Public Tuition
 - Special Education Transportation
 - D.C. ESEA Waiver

THE MAYOR'S FY15 BUDGET OVERVIEW

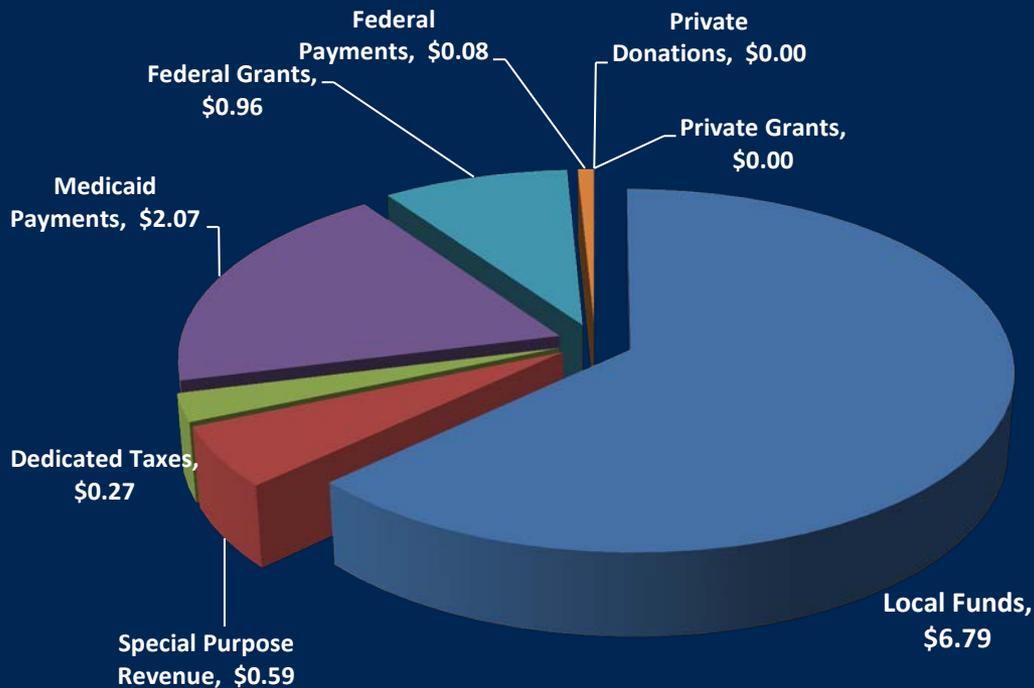
KEEPING THE PROMISES



From Mayor Gray's FY15 Proposed Budget Overview (total gross including federal dollars)

THE MAYOR'S FY2015 BUDGET AT A GLANCE

Over 70% of the District's revenue is generated locally



Locally Generated – 71.0%

- Local Funds
\$6.79B - 63.0%
- Special Purpose Revenue
\$0.59B - 5.5%
- Dedicated Taxes
\$0.27B - 2.5%

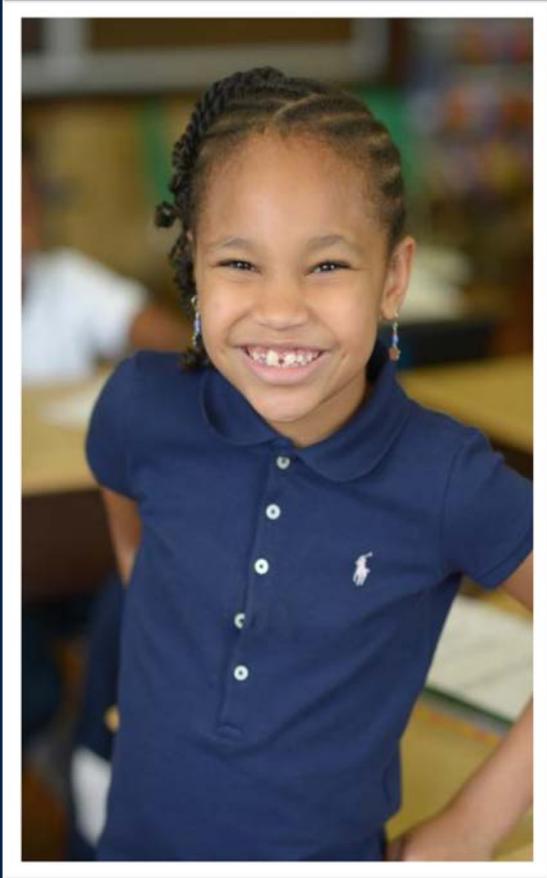
Federally Generated – 28.9%

- Medicaid
\$2.07B - 19.3%
- Federal Grants
\$0.96B - 8.9%
- Federal Payments
\$0.08B - 0.8%

PILLARS OF THE MAYOR'S FY2015 BUDGET

- 1. Continue improvements in public education**
2. Additional investments in affordable housing
3. Encourage economic and workforce development
4. Improve the Quality of Life for All

CONTINUING IMPROVEMENTS IN PUBLIC EDUCATION



- Public school enrollment highest in 25 years to 82,958 students
- \$116M Additional Educational Investment
 - \$4.2M for Infant and Toddler program
 - \$112M for DCPS and PCS Adequacy Study implementation, mainly through the addition of an at-risk weight
- To continue funding for Career and Technical Education Academies
- Continuing free SAT testing for all junior and senior students
- Implementing a new D.C. Youth Reengagement center
- Additional funding for school nurses
- Increased focus on Technology, Algebra, Foreign Language, Art, Gym, and Music
- Continued funding for truancy prevention

THE MAYOR'S PROPOSED ENHANCEMENTS TO OSSE'S BUDGET

- \$4,180,000 in local funds for DEL to elevate the quality of care in District's early care and education system.
- \$3,000,000 in local funds to fund additional infant and toddler capacity in CBOs and family home providers.
- Fully funding career and technical education with an increase of \$880,000 in local funds for career academies in IT, engineering, and hospitality.
- Continuing commitment to all high school junior and senior students in D.C. public schools by funding \$175,000 to continue offering the SAT® free of cost.



The Office of the State Superintendent of Education (OSSE) is the State Education Agency for the District of Columbia charged with raising the quality of education for all D.C. residents. OSSE works closely with the U.S. Department of Education, U.S. Department of Agriculture, U.S. Department of Health and Human Services, and the District's traditional and public charter schools to achieve its mission.

OSSE's mission is to remove barriers and create pathways so District residents receive an excellent education and are prepared to achieve success in college, careers, and life.

KEY BUDGET FUNCTIONS



State Education Agency



Non-Public Tuition



Public Charter School Payments



Special Education Transportation

KEY BUDGET FUNCTIONS



State Education Agency

- Sets and implements statewide policies, regulations, and standards
- Responsible for state education oversight
- Provides LEA resources and supports (federal and local funding)
- Administers funds (federal and local) and exercises accountability, including ESEA Waiver

KEY BUDGET FUNCTIONS



Non-Public Tuition

- Provide guidance to LEAs considering placement in non-public schools
- Supporting LEA capacity and transition planning
- Oversight for private providers of special education and related services
- Process payments for private providers

KEY BUDGET FUNCTIONS



Public Charter School Payments

- OSSE is responsible for enrollment projections and UPSFF rates, which are used to determine payments to LEAs
- Administer quarterly payments to charter LEAs
- Issue summer school payments to charter LEAs

KEY BUDGET FUNCTIONS



Special Education Transportation

- Serves approximately 4,000 students with special needs, including metro card users
- Responsible for transportation for student with disabilities requirements, including parent transportation reimbursements
- Oversees and supervises the day-to-day transportation operations located at four terminals

