

DISTRICT OF COLUMBIA PUBLIC CHARTER SCHOOL BOARD

<p>Charter Actions Requiring a Vote</p> <ul style="list-style-type: none"><input type="checkbox"/> Approve a Charter Application<input type="checkbox"/> Approve a Charter Renewal (15 yrs.)<input type="checkbox"/> Approve Charter Continuance (5 or 10 yrs.)<input type="checkbox"/> Approve a Charter Amendment Request<input type="checkbox"/> Approve a Charter Agreement<input type="checkbox"/> Give a Charter Notice of Concern<input type="checkbox"/> Lift the Charter Notice of Concern<input type="checkbox"/> Commence Charter Revocation Proceedings<input type="checkbox"/> Revoke a Charter<input type="checkbox"/> Board Action, Other _____ <p>Policies</p> <ul style="list-style-type: none"><input checked="" type="checkbox"/> Open a New Policy or Changes to a Policy for Public Comment<input type="checkbox"/> Approve a New Policy<input type="checkbox"/> Approve Revisions to an Existing Policy	<p>Non-Voting Board Items</p> <ul style="list-style-type: none"><input type="checkbox"/> Public Hearing Item<input type="checkbox"/> Discussion Item<input type="checkbox"/> Read into Record
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PREPARED BY: Michael Bayuk – Director of Finance

SUBJECT: Open for Public Comment: Revisions to the DC Public Charter School Board Administrative Fee Policy

DATE: September 20, 2021

Proposal

Consistent with the [approval](#) of the Finance Committee of the DC Public Charter School Board (DC PCSB) that was read into public record at the June 21, 2021 Board meeting to exclude certain revenues from the calculation of DC PCSB’s Administrative Fee, the DC PCSB staff recommends its Board vote to open for public comment revisions to the [Administrative Fee Policy](#). A redlined version of the policy may be found in Attachment A. Public comment will remain open from September 20, 2021, until October 18, 2021, with a public hearing on October 18, 2021. The Board is scheduled to vote on the proposal at its meeting on November 15, 2021. Any public comment received during the public comment period will be publicly discussed and taken into consideration prior to the vote.

Written comments may be submitted until October 18, 2021, by mail or email to:

DC Public Charter School Board
3333 14th Street NW, Suite 201
Washington, DC 20010
Public.comment@dcpcsb.org

Background

Pursuant to the DC School Reform Act of 1995 (DC Code § 38-1802.11(b)(2)), as modified by the District of Columbia Public Charter School Board Funding Amendment Act of 2014, DC PCSB adopted its Administrative Fee Policy and revised it effective March 22, 2016. Under the Administrative Fee Policy, DC PCSB assesses each public charter local education agency (LEA) an Administrative Fee to cover the cost of DC PCSB's ongoing administrative oversight responsibilities for each LEA. The budget and fees guiding the Administrative Fee calculations are defined in the Administrative Fee Policy.

Summary of Revisions

DC PCSB staff has revised the Administrative Fee Policy to exclude, retroactive to fiscal year (FY) 2020, certain federal emergency relief funds¹ from the calculation of the DC PCSB annual administrative oversight fee (Administrative Fee) assessed to LEAs for their public charter schools (PCS), update the Administrative Fee invoicing process and timing, and clarify the optional Administrative Fee discount (Discount). Key revisions are summarized in the following table.

¹ Federal emergency relief funds consist of revenues from: a) the Paycheck Protection Program (PPP) and the Elementary and Secondary School Emergency Relief (ESSER) funds provided through COVID-19 federal emergency relief funds under the Coronavirus Aid, Relief, and Economic Security (CARES) Act of December 27, 2019 (CARES-ESSER Fund); b) CRRSA-ESSER II Fund enacted on December 27, 2020 under the Coronavirus Response and Relief Supplemental Appropriations Act, 2021 (CRRSA); c) ARP-ESSER III Fund enacted March 11, 2021, under the American Rescue Plan (ARP) Act; or d) equivalent allocations through Scholarships for Opportunity and Results from the Office of the State Superintendent of Education (OSSE) for LEAs not eligible for ESSER funding (ESSER Equivalent).

Revised Policy	Current Policy	Rationale for Change
<p>Administrative Fee calculation excludes only these revenues:</p> <ol style="list-style-type: none"> 1. Philanthropic 2. Investment 3. PPP 4. ESSER or ESSER Equivalent 	<p>Administrative Fee calculation excludes only these revenues:</p> <ol style="list-style-type: none"> 1. Philanthropic 2. Investment 	<p>PPP (\$38M) and ESSER/ESSER Equivalent (\$544M) funds were made available to LEAs from fiscal year (FY) 2020 through FY 2024 for COVID-19 emergency relief purposes. This change will allow these relief funds to directly supplement educational services for the benefit of the PCS students. Exclusion of these funds would reduce the total Administrative Fee by \$5.8M through FY 2024.</p>
<p>Administrative Fee invoices:</p> <ol style="list-style-type: none"> 1. October – Entire Administrative Fee based on October pre-audited enrollment 2. Summer – True-up balance based on IRS Form 990 	<p>Administrative Fee invoices:</p> <ol style="list-style-type: none"> 1. July – One-half based on projected enrollment 2. October – True-up balance based on October pre-audited enrollment 	<p>Under the current policy, the July invoice is superseded by the October invoice (both are due by November 15th). The revised policy eliminates the July invoice to streamline the process, and the true-up summer invoice ensures final accurate invoicing.</p>
<p>Optional Discount on Administrative Fee determined by DC PCSB Finance Committee or Board</p>	<p>Not included</p>	<p>Clarify the Discount that has not previously been part of this Policy but has been offered in varying percentages in past years</p>

Attachments

Attachment A: Revised Administrative Fee Policy

Date: _____

DC PCSB Action: _____ Approved _____ Approved with Changes _____
Rejected

Changes to the Original Proposal:
