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Testimony Before the District of Columbia Council
Committee on Education and Committee of the Whole
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Critical Risk Rate School Funding Designation Act of 2019 (B23-0365)

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Thank you, Chairperson Mendelson, Chairperson Grosso, and Committee members for the opportunity to testify before you today. My name is Buck Logan and I am an attorney at Children's Law Center and a 30-year resident of the District. Children's Law Center fights so every DC child can grow up with a loving family, good health and a quality education.¹ With almost 100 staff and hundreds of pro bono lawyers, Children's Law Center reaches 1 out of every 9 children in DC's poorest neighborhoods – more than 5,000 children and families each year.

My testimony focuses on the Critical Risk Rate School Funding Designation Act of 2019 (B23-365). The bill would create a new weight in the DC school budget formula to provide additional funding for schools that have an at-risk student population of 70% and above.² About 30 DCPS schools and 15 DC public charter schools meet this benchmark.³ We support efforts to provide additional funds to these high-need schools. We believe the concept behind this bill has considerable merit and warrants careful consideration.

More than twenty states and a number of individual school districts have adopted some form of concentration-based at-risk budget weights.⁴ For example, Baltimore provides an additional budgetary allocation for elementary and middle schools where 80% or more students live in poverty, while Boston provides an additional allocation for schools where more than 50% live in poverty.⁵ See Attachment

A (describing concentration-based at-risk budget weights for California, Baltimore, Boston and Denver).

It is well documented that at-risk students continue to lag far behind other students in school performance.⁶ But there is also evidence that students not falling in any at-risk category also underperform when they attend a school with a large percentage of at-risk students. According to a 2016 study of these peer-effects, “within DCPS schools, the performance of both At-Risk and non-At-Risk students decreases as the percentage of At-Risk students increases.”⁷ A more recent OSSE analysis found that for each percentage point increase in share of at-risk students, the PARCC math performance of students at the school decreases by 0.85 percentage points.⁸

These concentration-based effects exacerbate the challenges schools already face in meeting the needs of at-risk students. Allocating additional funding to high-concentration schools could play a vital role in meeting these challenges. A 2018 overview of the research on education spending “found that more money consistently meant better outcomes for students — higher test scores, higher graduation rates, and sometimes even higher wages as adults.”⁹ This is especially true for at-risk students. A number of studies have shown “that investing additional funds in schools with a high population of at-risk students can improve educational outcomes for those students.”¹⁰

While we support the concept of providing more funding to schools with high concentrations of at-risk students, we also believe it should be considered as part of a

broader reform of the at-risk funding system. The Council is already examining several problem areas, including:

- *Underfunding* – The 2013 “Adequacy Study,” sponsored by the Deputy Mayor for Education, recommended that DC establish a 0.37 at-risk weight in the DC school funding formula,¹¹ yet the at-risk weight is still only 0.224. The January 2019 UPSFF Working Group report reiterated that “the needs of at-risk students remain significant, and that current performance measures justify increasing the at-risk weight.”¹²
- *Misallocation of at-risk funds* – A 2019 DC auditor report found that, contrary to DC law,¹³ DC schools are often using funds set aside for at-risk students to fund core costs in a school’s gross budget. This practice has turned the purpose behind at-risk funding on its head: “DCPS schools with high concentrations of at-risk students often received reduced base funding In contrast, schools with low concentrations of at-risk students often received base funds that either matched or exceeded their staffing formula requirements.”¹⁴
- *Lack of transparency*. Parents and the public currently are unable to discern basic information about how money allocated for DC schools is being spent, especially when it comes to at-risk funding. To prevent future misuse of at-risk funds, the DC auditor recommended that “DCPS establish transparent base funding for each school tied to enrollment and grade level. The annual budget process should use a specific and transparent methodology so that school communities are informed on both the method and the results.”¹⁵
- *Tracking Outcomes to Better Assess At-Risk Funding Policies* – DC needs to do a better job at tracking outcomes and identifying which weights and programs improve outcomes (*e.g.*, attendance, academic performance, graduation rate) for at-risk students. The DC auditor has found that the “District has spent more than \$450 million in at-risk funds without a measurable and consistent strategy” and that “DCPS has no consistent strategy for using at-risk funds to improve academic achievement.”¹⁶

Consideration of “at-risk concentration” weights should take place as part of, not separate from, reform efforts to address the broader problems in the current at-risk funding system. For example, providing additional funding based on at-risk concentration could prove futile without steps to promote transparency and ensure at-risk funds are spent as intended.

Further study is also necessary regarding specific issues raised by an “at-risk concentration” weight. Last year, OSSE’s UPSFF Working Group considered such a weight and recommended further study of the issue.¹⁷ Examples of areas for further study include: what is the appropriate level of concentration or “tipping point” that would trigger additional funding? Should a sliding scale of tipping points be used? What specific weight and additional funding would be provided to schools that exceed the tipping point?¹⁸ Should the additional funds be focused on the LEA or school level? Should other adjustments to the current at-risk formula be made to help meet the needs of schools with high concentrations of at-risk students?¹⁹

We urge the Council to explore these important issues and develop the most effective means of helping schools with large at-risk populations meet the needs of their students. Children’s Law Center stands ready to assist the Council in any way it can. I would be happy to answer any questions you may have.