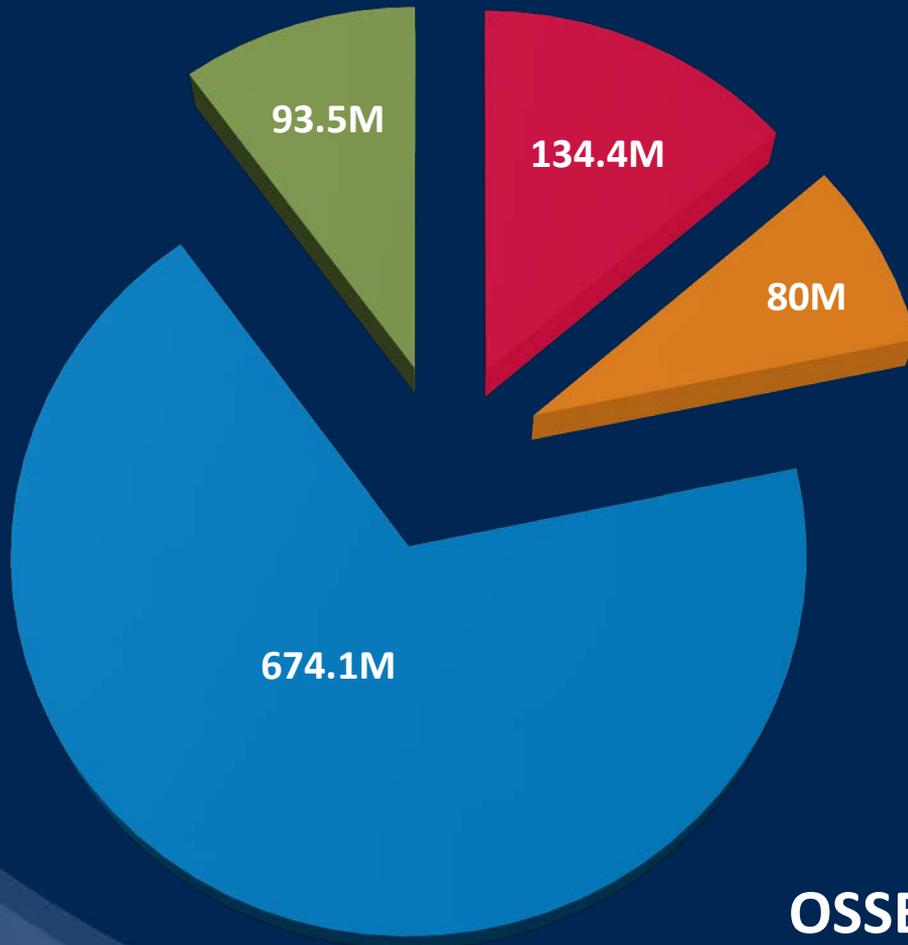
OSSE's GOALS

OSSE's FY15 budget provides the funding necessary to continue to make progress on the agency's core goals.

GOALS		
1	Ready For School	75% of children are ready for school by 2016-2017
2	3rd Grade Reading	75% of 3rd graders are proficient or advanced in reading by 2016-2017
3	8th Grade Math	75% of 8th graders are proficient or advanced in math by 2016-2017
4	High School Graduation	75% of all students graduate HS in four years ready for college and careers by 2016-2017
5	Post-secondary Attainment	38% of D.C. public high school students complete a post-secondary credential within 6 years of college enrollment by 2017
6	Disconnected Youth	Decrease the number of low-income youth ages 16-24 who are not in school and are not employed to 7,000 by 2017
7	Careers	66% of D.C. residents ages 20-24 are employed full-time by 2017

OSSE's FY15 PROPOSED BUDGET

OSSE Local Budget - \$982M



- State Education Agency**
Increased by \$16.5M
- Non-Public Tuition**
Increased by \$0.1M
- DC Public Charter Schools**
Increased by \$57.6M
- Special Education Transportation**
Increased by \$6.9M

OSSE Federal Budget - \$270.1M

OSSE's FY15 PROPOSED BUDGET

OSSE LOCAL BUDGET – DIFFERENCE BETWEEN FY14 ACTUAL AND FY15 PROPOSED

State Education Agency

2014 Local:	\$117.9M
2015 Local:	\$134.4M
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Difference:	\$16.5M

Non-Public Tuition

2014 Local:	\$79.9M
2015 Local:	\$80.0M
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Difference:	\$00.1M

Public Charter Schools

2014 Local:	\$616.5M
2015 Local:	\$674.1M
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Difference:	\$57.6M

SPED Transportation

2014 Local:	\$86.7M
2015 Local:	\$93.6M
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Difference:	\$6.9M

OSSE's FY15 PROPOSED BUDGET

Division of Early Learning

- \$4,180,000 in local funds for DEL to elevate the quality of care in District's early care and education system.
 - \$1.1M to implement a common approach to assessing, rating, and communicating quality
 - \$1.78M to establish neighborhood quality improvement hubs
 - \$1.3M to achieve parity among CBOs serving the District's 3- and 4-year-old population
- \$3,000,000 in local funds to fund additional infant and toddler capacity in CBOs and family home providers.

