



DISTRICT OF COLUMBIA

OFFICE OF THE STATE SUPERINTENDENT OF

EDUCATION

**UPSFF Working Group
Meeting
August 3, 2016, 3:00-5:00pm**

DRAFT Minutes

Attendees: Shana Young, Ryan Aurori, Sarah Martin, Soumya Bhat, Vanessa Carlo-Miranda, Jenn Comey, Justin Ellis, Allen Francois, Irene Holzman, Anjali Kulkarni, Kevin Lang, Mary Levy, Mikayla Lytton, Pete Weber, Cathy Reilly, Kim Reuben, Kathy Rowland, Tony Taylor.

Presentation Materials Attached

Introductions

- Introductions were made
- Group reviewed summary of previous meeting, informed members where to locate meeting materials

Review of Minutes, June 29, 2016

- Draft minutes were distributed to the group for review and comment
- No comments on minutes as drafted; minutes were approved.

LEA Payment Initiative

Overview of the LEA Payment Initiative

- Goals of the initiative were reviewed, including: funding schools equitably by instituting a funding system that calculates the amount of UPSFF funding LEAs receive in the same way incentivizes LEAs to enroll students throughout the year and minimizes dis-enrolling; improving student data systems and tracking to improve efficiency of data collection and reporting; automating OCFO payments of local school funds to increase accuracy, efficiency and timeliness.
- Acknowledgement of some in the room have been in other conversations about this content, that there have been communications about this work to LEAs and that there is an LEA working group meeting about these issues.
- While the LEA Payment initiative is not specifically about UPSFF rate, it is about the way the rate is allocated and used, and may impact the way we consider changes to the rate itself.

Goals and timeline of LEA Payment Initiative

- Timeline of the LEA Payment Initiative discussed, including start date of fiscal impact.

Context from other jurisdictions

- Discussion of methods used in other states, which include measurement of enrollment and attendance over time. Most states use multiple points in time to measure and align funding. More are using enrollment than attendance.
- Discussion about how to identify and learn from states or municipalities that would be most relevant for the DC context, e.g. Hawaii or Delaware.
 - o Follow up to investigate and report on relevant practices
- Comment that for many states, the state-distributed funding is only part of a local LEA's budget (local funding contributed via local taxes and local municipality budgets), and in DC it comprises the entirety of funding, so changes to funding structure may have bigger impact here.
- Review of current payment structures in DC LEAs – differences between DCPS funding on projections vs. charter LEA funding based on mix of projections and actual reconciliation against the single audit measurement.
- Comment about the different fiscal rules that DCPS and charter LEAs function under – DCPS must abide by DC fiscal rules (expend all funds in current year, no rollover, contracts fully funded up front), whereas charters have more flexibility. Another difference is that public charter schools have enrollment caps which limits the numbers of students that a public charter is paid for.

Data review

- Discussion of mobility analysis and trends across sectors. DCPS shows enrollment increases within a given year, and charter LEAs show decreases within a given year. Large decreases in enrollment within a single year are not highly correlated with a charter's later closure.
- Discussion of potential impacts of policy change, including:
 - o Encouraging schools to maintain enrollment so as to not lose funding; discouraging "push-outs"
 - o Concern of incentivizing mid-year mobility off wait-lists to "backfill"
 - o Whether mobility overall (or the current level overall) is expected and acceptable
 - o Other potential factors of mobility including parental choice/school "fit" and school choice overall
- Discussion of multiple measures of enrollment, and how it would reflect mobility, including whether a single, later enrollment audit date would be possible. Comment that movement between schools, as opposed to entering/leaving the public school system, is a small portion of the total, and that this policy is targeted to that subgroup.
 - o Follow up to investigate reasons for current October 5 date

Review of Key Financial Policy Areas

- Discussion of the primary policy and implementation components of the LEA Payment Initiative, including projections for enrollment, measurement of enrollment levels, adjustment of funding, cash flows of payments and use of data.
- Discussion of data system in development, outcomes of pilot, its use to improve data quality, and plans for LEA training and use. Comment around importance of maintaining strong data systems that can sustain scrutiny for this use.
- Discussion on impact of changing funding on LEA stability, and ability to plan for serving students, as well as ability to use funds received late in the year, and challenges in doing so. Conversation about potential additional flexibilities for DCPS.
- Discussion of enrollment audit and future of audit if multiple payments and verifications are happening in a single year. Comment that most states use a sampling methodology, not comprehensive head count like DC. Comment that this area has been identified as a policy decision for the future.
- Discussion of potential funding methodologies, including adjusting funding for parts of the UPSFF calculation rather than pro-rating the full UPSFF allocation based on student mobility, and floors and ceilings to fiscal impact. Concern about fiscal destabilization, and the reality that with reconciliation, some schools will gain funding and some will lose funding if they lose students.

Discussion of Future Meetings

- Discussion of data requested at previous meeting, including impact of supplemental funding by group.
- Request for distribution of the previous adequacy study.
- Discussion of future topics and desired focus including at-risk payments and facilities funding.