Attachment A

Concentration-Based Weightings in Baltimore, Boston, Denver and California

Jurisdiction	Adjustment for Poverty Concentration	Per-Pupil Allocation	Weight
Baltimore	Additional allocation for elementary and middle schools where 80% or more students live in poverty (as defined by students directly certified as eligible for free school lunch)	\$200	0.04
Boston	Additional allocation for schools where more than 50% live in poverty (as defined by students directly certified as eligible for free school lunch) (Boston also appears to provide an additional allocation for schools with a high concentration of homeless students)	\$429	0.10
Denver	Uses a progressive formula to provide additional funds for schools with high concentrations of free or reduced-price lunch (FRPL) students, ranging from \$183 per FRPL student in schools with a FRPL rate between 60 to 63.9 percent up to \$415 for schools with a FRPL rate of 90 percent or more. For “direct certified (DC)” students, the additional amount provided for schools with high concentrations of DC students ranged from \$40 per DC student up to \$100 in schools where the percentage of DC students was at or above the 50th percentile among district schools.	\$40-\$100	0.01-0.025
California	The state’s Local Control Funding formula for distributing funding to school districts includes concentration grants that provide extra funding to districts in which more than 55% of the students are high need, <i>i.e.</i> , English learner students, low-income students, or foster students.	For each student above the 55 percent threshold, district receives funding equal to 50 percent of the base grant.	

¹ Judges, pediatricians, and families turn to Children’s Law Center to be the voice for children who are abused or neglected, who aren’t learning in school, or who have health problems that can’t be solved by medicine alone. With almost 100 staff and hundreds of pro bono lawyers, we reach one out of every nine children in DC’s poorest neighborhoods--more than 5,000 children and families each year. We multiply this impact by advocating for city-wide solutions that benefit all children. See <https://www.childrenslawcenter.org/>.

² Under the current Uniform Per Student Funding Formula (UPSFF), the at-risk weight is 0.224 for each student identified as having one or more of the following characteristics: (1) homeless; (2) in the District’s foster care system; (3) lives in family eligible for TANF; (4) qualifies for SNAP; or (5) a high school student that is one year older, or more, than the expected age for the grade in which the student is enrolled. D.C. Code § 38–2901(2A).

³ According to a 2016 At-Risk Working Group presentation, 30 DCPS schools and 26 public charter schools had an at-risk population between 61% and 80%, while 12 DCPS schools and 3 charter schools had an at-risk population exceeding 80%. Extrapolating from this data indicates that about 30 DCPS schools and 15 charter schools have an at-risk population exceeding 70%. See Appendix: At-Risk Working Group – 03.28.16 Task Force Meeting 12 (Working Group Meeting 1), slide 10 (2016), available at: <https://dme.dc.gov/sites/default/files/dc/sites/dme/publication/attachments/At-riskWG.ResourceDeck1-DRAFT.pdf>.

⁴ The following website lists 23 states that consider district concentrations of students from low-income households when allocating funding: <http://funded.edbuild.org/national#poverty> .

⁵ For both Baltimore and Boston “poverty” is measured by the percentage of students directly certified as eligible for free school lunch. See U.S. Dept. of Education, Districts’ Use of Weighted Student Funding Systems to Increase School Autonomy and Equity: Findings from a National Study – Vol. 1, Final Report, at 22 (2019), available at: <https://www2.ed.gov/rschstat/eval/title-i/weighted-funding/report.pdf>; Baltimore Cities Public Schools, Operating Budget for 2019-20, at 8, 19, available at: <https://www.baltimorecityschools.org/sites/default/files/inline-files/FY20AdoptedBudget.pdf>. See also L. Hill and I. Ugo, Implementing California’s School Funding Formula: Will High-Need Students Benefit?, Public Policy Institute of California (March 2015), available at: <https://www.ppic.org/publication/implementing-californias-school-funding-formula-will-high-need-students-benefit/>.

⁶ In 2018, only 18.4% of at-risk students in DC scored 4+ on the PARC English test, compared to 33.3% for all students. Only 15.7% of at-risk students scored 4+ on the PARC Math test, compared to 29.4% for all students. Report of the Uniform Per Student Funding Formula (UPSFF) Working Group, OSSE, at 8 (Jan. 2019) (UPSFF Working Group Report), available at: https://osse.dc.gov/sites/default/files/dc/sites/osse/page_content/attachments/UPSFF%20Working%20Group%20Report.pdf. Students who are at-risk are three times more likely than their non-at-risk peers to be chronically absent. OSSE, DC Attendance Report: School Year 2018-19 at 25 (Nov. 30, 2019), available at: <https://osse.dc.gov/publication/dc-attendance-report-2018-19-school-year>. In the 2017-18 school year, students who were identified as at-risk were 2.39 times more likely to receive at least one out-of-school suspension compared to students who are not at-risk. OSSE, State of Discipline: 2017-18 School Year at 31, available at: https://osse.dc.gov/sites/default/files/dc/sites/osse/page_content/attachments/2017-18%20School%20Year%20Discipline%20Report.pdf.

