

AN ACT

D.C. ACT 20-257

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

JANUARY 2, 2014

To amend the State Education Office Establishment Act of 2000 to establish a career and technical education grant program to provide grants beginning in the 2015-2016 school year, and to require the Office of the State Superintendent of Education to administer the program and to issue regulations for the implementation of the program by October 1, 2014; to amend the Board of Education Continuity and Transition Amendment Act of 2004 to add new requirements to the annual budget submission for District of Columbia Public Schools; and to amend the Uniform Per Student Funding Formula for Public Schools and Public Charter Schools Act of 1998 to add weightings to the funding formula and to set guidelines for spending within the District of Columbia Public Schools.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the "Fair Student Funding and School-Based Budgeting Amendment Act of 2013".

Sec. 2. The State Education Office Establishment Act of 2000, effective October 21, 2000 (D.C. Law 13-176; D.C. Official Code § 38-2601 *et seq.*), is amended as follows:

(a) Section 2b (D.C. Official Code § 38-2601.02) is amended as follows:

(1) Redesignate paragraph (1) as paragraph (1B).

(2) New paragraphs (1) and (1A) are added to read as follows:

"(1) "CTE grant program" is the supplemental career and technical education grant program established by section 7e that provides grants to DCPS and public charter schools to support and enhance their career and technical education programs.

"(1A) "DCPS" means the District of Columbia Public Schools, established by section 102 of the District of Columbia Public Schools Agency Establishment Act of 2007, effective June 12, 2007 (D.C. Law 17-9; D. C. Official Code § 38-171)."

(3) New paragraphs (2A) and (2B) are added to read as follows:

"(2A) "Formula" shall have the meaning as provided in section 102(8) 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(8)).

"(2B) "Fund" means the CTE Grant Program Fund established by section 7f."

(b) Section 3(b) (D.C. Official Code § 38-2602(b)) is amended as follows:

(1) Paragraph (4) is amended to read as follows:

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“(4) Make recommendations for periodic revisions to the Uniform Per Student Funding Formula pursuant to section 112 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 § 38-2911);”.

(2) Paragraph (18) is amended by striking the word “and” at the end.

(3) Paragraph (19) is amended striking the period and inserting the phrase “; and” in its place.

(4) A new paragraph (20) is added to read as follows:

“(20) Implement and administer the CTE grant program established by section 7e, and administer the CTE Grant Program Fund established by section 7f.”.

(c) New sections 7e and 7f are added to read as follows:

“Sec. 7e. CTE grant program.

“(a) There is established the career and technical education grant program, which shall be administered by OSSE, that, beginning in the 2015-2016 school year, shall provide supplemental funds to DCPS and to public charter schools to support and enhance career and technical education programs.

“(b) Grants awarded pursuant to the CTE grant program shall be supplemental to Formula, federal, or other funds received by a school for career and technical education.

“(c) By October 1, 2014, OSSE shall issue regulations for the implementation of this section.

“Sec. 7f. CTE Grant Program Fund.

“(a)(1) There is established the CTE Grant Program Fund, which shall be administered by OSSE in accordance with subsections (c) and (d) of this section.

“(b) The Fund shall consist of the revenue from the following sources:

“(1) Annual appropriations, if any; and

“(2) Grants, gifts, or subsidies from public or private sources.

“(c) Except as provided in subsection (d) of this section, the Fund shall be used solely for the purposes set forth in section 7e(a).

“(d) The OSSE shall not use more than 5% of the funds in the Fund to pay the administrative expenses associated with managing the CTE grant program.

“(e)(1) The money deposited into the Fund, and interest earned, shall not revert to the unrestricted fund balance of the General Fund at the end of a fiscal year, or at any other time.

“(2) Subject to authorization by Congress, any funds appropriated in the Fund shall be continually available without regard to fiscal year limitation.”.

Sec. 3. Section 6(b) of the Board of Education Continuity and Transition Amendment Act of 2004, effective December 7, 2004 (D.C. Law 15-211; D.C. Official Code § 38-2831(b)), is amended to read as follows:

“(b) The DCPS submission shall also include a delineation of:

“(1) All funds budgeted for each school, by revenue source for activities and service levels, and by revenue source for comptroller source group by activities and service levels;

“(2) The programs and services, along with a narrative description of each program and service, to be supported by the allowable maximum 5% allocation for central administration functions as prescribed in section 108a(1) of the Uniform Per Student Funding Formula for Public Schools and Public Charter Schools Act of 1998, passed on 2<sup>nd</sup> reading on December 17, 2013 (Enrolled version of Bill 20-309); and

“(3) All funds not allocated directly to a school or to central administration functions, by revenue source for activities and service levels, and by revenue source for comptroller source group by activities and service levels, including a presentation of:

“(A) Any funds that will support costs associated with programs and services provided at the school level or directly to students; and

“(B) Any funding associated with at-risk students, as defined in section 102(2A) 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(2A)), that has been retained by the Chancellor.”

Sec. 4. 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.*), is amended as follows:

(a) Section 102 (D.C. Official Code § 38-2901) is amended adding new paragraphs (2A) and (2B) to read as follows:

“(2A) “At-risk” means a DCPS student or a public charter school student who is identified as one or more of the following:

“(A) Homeless;

“(B) In the District’s foster care system;

“(C) Qualifies for the Temporary Assistance for Needy Families program or the Supplemental Nutrition Assistance Program; or

“(D) A high school student that is one year older, or more, than the expected age for the grade in which the student is enrolled.

