
District of Columbia Public Charter Schools

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Description	FY 2013	FY 2014	FY 2015	% Change
	Actual	Approved	Proposed	from FY 2014
Operating Budget	\$601,428,006	\$616,499,168	\$675,407,996	9.6

The mission of the District of Columbia Public Charter Schools (DCPCS) is to provide an alternative free education for students who reside in the District of Columbia.

The District of Columbia Public Charter School Board is authorized to grant charters. Each charter school is a private, non-profit corporation. This agency includes the District of Columbia appropriations to the DCPCS system. Payments from this agency to individual charter schools are made quarterly on the basis of enrollment as set forth in the District of Columbia Official Code, Section 38-2906.02.

The agency's FY 2015 proposed budget is presented in the following tables:

FY 2015 Proposed Gross Funds Operating Budget, by Revenue Type

Table GC0-1 contains the proposed FY 2015 agency budget compared to the FY 2014 approved budget. It also provides FY 2012 and FY 2013 actual expenditures.

Table GC0-1
(dollars in thousands)

Appropriated Fund	Actual FY 2012	Actual FY 2013	Approved FY 2014	Proposed FY 2015	Change from FY 2014	Percent Change*
General Fund						
Local Funds	508,113	601,428	616,499	675,408	58,909	9.6
Total for General Fund	508,113	601,428	616,499	675,408	58,909	9.6
Gross Funds	508,113	601,428	616,499	675,408	58,909	9.6

*Percent change is based on whole dollars.

Note: If applicable, for a breakdown of each Grant (Federal and Private), Special Purpose Revenue type and Intra-District agreement, please refer to **Schedule 80 Agency Summary by Revenue Source** in the **FY 2015 Operating Appendices** located on the Office of the Chief Financial Officer's website.

FY 2015 Proposed Operating Budget, by Comptroller Source Group

Table GC0-2 contains the proposed FY 2015 budget at the Comptroller Source Group (object class) level compared to the FY 2014 approved budget. It also provides FY 2012 and FY 2013 actual expenditures.

Table GC0-2
(dollars in thousands)

Comptroller Source Group	Actual FY 2012	Actual FY 2013	Approved FY 2014	Proposed FY 2015	Change from FY 2014	Percent Change*
50 - Subsidies and Transfers	508,113	601,428	616,499	675,408	58,909	9.6
Subtotal Nonpersonal Services (NPS)	508,113	601,428	616,499	675,408	58,909	9.6
Gross Funds	508,113	601,428	616,499	675,408	58,909	9.6

*Percent change is based on whole dollars.

Program Description

Public charter schools in the District of Columbia are authorized under the provisions of law set forth in Division VI, Title 38, Subtitle IV, Chapter 17 of the District of Columbia Official Code. Public charter schools are private, non-profit corporations that operate under the terms and conditions set forth in their charters and as approved by the District of Columbia Public Charter School Board, the chartering authority. The public charter schools are autonomous, nonsectarian institutions that cannot charge tuition to District resident students. Additionally, public charter schools cannot impose discriminatory admissions policies or tests on District resident students.

Public charter schools receive the same level of District funding for their enrolled students as students enrolled in the District of Columbia Public Schools, pursuant to the District's Uniform Per Student Funding Formula (UPSFF) (refer to District of Columbia Official Code Section 38-29). Public charter schools also receive a facilities allowance to maintain and operate their buildings. In addition to District government funding, public charter schools are eligible to receive federal and private grants and may engage in private fund-raising.

The District of Columbia Public Charter Schools operate under these goals:

- Public charter schools will abide by the provisions set forth in their individual charters;
- Individual public charter schools will comply with all reporting requirements set forth by the chartering authority;
- Public charter schools will provide students with exposure to career pathways and focus on particular areas of study to further enhance students' academic experiences;
- Public charter schools will meet all academic performance goals set forth in their individual charter agreements; and
- The chartering authority will monitor and evaluate performance of public charter schools based on the provisions set forth in each school's charter.

Program Structure Change

The District of Columbia Public Charter Schools has no program structure changes in the FY 2015 proposed budget.

FY 2015 Proposed Operating Budget and FTEs, by Program and Activity

Table GC0-3 contains the proposed FY 2015 budget by program and activity compared to the FY 2014 approved budget. It also provides the FY 2013 actual data.

