

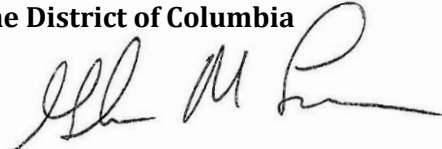
Government of the District of Columbia
Office of the Chief Financial Officer



Glen Lee
Chief Financial Officer

MEMORANDUM

TO: The Honorable Phil Mendelson
Chairman, Council of the District of Columbia

FROM: Glen Lee
Chief Financial Officer 

DATE: December 18, 2023

SUBJECT: Fiscal Impact Statement – School Improvement Amendment Act of 2023

REFERENCE: Bill 25-540, Draft Committee Print as provided to the Office of Revenue Analysis on December 4, 2023

Conclusion

Funds are not sufficient in the fiscal year 2024 through fiscal year 2027 budget and financial plan to implement the bill. The bill establishes a School Support Office (SSO) and requires a report on how the SSO will administer a program to help low-performing schools. These provisions will cost \$77,000 in fiscal year 2024 and \$558,000 over the financial plan. The bill also requires additional local funding to be provided to low-performing schools. This fiscal impact statement will be updated to reflect the cost of this additional funding once the bill's required report is issued.

Background

The Office of the State Superintendent of Education (OSSE) currently uses federal funding to provide comprehensive and targeted support to schools that are designated as low-performing. The bill establishes a School Support Office (SSO) within the OSSE beginning in School Year 2025-2026 to supplement federal turnaround programs with a local turnaround program. The SSO will implement and administer a school support Program (Program) that provides support to the District's public schools that are in the lowest performing five percent¹ of academic performance. The SSO must provide local funding, in addition to federal funding, to qualifying schools.

¹ There are currently 252 public schools operating in the District, and five percent of this total amounts to 12 or 13 schools.

The Honorable Phil Mendelson

FIS: Bill 25-540, "School Improvement Amendment Act of 2023," Draft Committee Print as provided to the Office of Revenue Analysis on December 4, 2023.

By September 30, 2024, OSSE must submit a report to the Mayor and Council, developed in consultation with the State Board of Education, the District of Columbia Public Schools (DCPS), the District of Columbia Public Charter School Board (DC PCSB), the Washington Teachers' Union and other stakeholders that outlines how the SSO and Program will operate. The report must:

- Compare and assess school turnaround best practices.
- Propose continuous school improvement models for the lowest performing five percent of public schools, including:
 - The processes and framework for implementing the models;
 - How each model will address professional development, direct coaching, and leadership; and,
 - How the models and SSO will align with DC PCSB and DCPS accountability metrics.
- Provide recommendations for how qualifying schools will work with the SSO to select and implement evidence-based strategies to increase proficiency and growth in reading and math.
- Provide recommendations on how the SSO may address a designated school's finances, policy, and culture.
- Describe how improvement will be evaluated and define the criteria for exiting the Program.
- Explain how the Program will address a school that has not demonstrated sufficient improvement after five years.
- Explain the funding resources needed to establish and operate the SSO and implement the Program for participating schools.
- Set for what additional authority OSSE will need to implement report recommendations and establish the SSO and Program.

OSSE must apply school improvement models to participating Program schools by September 1, 2025. Starting September 30, 2026, and every two years, the SSO must submit a report to the Mayor and Council on the improvement of schools participating in the Program.

Financial Plan Impact

Funds are not sufficient in the fiscal year 2024 through fiscal year 2027 budget and financial plan to implement the bill. The bill will cost \$77,000 in fiscal year 2024 and \$558,000 over the financial plan. The bill also requires additional local funding to be provided to low-performing schools. This fiscal impact statement will be updated to reflect the cost of this additional funding once the bill's required report is issued.

OSSE requires additional resources to implement the bill. OSSE must hire one full-time employee in fiscal year 2024 to work with stakeholders to develop the report required in the bill. This employee will transition to the SSO once it is established in fiscal year 2025 to work on implementing the report recommendations. The salary and fringe costs of this employee are \$77,000 in fiscal year 2024 and \$558,000 over the financial plan.

Bill 25-540, School Improvement Amendment Act of 2023					
Total Costs					
	FY 2024	FY 2025	FY 2026	FY 2027	Total
Salary^(a)	\$62,000	\$126,000	\$128,000	\$131,000	\$447,000
Fringe^(b)	\$15,000	\$31,000	\$32,000	\$33,000	\$111,000

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Bill 25-540, School Improvement Amendment Act of 2023					
Total Costs					
	FY 2024	FY 2025	FY 2026	FY 2027	Total
Total ^(c)	\$77,000	\$157,000	\$160,000	\$164,000	\$558,000

Table Notes:

- (a) Assumes one Grade 14, Step 5 employee, and a salary growth rate of 1.7 percent.
- (b) Assumes fringe rate of 23.9 percent and fringe growth of 2.375 percent.
- (c) Assumes the start date of April 1, 2024, so the cost is lower in fiscal year 2024.

The cost of establishing the SSO and Program is unknown at this time since the report will detail what specific turnaround models will be used to support schools. This fiscal impact statement will be updated to incorporate the costs of implementing the SSO and Program after OSSE finalizes the report.