“(2B) “Central administration” means 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 term “central administration” does not include any functions that are:

“(A) Budgeted at the individual school level; or

“(B) Budgeted centrally and which support costs associated with programs and services provided at the school level or directly to students.”

(b) A new section 106a is added to read as follows:

“Sec. 106a. Supplement to foundation level funding on the basis of the count of at-risk students.

“(a) In addition to the grade level and supplemental allocations provided pursuant to sections 105 and 106, additional allocations shall be provided on the basis of the count of students identified as at-risk.

“(b) The additional allocations required by subsection (a) of this section shall be calculated by applying a weighting factor, as determined by the Mayor, to the foundation level.

“(c) The weighting for at-risk students shall be applied cumulatively in the counts of students who fall into more than one of the formula weighting categories.”.

(c) A new section 108a is added to read as follows:

“Sec. 108a. DCPS budget.

“(a) The annual operating budget for DCPS shall:

“(1) Allocate no more than 5% of its gross budget to central administration;

“(2) Provide each school with not less than 95% of its prior year allocation of Formula funds, excluding those Formula funds directed to a school pursuant to paragraph (3) of this section; provided, that a school may receive less than 95% of such funds if that school is eliminating one or more grade levels offered at the school, faces a budgetary reduction due to the closing or consolidation of one school into another, or is undergoing a substantial instructional or programmatic change and the Chancellor includes in the budget submission to the Council a written justification for the greater than 5% reduction; provided further, that this paragraph shall not apply if the total Formula allocation to DCPS, excluding those Formula funds generated pursuant to section 106a, is reduced by more than 5% from its prior year allocation; and

“(3) Direct no less than 90% of the funds allocated to DCPS pursuant to section 106a to school-level budgets and distribute such funds to schools proportionally based upon the number of at-risk students within each school’s projected student count.

“(b)(1) Funds provided to schools pursuant to subsection (a)(3) of this section shall be available to the principal to use at the principal’s discretion, in consultation with the school’s local school advisory team, for the purpose of improving student achievement among at-risk students; provided, that the principal submits to the Chancellor and makes publicly available a written plan explaining with particularity how the use of the funds will improve student achievement among at-risk students before the use of any such funds. The Chancellor may review and amend the plan as submitted by a principal. If the Chancellor amends a plan as submitted by a principal, the Chancellor shall provide the principal with a written justification for the amendment.

“(2) The Chancellor shall review the performance of each DCPS principal based upon the principal’s utilization of the funds made available to the principal pursuant to subsection (a)(3) of this section, including a review of whether use of the funds has improved student achievement among at-risk students.

“(3) Funds allocated pursuant to subsection (a)(3) of this section shall be supplemental to the school’s gross budget and shall not supplant any Formula, federal, or other funds to which the school is entitled.”.

(d) Section 112 (D.C. Official Code § 38-2911) is amended as follows:

(1) Subsection (a) is amended as follows:

(A) Designate the existing text as paragraph (1).

(B) The newly designated paragraph (1) is amended by striking the phrase “The Mayor and” and inserting the phrase “Except as provided in paragraph (2) of this subsection, the Mayor and” in its place.

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(C) A new paragraph (2) is added to read as follows:

“(2) Beginning January 30, 2016, the Mayor shall submit to the Council a report every 2 years that reviews the Formula and includes recommendations for revisions to the Formula based upon a study of actual costs of education in the District of Columbia, research in education and education finance, and public comment.”.

(2) Subsection (b) is amended as follows:

(A) Paragraph (3) is amended by striking the word “and”.

(B) Paragraph (4) is amended by striking the period and inserting the phrase “; and” in its place.

(C) A new paragraph (5) is added to read as follows:

“(5) A review of the costs associated with serving at-risk students and of how at-risk students are identified.”.

(3) Subsection (c) is amended to read as follows:

“(c) The Office of the State Superintendent for Education shall be responsible for the development of the report required by subsection (a) of this section and shall convene a working group, which shall be comprised of, at a minimum, representatives from DCPS, public charter schools, and the public, to solicit input and recommendations regarding revisions to the Formula.”.

**Sec. 5. Applicability.**

Section 4(b) shall apply upon the inclusion of its fiscal effect in an approved budget and financial plan, as certified by the Chief Financial Officer to the Budget Director of the Council in a certification published by the Council in the District of Columbia Register.

**Sec. 6. Fiscal impact statement.**

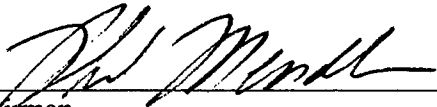
The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

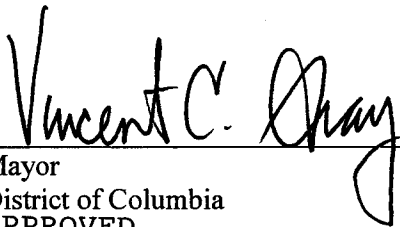
**Sec. 7. Effective date.**

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

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

  
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Chairman  
Council of the District of Columbia

  
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Mayor  
District of Columbia  
APPROVED  
January 2, 2014