Table GC0-3

(dollars in thousands)

Program/Activity	Dollars in Thousands				Full-Time Equivalents			
	Actual FY 2013	Approved FY 2014	Proposed FY 2015	Change from FY 2014	Actual FY 2013	Approved FY 2014	Proposed FY 2015	Change from FY 2014
(1000) D.C. Charter Schools								
(1100) D.C. Charter Schools	601,428	616,499	675,408	58,909	0.0	0.0	0.0	0.0
Subtotal (1000) D.C. Charter Schools	601,428	616,499	675,408	58,909	0.0	0.0	0.0	0.0
Total Proposed Operating Budget	601,428	616,499	675,408	58,909	0.0	0.0	0.0	0.0

(Change is calculated by whole numbers and numbers may not add up due to rounding)

Note: For more detailed information regarding the proposed funding for the activities within this agency's programs, please see **Schedule 30-PBB Program Summary by Activity** in the **FY 2015 Operating Appendices** located on the Office of the Chief Financial Officer's website.

FY 2015 Proposed Budget Changes

The District of Columbia Public Charter Schools' (DCPCS) proposed FY 2015 gross budget is \$675,407,996, which represents a 9.6 percent increase over its FY 2014 approved gross budget of \$616,499,168. The budget is comprised entirely of Local funds.

Current Services Funding Level

The Current Services Funding Level (CSFL) is a Local funds ONLY representation of the true cost of operating District agencies, before consideration of policy decisions. The CSFL reflects changes from the FY 2014 approved budget across multiple programs, and it estimates how much it would cost an agency to continue its current programs and operations into the following fiscal year. The FY 2015 CSFL adjustments to the FY 2014 Local funds budget are described in table 4 of this agency's budget chapter. Please see the CSFL Development section within Volume 1: Executive Summary for more information regarding the methodology used and components that comprise the CSFL.

DCPCS' FY 2015 CSFL budget is \$628,829,151, which represents a \$12,329,983, or 2.0 percent, increase over the FY 2014 approved Local funds budget of \$616,499,168.

CSFL Assumptions

DCPCS' CSFL funding for the Student Funding Formula Inflation Factor, which is not listed in detail on table 4, reflects an adjustment for an increase of \$12,329,983 to account for an inflation factor of 2.0 percent, which was applied to the UPSFF.

Agency Budget Submission

DCPCS, which is independent of the D.C. Public Schools system, operates as the central agency and disburses the UPSFF from District of Columbia Local funds to charter schools, each of which operates as an autonomous school district. The budget proposes an increase of \$186 per student from the FY 2014 UPSFF of \$9,306 to \$9,492 in FY 2015.

Technical Adjustment: DCPCS proposes an increase of \$26,417,469, or 4.2 percent, in Local funds for a projected increase in student enrollment from the FY 2014 proposed enrollment of 37,410 to 39,076 in FY 2015.

Mayor's Proposed Budget

In FY 2013, the District's first comprehensive education adequacy study, *Cost of Student Achievement: Report of the DC Education Adequacy Study*, was performed. The study recommended an in-depth analysis of the UPSFF, which was vital in the resetting of the formula. Application of the new formula, which includes a new category of expenses for At-Risk students, the reclassification of expenses, and an increase to the Non-Residential Facilities Allotment from \$3,000 to \$3,072, plus the increase in enrollment, results in \$417,630,155 for General Education, \$73,086,407 for Special Education, \$7,017,265 for Special Ed Compliance, \$12,832,330 for English Language Learners, \$764,592 for Special Education Residential, \$5,421,261 for Residential, \$32,546,957 for At-Risk Students, and \$2,968,091 for Special Education Add-ons and Extend School Year, for a total of \$552,267,058 in Instructional Dollars. The FY 2015 Facilities Allowance totals \$121,861,938. The following adjustment was made based on the new formula.

Enhance: DCPCS' FY 2015 Local budget includes an increase of \$18,882,376 as an outcome of the Adequacy Study.

District's Proposed Budget

Enhance: The budget reflects an increase of \$1,279,000 in nonpersonal services to ensure critical summer enrichment activities, including programs such as literary interventions, extended school day, and out-of-classroom academic interventions, continue at several charter schools.