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- ⁷ Cross-Sector Collaboration Task Force Report, at 25 (Nov. 9, 2018)(Cross-Sector Task Force Report), *available at*: <https://dme.dc.gov/sites/default/files/dc/sites/dme/publication/attachments/CSCTF%20Report2018.pdf>. In support of this statement, the report cites a February 2016 study conducted by Tembo Analytics. *See also* At-Risk Working Group: Meeting 3, at slide 17 (April 25, 2017), *available at*: <https://dme.dc.gov/sites/default/files/dc/sites/dme/publication/attachments/At-risk%20Working%20Group%20mtg%203%20042417.pdf>. The study also stated that “[w]ithin DC’s public charter schools, the average performance of At-Risk students is largely not affected by changes in a school’s At-Risk concentration. The performance of non-At-Risk students, however, decreases slightly as the concentration of At-Risk students increases.” *Id.*
- ⁸ UPSFF Working Group Slide Deck, at slides 8, 22 (Nov. 29, 2018), *available at*: https://osse.dc.gov/sites/default/files/dc/sites/osse/page_content/attachments/UPSFF%20Working%20Group%20November%20Meeting%20presentation.pdf.
- ⁹ M. Barnum, “Four New Studies Bolster the Case: More Money for Schools Helps Low-Income Students” Chalkbeat (Aug. 13, 2019), *available at*: <https://chalkbeat.org/posts/us/2019/08/13/school-funding-spending-money-matter-latest-research-studies/>. *See also* M. Barnum, “Does Money Matter for Schools? Why One Researcher Says the Question Is ‘Essentially Settled,’” Chalkbeat (Dec. 17, 2018), *available at*: <https://chalkbeat.org/posts/us/2018/12/17/does-money-matter-education-schools-research/>; C. Kirabo Jackson, Rucker C. Johnson, and Claudia Persico, “The Effects of School Spending on Educational and Economic Outcomes: Evidence from School Finance Reforms,” *The Quarterly Journal of Economics* 131 (1) (2016): 157–218, *available at*: <https://www.nber.org/papers/w20847>.
- ¹⁰ E. Parker and M. Griffith, Education Commission of the States, “The Importance of At-Risk Funding,” at 2-3 (June 2016), *available at*: <https://www.ecs.org/wp-content/uploads/The-Importance-of-At-risk-Funding.pdf>.
- ¹¹ Cost of Student Achievement: Report of the DC Education Adequacy Study, at ES18 (Dec. 20, 2013) (sponsored by the DC Deputy Mayor for Education), *available at*: https://dme.dc.gov/sites/default/files/dc/sites/dme/publication/attachments/DC%20ADEQUACY%20STUDY_FULL%20REPORT.pdf.
- ¹² UPSFF Working Group Report at 13.
- ¹³ Under DC law, DCPS must use at-risk funds “for the purpose of improving student achievement among at-risk students.” DCPS’s at-risk funds “shall be supplemental to the school’s gross budget and shall not supplant” any UPSFF, federal, or other funds to which the school is otherwise entitled. DC Code § 38-2907.01(b)(1) & (b)(3).
- ¹⁴ Office of the District of Columbia Auditor, “DC Schools Shortchange At-Risk Students,” at ii (June 25, 2019) (2019 DC Auditor Report), *available at*: <http://dcauditor.org/report/d-c-schools-shortchange-at-risk-students/>.
- ¹⁵ *Id.* at 24. The Council is considering legislation to promote greater transparency regarding DC schools, including the At-Risk Funding Transparency Amendment Act of 2019 (B23-046), the School Based Budgeting and Transparency Amendment Act of 2019 (B23-239); and the Public School Transparency Act (B23-199).
- ¹⁶ DC Auditor Report at 27. The Mayor’s Cross-Sector Collaboration Task Force has stated that “[i]n order to accelerate the improvement of educational outcomes for At-Risk students, we must be able to identify evidence-based practices that support tailored academic achievement for At-Risk students and

expand upon these programs.” Cross-Sector Task Force Report at 20. The Edunomics Lab has recommended that, prior to making adjustments to the at-risk weight, DC review the outcomes of the students currently funded by the weight to determine if the funds are being adequately targeted. UPSFF Working Group Report at 10.

¹⁷ The Working Group could not reach consensus on whether to recommend adding an “at-risk concentration” weight. “Some Working Group members felt that the need to address at-risk concentration, particularly at the school level, was clear, backed up by national research, and required more immediate action,” while other members believed the proposal required further study on various questions. UPSFF Working Group Report at 14.

¹⁸ Other jurisdictions that have adopted concentration-based weights provide some guidance on these various questions. *See* Attachment A.

¹⁹ *See, e.g.*, UPSFF Working Group Report at 13 (recommending additional weight funding based on the relative need for certain characteristics (*i.e.*, students in foster care, students who are homeless); Mayor’s Cross-Sector Task Force Report at 36 (recommending consideration of moving to a trauma-based definition of at-risk that more fully accounts for the gradation of risk among high-needs students and directs additional funds to those most affected by adverse childhood experiences).