



Office of Deputy Mayor for Education

John A. Wilson Building | 1350 Pennsylvania Ave, NW, Suite 307 | Washington, DC 20004

April 15, 2020

Dear Charter LEA Leaders,

In October 2019, the Mayor directed her budget team to make additional funding available to public charter school LEAs in FY2020 following overspending by DCPS in the 2018-2019 school year. The source of these additional funds will be available budget in FY2020 due to under-enrollment at public charter LEAs for the 2019-2020 school year, which would otherwise have returned to the DC general fund. The amount to be distributed to public charter LEAs for this additional payment will total \$8,350,000 and will be made by April 15th.

My office has worked closely with the Office of the Chief Financial Officer (OCFO) and the Office of the State Superintendent for Education (OSSE) to determine an appropriate methodology to distribute these additional funds. Equity is our guiding principle for distribution, and will be achieved through two considerations: first, funds will be distributed according to charter LEAs' audited SY19-20 enrollment; and second, each LEAs' share of the additional payment funds will take the unique mix of students served by that LEA into account, including the relative additional funding provided by the Uniform Per Student Funding Formula's (UPSFF) student characteristics weights (e.g. the 49% increase for each English Language Learner (ELL) student provided by the UPSFF's 0.49 ELL weight).

To calculate each LEAs' share of the additional payment, OCFO first gathered payment data to determine the total amount paid to each LEA across the four regular, quarterly payments in FY2020. Each LEAs' sum includes the quarter four "true-up" payment, and is therefore based on each charter LEAs' audited SY19-20 enrollment. Further, the sum of these four regular, quarterly payments includes all facilities and instructional dollars distributed by the UPSFF, baking in the additional funding each LEA receives for specific student characteristic weights.¹ Each LEAs' regular quarterly payments sum was then divided by the total funding for the entire charter sector across the four regular payments to determine each LEAs' proportional share. That proportional share was applied to the \$8,350,000 to determine each LEAs' additional payment amount. An illustrative example of this process using mock LEA data is available in Appendix A.

Thank you for all the work you do every day for the children and youth of the District of Columbia. If you have any questions concerning this announcement, please do not hesitate to contact Kevin Wenzel, DME's Director of Budget and Performance Management, at kevin.wenzel@dc.gov.

Sincerely,

Paul Kihn

Deputy Mayor for Education

¹ The four regular, quarterly UPSFF payments do not include additional funds for audited students who receive new or changed designations after the District's annual enrollment audit report for new or increased IEP levels, new EL designations, and new at-risk designations, referred to as supplemental UPSFF payments, nor ESY UPSFF payments. For more information on supplemental and ESY UPSFF payments, please refer to <https://osse.dc.gov/publication/2019-20-uniform-student-funding-formula-upsff-payment-letter>.



APPENDIX A

The mock data below provide an illustrative example of how each LEAs’ proportional share of the additional payment was calculated. In this scenario, the charter sector totals five LEAs (A-E), each serving a different mix of students. The sum of the four regular, quarterly payments distributed to these five LEAs is \$100,000,000. This includes the fourth quarter payment, which “trues up” each LEA according to their audited enrollment. Further, these payments incorporate all of the student characteristics and the associated additional funding that the LEAs receive for those students through the UPSFF. Each LEAs’ share is determined by dividing their own payments sum by the sum of total quarterly payments for the whole sector, \$100,000,000.

	Sum of Four Regular, Quarterly UPSFF Payments	Share of Total Payment
Charter LEA “A”	\$20,000,000	.20
Charter LEA “B”	\$10,000,000	.10
Charter LEA “C”	\$40,000,000	.40
Charter LEA “D”	\$5,000,000	.05
Charter LEA “E”	\$25,000,000	.25
SUM OF TOTAL QUARTERLY PAYMENTS	\$100,000,000	

Each LEAs’ share is then applied to the additional payment total of \$8,350,000. The resulting additional payment amounts for each LEA result as follows.

	Share of Total Payment	LEA’s Additional Payment Amount
Charter LEA “A”	.20	\$1,670,000
Charter LEA “B”	.10	\$835,000
Charter LEA “C”	.40	\$3,340,000
Charter LEA “D”	.05	\$417,500
Charter LEA “E”	.25	\$2,087,500
TOTAL ADDITIONAL PAYMENT		\$8,350,000