OSSE's FY15 PROPOSED BUDGET

Division of Post-Secondary and Career Education

- Increase of \$175,000 in local funding to allow all junior and senior District public school students to continue to take the SAT for free.
- Adult and Career Education:
 - \$880,000 to fully fund all nine (9) Career and Technical Education (CTE) Academies
 - FY14 enhancement only provided enough funds to establish six (6) academies
 - Additional \$880K will serve to continue to support the academies as they become fully operational.
 - Each academy will have approx. 20-50 students.

OSSE's FY15 PROPOSED BUDGET

Division of Post-Secondary and Career Education

- Implementation of a new D.C. Youth Reengagement Center.
 - The REC will focus on District youth between the ages of 16 and 24 who have disconnected from school and have not received a high school diploma or equivalent.
 - Based on OSSE's data there are currently thousands of D.C. youth who fit this description, 90% of these youth are aged 19-24, and 68% live in Wards 5, 7, 8.

OSSE's FY15 PROPOSED BUDGET

Non-Public Tuition

- Serves over 1, 100 D.C. public students with IEPs in non-public schools.
- FY15 Budget includes \$80M for Non-Public Tuition.
 - Increase of \$102K from FY14 budget
- Due to OSSE's effort in diverting inappropriate educational placements, we expect to have a similar diversion rate in FY13 at 38%.

OSSE's FY15 PROPOSED BUDGET

SPECIAL EDUCATION TRANSPORTATION

4,000
Students

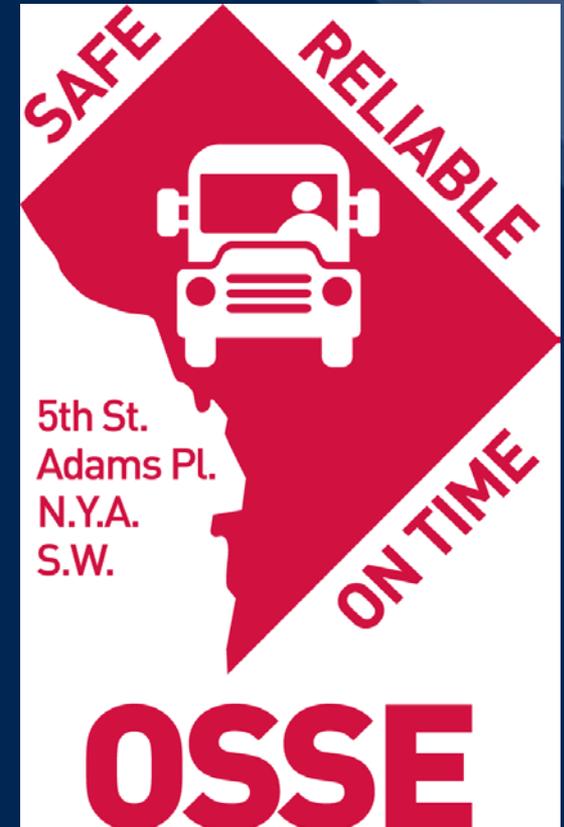
237
Schools

750
Vehicles

1,328
Bus Drivers and
Attendants

575
Routes

32,000
Miles/day



OSSE's FY15 PROPOSED BUDGET

SPECIAL EDUCATION TRANSPORTATION

- Proposed OSSE FY15 Local Budget for student transportation is \$93.6M, an increase of \$6.9M from FY14.
 - Increase will support operations, including the 3% cost-of-living adjustment implement in FY13 and to account for fringe benefit cost increases.
- Excess of \$3M in intra-district funds will cover the increase in projected Medicaid reimbursements