Protected Programs: The District's public schools receive Local funding through the UPSFF. This system of funding was established by the District of Columbia School Reform Act of 1995 and was designed to ensure that all public schools across the District receive the same level of funding on a per-student basis, regardless of what neighborhood the school is in or where students live. This formula was estimated to be derived from a market basket of goods and services determined by analysis that uses local, regional, and national education funding research and practices to develop a foundation. The percentage allocation of the market basket dollars has not changed in FY 2015. The UPSFF is intended to cover all local education agency operational costs for District public schools, including school-based instruction, student classroom support, utilities, administration, custodial services, and instructional support, such as curriculum and testing. The UPSFF is based on a foundation amount, which is then enhanced according to different weights for higher cost grade levels and supplemental funding weights for students with special needs. The average cost per student, based on the proposed enrollment of 39,076 and a proposed gross budget of \$675,407,996 is \$17,284.

Additional Resources Available to Charters: The FY 2015 budget continues to support several existing financial programs that meet the unique facility needs of the public charter school community. The Office of the Superintendent of Education (OSSE) manages four programs designed to provide financial support for charter schools' facilities costs:

- **Credit Enhancement Fund:** The Credit Enhancement fund provides support for public charter schools in the form of loan guarantees, collateral, lease guarantees, debt service reserves, and other financing assistance;
- **Direct Loan Fund:** The Direct Loan fund provides loans to public charter schools for acquisitions, construction, renovation, tenant improvement, and maintenance of public charter schools facilities;
- **Facility Grants (Inc. City Build):** The City Build program is a joint education and neighborhood development initiative that promotes community revitalization with a particular emphasis on strengthening public education through public charter schools. The aim of City Build stretches beyond excellence in academics. It also focuses on encouraging the creation of partnerships between public charter schools and community organizations. There are also grants for renovation and modernization, public and special facilities, etc. For FY 2015, up to \$7 million may be available through the Facility Grants; and
- **Incubator Facilities:** OSSE entered into a partnership with Building Hope to develop incubator facilities in the District of Columbia. The Incubator Initiative is funded from the Credit Enhancement Grant awarded by the U.S. Department of Education.

FY 2014 Approved Budget to FY 2015 Proposed Budget, by Revenue Type

Table GC0-4 itemizes the changes by revenue type between the FY 2014 approved budget and the FY 2015 proposed budget.

Table GC0-4
(dollars in thousands)

DESCRIPTION	PROGRAM	BUDGET	FTE
LOCAL FUNDS: FY 2014 Approved Budget and FTE		616,499	0.0
Other CSFL Adjustments	DC Charter Schools	12,330	0.0
LOCAL FUNDS: FY 2015 Current Services Funding Level Budget (CSFL)		628,829	0.0
Technical Adjustment: Change in enrollment projection	DC Charter Schools	26,417	0.0
LOCAL FUNDS: FY 2015 Agency Budget Submission		655,247	0.0
Enhance: Increased funding as an outcome of the Adequacy Study	DC Charter Schools	18,882	0.0
LOCAL FUNDS: FY 2015 Mayor's Proposed Budget		674,129	0.0
Enhance: To support summer school costs	DC Charter Schools	1,279	0.0
LOCAL FUNDS: FY 2015 District's Proposed Budget		675,408	0.0
Gross for GC0 - Public Charter Schools		675,408	0.0

(Change is calculated by whole numbers and numbers may not add up due to rounding)

**District of Columbia Public Charter Schools (GC0)
Per Pupil Funding Analysis (D.C. Act 12-494)
FY 2015 Budget Projection**

Foundation Level Per Pupil	\$9,492
Non-Residential Facilities Allotment:	\$3,072
Residential Facilities Allotment:	\$8,395

General Education		Certified Enrollment	Per Pupil	Total
Grade Level	Weighting	Per SLED	Enrollment	Dollars
Pre-Kindergarten 3	1.34	2,993	\$12,719	\$38,068,805
Pre-Kindergarten 4	1.30	3,199	\$12,340	\$39,474,380
Kindergarten	1.30	3,279	\$12,340	\$40,461,548
Grades 1	1.00	2,918	\$9,492	\$27,697,656
Grades 2	1.00	2,560	\$9,492	\$24,299,520
Grades 3	1.00	2,335	\$9,492	\$22,163,820
Grades 4	1.00	1,997	\$9,492	\$18,955,524
Grades 5	1.00	2,166	\$9,492	\$20,559,672
Grades 6	1.08	2,352	\$10,251	\$24,111,199
Grades 7	1.08	2,233	\$10,251	\$22,891,287
Grades 8	1.08	2,166	\$10,251	\$22,204,446
Grades 9	1.22	2,068	\$11,580	\$23,947,936
Grades 10	1.22	1,828	\$11,580	\$21,168,679
Grades 11	1.22	1,455	\$11,580	\$16,849,249
Grades 12	1.22	1,194	\$11,580	\$13,826,807
Alternative	1.44	705	\$13,668	\$9,636,278
Special Ed Schools	1.17	250	\$11,106	\$2,776,410
Adult	0.89	3,378	\$8,448	\$28,536,939
Subtotal for General Education		39,076		\$417,630,155
Special Education	Weighting	SLED	Allocation	Dollars
Level 1	0.97	1,592	\$9,207	\$14,657,926
Level 2	1.20	1,552	\$11,390	\$17,677,901
Level 3	1.97	700	\$18,699	\$13,089,468
Level 4	3.49	835	\$33,127	\$27,661,112
Subtotal for Special Education		4,679		\$73,086,407
Special Education Compliance	Weighting	SLED	Allocation	Dollars
Blackman Jones Compliance	0.069	4,679	\$655	\$3,064,502
Attorney's Fees Supplement	0.089	4,679	\$845	\$3,952,763
Subtotal Special Education Compliance		4,679		\$7,017,265
English Language Learners	Weighting	SLED	Allocation	Dollars
ELL	0.49	2,759	\$4,651	\$12,832,330
Subtotal - ELL		2,759		\$12,832,330

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**District of Columbia Public Charter Schools (GC0)
Per Pupil Funding Analysis (D.C. Act 12-494)
FY 2015 Budget Projection**

Foundation level per pupil \$9,492
Non-Residential Facilities Allotment: \$3,072
Residential Facilities Allotment: \$8,395

General Education		Certified Enrollment	Per Pupil	Total
Special Education-Residential	Weighting	SLED	Allocation	Dollars
Level 1 Residential	0.368	12	\$3,493	\$41,917
Level 2 Residential	1.337	31	\$12,691	\$393,415
Level 3 Residential	2.891	12	\$27,438	\$329,261
Level 4 Residential	2.874	0	\$27,280	\$0
Subtotal for Special Education Residential		55		\$764,592
English as a Second Language Residential	Weighting	SLED	Allocation	Dollars
LEP/NEP Residential	0.668	0	\$6,341	\$0
Subtotal for LEP/NEP Residential		0		\$0
Residential	Weighting	SLED	Allocation	Dollars
Residential	1.67	342	\$15,852	\$5,421,261
Subtotal for Residential		342		\$5,421,261
At Risk Students	Weighting	SLED	Allocation	Dollars
At Risk	0.219	15,657	\$2,079	\$32,546,957
Subtotal for At Risk		15,657		\$32,546,957
Special Education Add-ons and ESY	Weighting	SLED	Allocation	Dollars
Level 1 Add-ons and ESY	0.063	292	\$598	\$174,615
Level 2 Add-ons and ESY	0.227	225	\$2,155	\$484,804
Level 3 Add-ons and ESY	0.491	95	\$4,661	\$442,754
Level 4 Add-ons and ESY	0.489	402	\$4,642	\$1,865,918
Subtotal for Special Education - Add-ons and ESY		1,014		\$2,968,091
Total FY 2015 Instructional Dollars				\$52,267,058
Facilities Allowance				
Non-Residential Facilities Allotment		38,734	\$3,072	\$118,990,848
Residential Facilities Allotment		342	\$8,395	\$2,871,090
Total FY 2015 Facilities Allowance				\$121,861,938
Total FY 2015 Local Funds Budget Projection				\$674,128,996*

(Numbers may not add up due to rounding)

***Note:** The actual Local funds budget of \$675,407,996 for DCPCS includes an additional \$1,279,000, to support summer school costs, above the UPSFF amount of \$674,128,996.