**September 6, 2022**

**Committee of the Whole**

**STAFF DRAFT**

A BILL

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IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

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To revise the method for school budgeting for the District of Columbia Public Schools by budgeting the local schools first based on each school’s previous year’s budget, with the remainder to be allocated between central administration and school support.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the “Schools First in Budgeting Act of 2022”.

Sec. 2. Section 108a 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 § 39-2907.01) is amended to read as follows:

“Sec. 108a. DCPS budget.

“(a) Beginning with Fiscal Year 2024, the annual operating budget for DCPS shall:

“(1) Be allocated among four departments: Central Administration; Local Schools, School Support; and School-Wide.

“(2) “Central Administration,” within the meaning of this section, consists of the functions necessary for the governance of a school district as a whole, including general oversight and management of support services such as procurement, human resources, and financial administration. The budget for Central Administration shall be all of the funds not allocated to Local Schools, School Support, and School-Wide. No more than 3% of the gross operating budget for DCPS shall be allocated to Central Administration.

“(3) Local Schools” are the individual schools comprising the DCPS system, and the allocation for each within the meaning of this section shall be the funds that are under the control and direction of the school’s principal.

“(4) “School Support,” within the meaning of this section, consists of programs, services, and staff providing support to schools such as curriculum development, instructional superintendents, teacher evaluations, and professional development.

“(5) “School-Wide,” within the meaning of this section, supports all activities provided directly to schools, such as food service, security, fixed costs, speech therapists, itinerant ELL services, and substitute teachers. The funding for School-Wide activities is budgeted centrally but resides in the individual schools.

“(6) The allocation for Central Administration and School Support shall not exceed 15% of the gross operating budget for DCPS. The allocation for Local Schools and School-Wide shall not be less than 85% of the gross operating budget for DCPS.

“(b) In formulating the annual DCPS budget for submission to the Council, the annual budget for each local school shall be determined according to the following sequence:

“(1) Begin with the actual budget (all fund sources) as of January 1st of the current fiscal year that is under the control and direction of the principal.

“(2) Increase that budget amount by the percentage rate that is the higher of:

“(A) The year-over-year change in the CPI-U for the Washington-Arlington-Alexandria area averaged over the three previous calendar years,

“(B) The projected increase for the forthcoming year in the foundation level of the UPSFF, or

“(C) The collectively bargained salary increase, for the forthcoming year, for members of the teachers’ union.

“(3) Increase the budget to increase general education personnel at the school, as agreed to by the Chancellor; provided, if the projected enrollment increases (in one year, or over time) so as to require one or more additional classroom teachers (such as required per the collective bargaining agreement with the teachers’ union) then the Chancellor shall increase the number of personnel in accordance with the enrollment growth.

“(4) Increase the budget to reflect fully the increase of special education or English Language Learner (ELL) personnel so that the levels of such staff align with required service levels for students.

“(5) Increase the budget to fund fully any additional costs the school may be required to carry, such as the transfer of services to the school that were previously paid by DCPS through School Support, School-Wide, or Central Administration.

“(6) Thereafter, the budget may be decreased, incrementally, if the projected enrollment declines; provided, that the decrease shall be made only on an FTE basis (using average salary) and shall not be made unless the enrollment decline is great enough on the grade or subject level to eliminate a classroom or warrant elimination of a classroom teacher.

“(7) The budget also may be decreased, incrementally, to reflect a reduced need for special education of ELL personnel; provided, that the funding for such faculty shall align fully with the required service levels for students.

“(8) After completing the steps set forth in paragraphs (1) through (7), a school’s budget may be further increased by an amount, if any, agreed to by the Chancellor.

“(9) Nothing in this subsection shall be construed to preclude a school leader from requesting additional funding.

“(10) For purposes of this subsection:

1. Personal services shall be funded based on the average salary for the personnel positions as determined by the District’s Chief Financial Officer, and applicable to all local schools. Any difference between average salary and actual salary shall be paid or absorbed by School-Wide.
2. The “actual budget” in paragraph (1) is the budget under the control and direction of the school’s principal. Its sources are both local and federal funds, (such as Title I and ESSER). It is the intent of this section that a school’s budget will not decrease solely because Title I, ESSER, or similar funding sources decrease.
3. “Projected enrollment” is the number projected at the time of budget formulation.
4. The correlation of classroom teachers to enrollment growth in paragraph (3) shall be pursuant to the collective bargaining agreement with the teachers union or a rulemaking promulgated by the Mayor.

“(c) The calculation prescribed by subsection (b) is a public record and shall be made available to the public no later than six weeks before the submission date for the fiscal year established by the Council.

“(d) The budget determined by this section shall be published on the DCPS website and in the budget books prepared by the District’s Chief Financial Officer. The Mayor, DCPS, or the Chancellor shall publish only one “budget” for each DCPS school. Any other version, such as one that might also list School Support or School-Wide services attributed to a school, may be published but with a title other than “budget.”.

Sec. 3. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact

statement required by section 4a of the General Legislative Procedures Act of 1975, approved

October 16, 2006 (120 Stat. 2038; D.C. Official Code § 1-301.47a).

Sec. 4. Effective date.

This act shall take effect following approval by the Mayor (or in the event of veto by the

mayor, action by the Council to override the veto), a 30-day period of Congressional review as

provided in section 602(c)(1) of the District of Columbia Home Rule Act, approved December

24, 1973, (87 Stat. 813; D.C. Official Code § 1-206.02(c)(1)), and publication in the District of

Columbia Register.