D.C. ESEA FLEXIBILITY WAIVER

OVERVIEW OF D.C. ESEA FLEXIBILITY WAIVER

- D.C. was granted an ESEA Flexibility Waiver by the U.S. Department of Education (USED) July 2012 through the Spring of 2014.
- Replaces NCLB requirements regarding Annual Year Progress (AYP) and the federal accountability system.
- The Waiver application was developed with robust stakeholder engagement, including SBOE's involvement, the waiver was designed to ensure states created a rigorous and comprehensive education plan addressing three critical areas:
 - Close achievement gaps
 - Increase equity and access
 - Improve the quality of instruction and student achievement
- USED monitored the implementation of DC's ESEA flexibility waiver in December 2013 and sent a final monitoring report, which highlighted strengths and weaknesses, on March 12, 2014.
- Given that the District's ESEA waiver is set to expire, OSSE plans to **move forward with an extension request** that includes required corrective actions.

NATIONAL OVERVIEW OF WAIVER IMPLEMENTATION

- Of the first 20 monitoring reports released, more than 2/3 identified the state for corrective actions
- Common themes:
 - Priority and Focus School intervention monitoring
 - Report card compliance with new standards
 - Assessment rigor
 - Fidelity of Teacher and Principal evaluation systems
- 4 states are currently under high-risk status as a result of their waiver monitoring

KEY AREAS OF D.C.'S FLEXIBILITY WAIVER

State-level Systems and Processes

- Systems and Processes for Monitoring
- Technical Assistance and Data Use
- Family and Community Engagement/Outreach

Corrective
Actions
Required per
USED

Principle 1

- Transitioning to and implement College- and Career-Ready Standards and Assessments

Principle 2

- Developing Systems of Differentiated Recognition, Accountability, and Support
- State and Local Report Cards

Corrective
Actions
Required per
USED

Principle 3

- Evaluating and Supporting Teacher Effectiveness
- Evaluating and Supporting Principal Effectiveness

D.C. OSSE ESEA FLEXIBILITY WAIVER

- In order to receive an extension, the request must contain amendments and/or corrective action.
- OSSE will address corrective actions in two ways:
 - an amendment/changes to the waiver request to bring our waiver inline how we are currently operating, and
 - a high-quality plan to improve implementation within waiver request.
- OSSE will lead discussions with key education stakeholders over the next six weeks to share proposed plans and possible amendment requests.

ADDITIONAL REVENUE PRIORITY LIST

The Additional Revenue Priority List includes nearly \$117M in initiatives not included in the FY 2015 Proposed Budget. If the District's economy continues to grow dramatically, and FY2015 revenue projections increase during the next three quarters of this fiscal year, initiatives will be funded in the order listed (1-20*):

1. \$8.0M Increase Infant and Toddler Capacity

2. \$10.8M Earned Income Tax Credit
3. \$10.4M Business Franchise Relief
4. \$10.2M Commercial Property Tax Relief
5. \$10.0M UDC University Advancements

6. \$3.0M Adult Literacy Funding

7. \$1.9M and 23 Full-Time Equivalents, Expansion of School Based Mental Health program
8. \$1.8M Coverage of Ineligible for Health Benefits Exchange Insurance
9. \$1.5M Federally Qualified Health Center (FQHC) Rate Methodology
10. \$1.0M Elderly and Persons with Disability Wavier
11. Reduce Deed and Recordation Tax assessment along with offsetting percentage increase to HPTF
12. \$5.0M Increased funding for Summer Youth activities

13. \$8.5M Mayor's Scholars Program

14. \$10.2M Personal Exemption

*14-20 not included in this PPT

OSSE BUDGET OVERSIGHT HEARING

OSSE's Budget Oversight Hearing for the D.C. Council Committee on Education
will be held on

Thursday, May 1, 2014

10:00 a.m.

John A. Wilson Building

1350 Pennsylvania Avenue, NW

Room 412

Washington, D.C. 20004

If you wish to sign up as a public witness for this hearing, you must contact Jamal Jordon at the D.C. Council Committee on Education at 202.724.8061 or jjordan@dccouncil.us by THURSDAY, APRIL 24.

