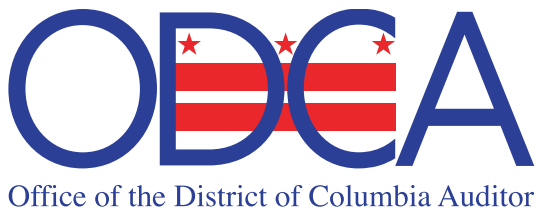
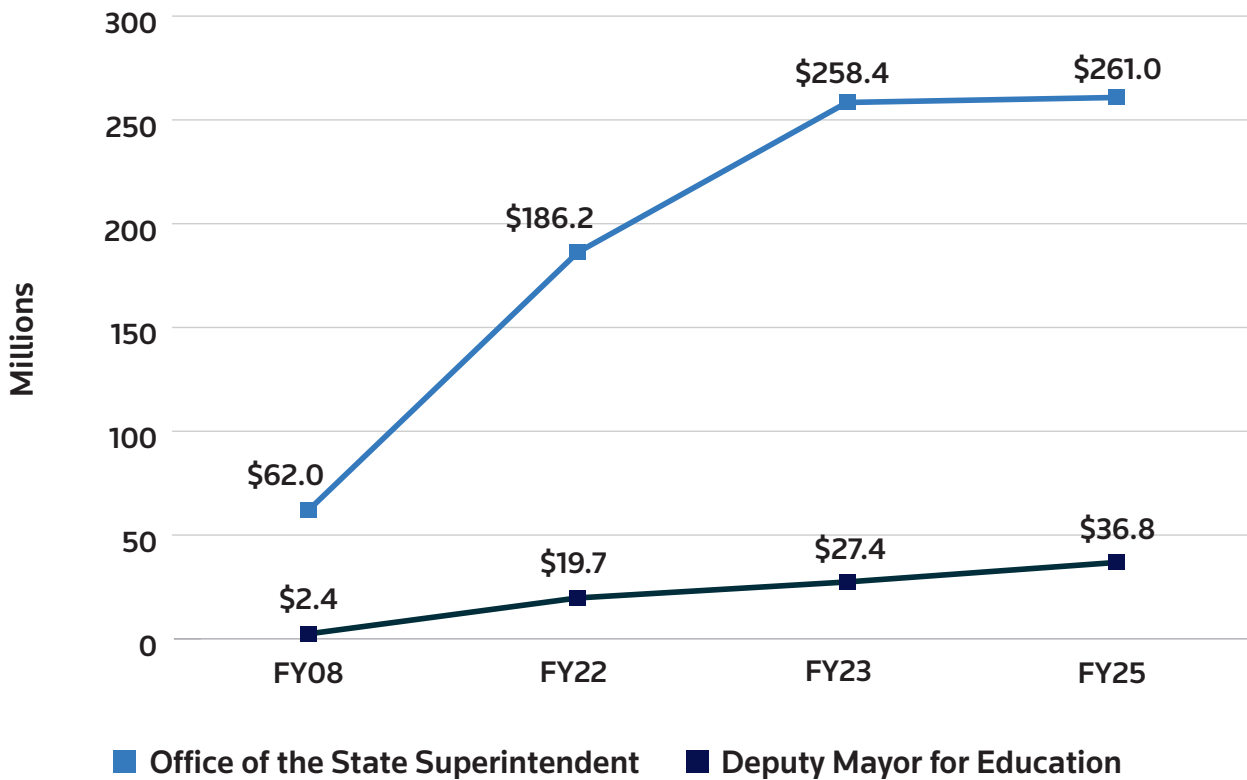


# Major Growth in Funding & Staff for Education Oversight Agencies

March 17, 2026

A report by Alvarez & Marsal for the Office of the D.C. Auditor

### Approved Local Budget



**Audit Team**  
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[www.dcauditor.org](http://www.dcauditor.org)

# Major Growth in Funding & Staff for Education Oversight Agencies

Since 2007, D.C.'s K-12 education system has operated under a largely centralized governance system. In addition to mayoral control of D.C. Public Schools, Executive branch oversight of the District's education system is shared between the Office of the State Superintendent (OSSE), which serves as D.C.'s State Education Agency, and the Deputy Mayor for Education (DME). The Office of the District of Columbia Auditor commissioned this study to bring greater transparency to local budget and staffing changes since FY22 and to assess the governance, oversight, and program responsibilities shared by the two agencies. Total annual leadership and administrative costs amount to an estimated \$91.8 million. The report recommends stream-lined operations and responsibilities and budget transparency and efficiencies. The review also compares D.C.'s education oversight with that of other mayoral-control cities.

March 16, 2026

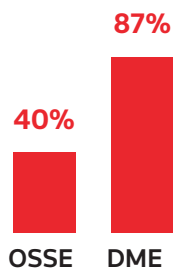
A report by Alvarez & Marsal for the Office of the D.C. Auditor

**96,652**

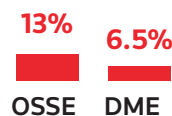
Number of students enrolled in D.C.'s K-12 public school system

**220:1 (in D.C.)**  
**2,440:1 (in Virginia)**

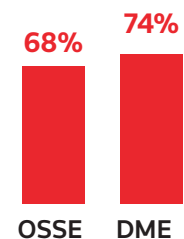
Ratio of students to state education agency staff members.



OSSE and DME local budget growth between FY22 and FY25, respectively.



Increase in OSSE and DME FTE count from FY23 to FY25, respectively.



Proportion of local funds spent by OSSE and DME on grants and subsidies between FY22 and FY 25, respectively.



March 16, 2026

The Hon. Muriel M. Bowser, Mayor  
Mayor of the District of Columbia  
The John A. Wilson Building  
1350 Pennsylvania Avenue NW  
Washington DC 20004

The Hon. Phil Mendelson  
Chairman  
Council of the District of Columbia  
The John A. Wilson Building  
1350 Pennsylvania Avenue NW  
Washington DC 20004

Dear Mayor Bowser, Chairman Mendelson and Councilmembers:

The report that follows, **Major Growth in Funding & Staff for Education Oversight Agencies**, was prepared for the Office of the D.C. Auditor by Alvarez & Marsal Public Sector Services. This is the second in a series on education agencies to assist the District's elected officials in understanding what has driven spending growth in the education sector in the last few years.

We undertook this review based on information included in the FY 2023 Annual Comprehensive Financial Review (ACFR) that showed significant growth in government full-time equivalent positions and – across the education sector – a much greater growth in staff positions than in students. To better understand that growth ODCA engaged Alvarez & Marsal, a consulting firm that has served the District of Columbia with two important after-action reports<sup>1</sup> and has expertise in District of Columbia education expenditures specifically.

The first analysis, *District of Columbia Public Schools Staffing and Resource Allocation Study*, found that the DCPS locally-funded staff grew 19.5% over five years while the number of students grew 2.6%, and that the ratio of students to general education teachers dropped from roughly 19 to 17 students.

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<sup>1</sup> See *Final Report: District of Columbia Public Schools Audit and Investigation* (Jan. 26, 2018), [https://osse.dc.gov/sites/default/files/dc/sites/osse/release\\_content/attachments/Report%20on%20DCPS%20Graduation%20and%20Attendance%20Outcomes%20-%20Alvarez%26Marsal.pdf](https://osse.dc.gov/sites/default/files/dc/sites/osse/release_content/attachments/Report%20on%20DCPS%20Graduation%20and%20Attendance%20Outcomes%20-%20Alvarez%26Marsal.pdf) and *Review and Investigation of Code Enforcement Policies, Procedures, and Inter-Agency Communications Between DCRA, FEMS, and MPD* (Oct. 25, 2019), <https://chairmanmendelson.com/wp-content/uploads/2019/11/Kennedy-Street-Fire-Third-Party-Investigation.pdf>.

In the report that follows Alvarez & Marsal chronicled the growth in the Office of the State Superintendent of Education (OSSE) and the Office of the Deputy Mayor for Education (DME) from FY 2008 to FY 2025. OSSE local funding grew from \$62 million to \$261 million; DME from \$2.4 million to \$36.8 million. They also found:

- Between FY 2022 and FY 2025 OSSE funding grew 40% and full-time equivalent (FTE) staff grew 13%; DME funding jumped 87% and FTEs increased 16%.
- Both agencies saw roles and responsibilities grow since their creation with Mayoral control in 2007, with new functions a result of legislation approved by the Council.
- OSSE has a much higher proportion of staff to students than other comparable state education agencies: one staff member for every 220 students while the Virginia Department of Education has one K-12 agency staff member for every 2,400 students.
- There is some overlap in direct service programs between the two oversight agencies including in attendance and out-of-school time initiatives.

The report recommends that:

- Both agencies significantly improve the transparency of budget data including working with the Office of the Chief Financial Officer to identify how growing administrative costs can be more consistently tracked in the District financial system.
- Both agencies also improve the transparency and reporting of personnel data.
- DME and OSSE collaborate on an efficiency assessment of all locally-funded, direct service programs each agency manages including data on administrative costs, staffing, and program delivery.

We requested comments on the recommendations from the Deputy Mayor for Education and the Office of the State Superintendent of Education and publish their comments in full. OSSE takes exception with the report's methodology, questions the expertise of drafters and recommends "substantially amending or withdrawing" the report. We reject that suggestion and explain why in the ODCA Response to Agency comments at the conclusion of the report.

We hope this analysis is useful to elected officials as they undertake the challenges of an increasingly difficult budget and financial outlook for the District of Columbia.

Thank you.

Sincerely yours,



Kathleen Patterson  
D.C. Auditor

cc: Councilmembers

**Kathleen Patterson, District of Columbia Auditor**



## **Study of Education Governance & Oversight**

Deputy Mayor for Education

Office of the State Superintendent of Education

**SUBMITTED TO:**

Kathy Patterson, DC Auditor  
Office of the District of Columbia Auditor  
1331 Pennsylvania Ave NW, Suite 8000 South  
Washington, DC 20004

**SUBMITTED BY:**

Alvarez & Marsal Public Sector Services  
655 15<sup>th</sup> Ave NE, Suite 600  
Washington, DC 20005

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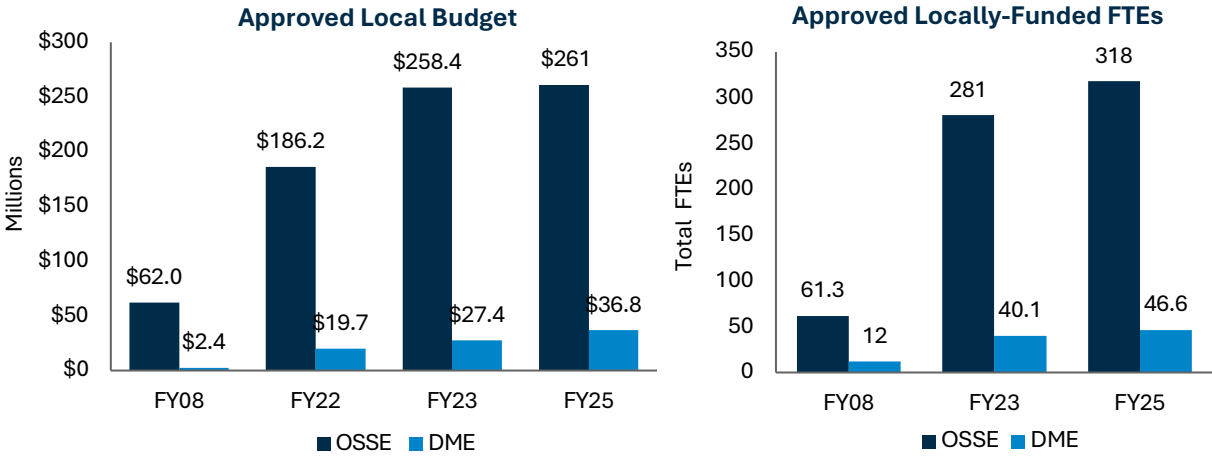
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# Executive Summary

## Background and Scope

Since 2007, DC’s K-12 education system has operated under a largely centralized governance system. Beyond mayoral control of DC Public Schools, within the Executive branch, governance and oversight of the District’s education system is shared between the Office of the State Superintendent (OSSE), which serves as DC’s State Education Agency (SEA), and the Deputy Mayor for Education (DME). This governance structure was established in 2007, with the enactment of the Public Education Reform Amendment Act (PERAA), which eliminated the elected school board and placed DCPS under mayoral control. DME was created within the Executive Office of the Mayor and OSSE was established as a new agency,<sup>1</sup> creating a “clearly defined and accountable state education agency” to house many of DC’s state-level education functions.

Since their inception, both DME and OSSE have broadened their scope, budget, and FTE count. OSSE’s local budget is now more than four times as large as it was in Fiscal Year (FY) 2008 and DME’s budget is 15 times the size it was in its first year of operation. Over the past four years, between FY 2022 and 2025, OSSE and DME’s local budgets increased by 40% and 87% respectively.<sup>2</sup> OSSE’s local FTE count increased by 37 (13%), while DME’s increased by 6.5 (16%) between FY 2023 and 2025.<sup>3</sup>



FY08 budget and FTE data based on Public Budget Chapters

The Office of the District of Columbia Auditor (ODCA) commissioned this study to bring greater transparency to local budget and staffing changes since FY22 and to assess the distribution of governance, oversight, and programmatic responsibilities between the two agencies. The

<sup>1</sup> When OSSE was established, it replaced a smaller agency, the State Education Office (SEO). SEO was not part of the public school system, DCPS.  
<sup>2</sup> Budget trends based on analysis of the District’s internal budget data sources.  
<sup>3</sup> Due to data inconsistencies within OSSE and DME’s internal personnel system of record (PeopleSoft), the FTE trends for OSSE could only be captured for FY23 – FY25, while DME’s FTE data are based on public budget chapters published by the Office of the Chief Financial Officer (OCFO).

Education Governance and Oversight Study was conducted between July and October 2025 using publicly available data and reports (DC Government Annual Budgets) as well as internal data sources.

## Research Questions & Study Objectives

This study documents the responsibilities, programs, and costs of both agencies and how they have changed over time; examining the current governance structures to identify specific gaps or overlaps; and providing actionable recommendations aimed at enhancing operational effectiveness and informing strategic budget allocations for future fiscal years. This study aims to answer the following research questions:

1. What are the minimum legally required functions (under federal and District law) for the SEA to perform in Washington, DC?
2. How do OSSE's performed activities compare with those performed at other benchmark SEAs?
3. What governance and oversight duties, responsibilities, and programs have been added to each agency? Are there areas of overlap and duplication in the DME and OSSE?
4. What are the DME and OSSE supporting with the new investments in dollars and FTEs since FY22?
5. Is the DME performing any of the functions of the SEA? Is DME or OSSE performing any of the functions of an LEA?

## Data Limitations

This study was limited by the availability and comparability of internal datasets provided. OSSE's budget and FTE data presented challenges in tracking budget and staffing changes year-over-year, as internal data sources require significant institutional knowledge to reconcile with public budget chapters. For example, the District used the financial system known as SOAR (System of Accounts and Reporting) in FY22 and transitioned to a new enterprise system, the District Integrated Financial System (DIFS) in FY23. Each system varies in how budget data is categorized. Because A&M faced limitations in cross walking the SOAR budget structure to the DIFS budget structure, some of the observations captured in this report do not include FY22 data. Additionally, the budget and FTE analysis used throughout this report leverages both public data sources from the Office of the Chief Financial Officer (OCFO) and internal systems of record.

## Observations

The following observations emerged from staff interviews, review of strategic planning documents, and analysis of public and internal budget data:

1. **Both OSSE and DME's budget and personnel data lack transparency, limiting visibility into a clear picture of year-over-year trends.** Internal datasets require institutional knowledge and extensive caveats to analyze due to inconsistencies in how data is categorized. For example:

- OSSE’s local budget includes passthrough funding across multiple account categories, not just the category titled “government subsidies and grants.” Agency leaders noted that local budget data pulled from the District Integrated Financial System (DIFS) lacked the necessary data fields to identify the recipients of certain passthrough funds (i.e., funds that OSSE receives and directs to another agency or organization). To track all passthrough funds and their recipients, OSSE would have to provide a separate dataset and crosswalk it with the DIFS dataset, requiring institutional knowledge from an agency staff member, who would need to analyze grant recipients line by line.
- At both agencies, there are discrepancies between internal PeopleSoft data and FTE figures listed in public budget chapters. A&M analysis of OSSE’s PeopleSoft data, which uses a methodology agreed upon by OSSE, suggests that the agency added 37 FTEs between FY23 and FY25, whereas the OCFO public budget chapters show 31.9 FTEs added over the same time period.
- At DME, the FTE datasets captured in PeopleSoft often do not include accurate information on vacant positions that are actively being filled versus vacant positions that have been retired, making year-over-year comparisons difficult.

**2. Both OSSE and DME spend a significant portion of their local budgets on grants and subsidy programs** (i.e., passthrough funds). Between FY22-25, over 68% of OSSE’s and over 74% of DME’s local fund budgets were allocated to grants and subsidy programs. As passthrough funding increased, so did the additional administrative resources allocated to distribute and manage the funds.

**3. Select federally-funded initiatives at both agencies were backfilled with local funds.** DME and OSSE’s local operating budgets were increased to sustain programs that had previously been supported with one-time federal pandemic relief funds. For example, in FY23, OSSE used federal COVID funds to replace a portion of the local budget allocated to the Division of Early Learning’s Childcare Subsidy Program. In FY24, this funding was replaced with local funds, increasing the local fund budget to maintain the program. In FY24, DME supported the Out of School Time (OST) program with \$3.4M in local funds, replacing what had previously been funded through federal COVID dollars.

Both agencies used federal COVID funds to expand or support existing programs as well as to launch new programs. For example, when the District launched its citywide high-impact tutoring program during the 2021-2022 school year, it was primarily funded with over \$30M in federal pandemic relief dollars, requiring additional local funds to keep the program operational beyond the 2024-2025 school year. While further investigation into the use of federal COVID funds to launch new programs would improve transparency into District spending, it is beyond the scope of this report.

**4. Many of the new and expanded functions in OSSE and DME are the result of legislation passed by the DC Council.** For example, the Early Childhood Pay Equity Fund was established through 2021 legislation and led to an increase of \$53.9M in OSSE’s FY22 local fund budget. Similarly, 2022 legislation designed to improve early childhood literacy added new responsibilities to OSSE, including a pilot program, literacy training and instructional coaches. In 2023, Council passed legislation authorizing DME to implement a new,

centralized data system to track and analyze the impact of education and workforce programs on career outcomes across the District.<sup>4</sup> As a result, DME established the Education to Employment Pathways initiative, adding 1.5 FTEs and launching a new office within the agency.

**5. Compared to other State Education Agencies, OSSE has a high number of state-level staff relative to the total number of K-12 students enrolled across LEAs in the District.**

Analysis of four benchmark states suggested that, across all fund types, OSSE has a significantly higher ratio of SEA K-12 staff to student enrollment. For example, OSSE has one K-12 agency staff member for every 220 students enrolled, while the Virginia Department of Education has one K-12 agency staff member for every 2,440 students.

**6. Both agencies administer programs or deliver services that are often provided by LEAs.**

DME's Out of School Time (OST) programs and some of OSSE's professional development, dual enrollment and internship programs, are services typically provided by an LEA. Given the large number of LEAs in DC (67), including many single site charter schools, providing these services from a centralized agency can create better efficiencies and scale, giving LEAs the opportunity to use the funds for other purposes. However, placing some of these programs at OSSE and others at DME, without a consistent rationale, may create administrative inefficiencies at the "state" level.

**7. There are some instances of overlap between DME and OSSE, evident in direct service programs such as DME's attendance and out of school time initiatives.**

As the SEA and manager of federal funds, OSSE administers Title IV federal grants focused on out of school time services (the 21<sup>st</sup> Century Community Learning Centers), while DME manages local grant programs through the Office of Out of School Time. To help families access resources from both programs, DME developed an online portal called My Out-of-School Time DC, or the MOST-DC portal. DME and OSSE continue to coordinate on out of school time initiatives by partnering on training initiatives offered to grantees and direct service providers, as well as monthly meetings, and the OST Commission, which includes representatives from DME, OSSE, DCPS, the Public Charter School Board (PCSB), and other inter-agency stakeholders.

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<sup>4</sup> Council of the District of Columbia. (2023). *Fiscal Year 2024 Budget Support Act of 2023 (D.C. Law 25-50)* <https://code.dccouncil.gov/us/dc/council/laws/25-50>.

# I. Approach

## Introduction

Since 2007, DC has operated under a largely centralized education governance system, with the mayor retaining direct oversight of the District’s education system. Within the Executive branch, governance and oversight of the District’s education agencies are shared between the Office of the State Superintendent of Education (OSSE), which serves as DC’s State Education Agency (SEA), and the Deputy Mayor for Education (DME). This governance structure was established in 2007, with the enactment of the Public Education Reform Amendment Act (PERAA), which eliminated the elected school board and placed DCPS under mayoral control.

DME was created within the Executive Office of the Mayor to “serve as the principal policy advisor on education and provide oversight of the District’s agencies that impact school readiness.” OSSE was established as a new agency replacing the smaller State Education Office, creating a “clearly defined and accountable state education agency,” to house many of DC’s state-level education functions. Prior to PERAA, DCPS functioned as both a state-level department of education and a local school district, with some state-level education functions operating within the State Education Office (SEO) created in 2000 and under the Mayor’s control.

Under PERAA, the mayor has the authority to appoint both the State Superintendent of Education (also known as the chief state school officer) and the Deputy Mayor for Education, with OSSE reporting to the DME. The mayor’s authority to appoint both the DME and the state superintendent is notable, as many states do not have an additional executive-level education agency beyond the SEA. Of the five that do (DC, Kentucky, Massachusetts, Oklahoma, and Virginia), only Virginia authorizes the governor to appoint the head of both agencies.<sup>5</sup> Confirmation by the Council of the District of Columbia is required for the State Superintendent but not for the Deputy Mayor.

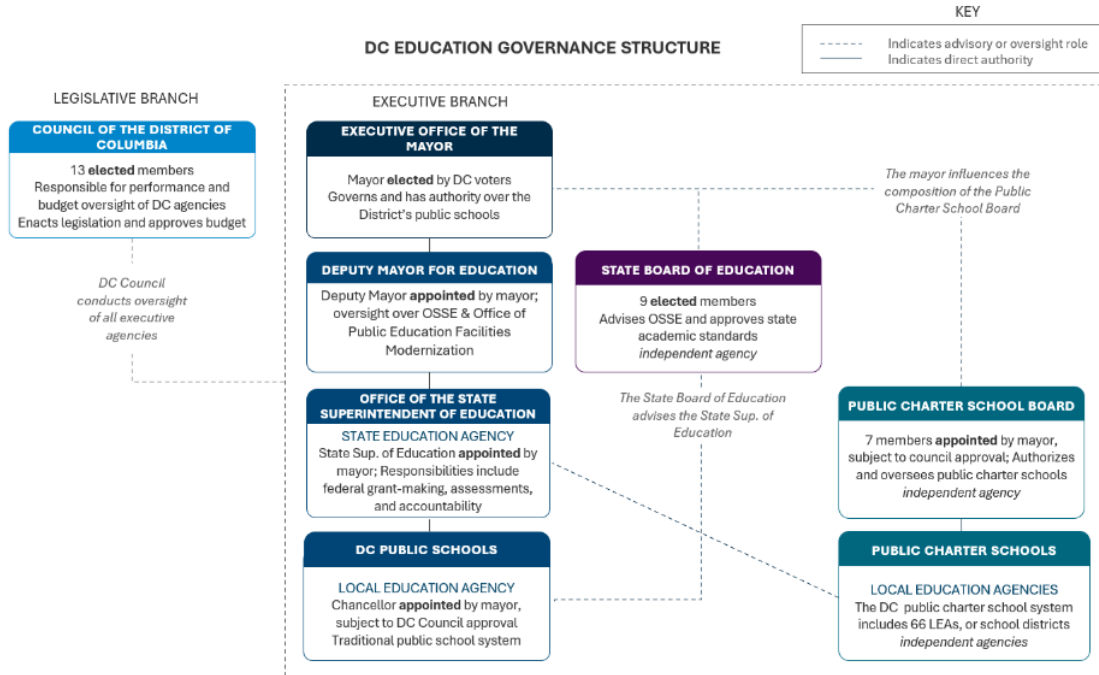
Within DC, there are 67 Local Education Agencies (LEAs), often thought of as school districts: the District of Columbia Public Schools (DCPS) and 66 charter LEAs operating 117 schools. Charter schools are authorized and evaluated by the DC Public Charter School Board (PCSB).<sup>6</sup>

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<sup>5</sup> Virginia’s Secretary of Education, a cabinet-level agency, and the State Superintendent of Education, the SEA, are both appointed by the governor. The Secretary provides guidance to the state’s education agencies, including the Virginia Department of Education (per § 2.2-208 of the Virginia Code).

<sup>6</sup> PCSB operates as an independent agency and authorizes all public charter schools in DC, providing oversight and support to each charter LEA. PCSB members are appointed by the mayor and confirmed by DC Council. DC’s charter school governance model was established in 1995 with the DC School Reform Act (SRA).

**Figure 1**  
**DC Education Governance Structure<sup>7</sup>**



Since their establishment, both DME and OSSE have grown in scope, budget, and full-time employees. In 2008, the first fiscal year OSSE was in operation, the agency had an approved local operating budget of \$62M and 61.3 locally funded FTEs.<sup>8</sup> DME was launched the same year with an approved local budget of \$2.4M and 12 FTEs.<sup>9</sup> As of FY2025, OSSE has an approved local budget of \$260.8M and 318 FTEs. DME's operating budget is \$36.8M with a total of 46.6 FTEs.<sup>10</sup> Much of the budget growth is the result of additional passthrough funding and the administrative resources to manage those funds.

Over the last four fiscal years, local budget and FTEs have continued to grow at both agencies. According to internal data sources, from FY22 to FY25, OSSE's locally funded operating budget increased by 40%, growing by \$74.6 million to a total of \$260.8 million. Between FY23 and FY25, the agency added 37 locally funded FTEs (13% increase). DME's locally funded operating budget

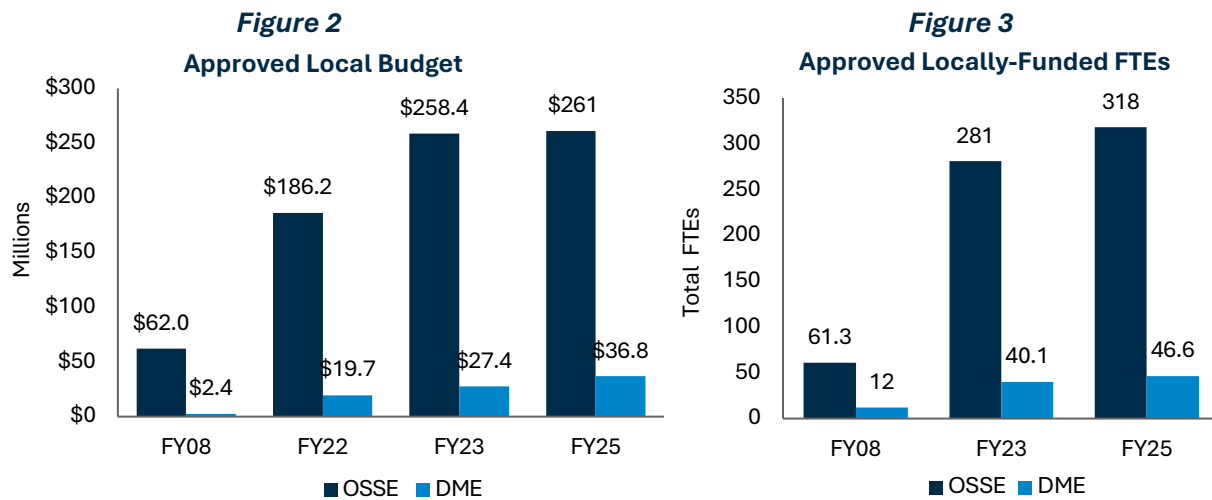
<sup>7</sup> District of Columbia Government. (2024). *DC Government Organizational Chart*. Retrieved from <https://mayor.dc.gov/sites/default/files/dc/sites/mayormb/publication/attachments/DC%20Government%20Org%20Chart%202024.pdf>

<sup>8</sup> Per public budget documents, OSSE had a total approved operating budget of \$318.5M and 131.5 FTEs (all fund types, including local, federal, and special purpose revenue). The following fiscal year (2009) the total budget increased to \$389M and 408.5 total proposed FTEs (239.3 funded locally). DME had a total budget of \$2.4M and 12 FTEs.

<sup>9</sup> Office of the Chief Financial Officer (OCFO). (2008). *FY 2008 Proposed Budget and Financial Plan, Volume 1 – Executive Summary*; FY 2009 *Agency Budget Chapters*.

<sup>10</sup> Note that some of DME's and OSSE's locally-funded FTEs include intra-district staff, such as those funded through a Memorandum of Understanding (MOU) with another agency. For example, table GD0-7 of OSSE's [FY25 Approved Budget](#) indicates that 272.8 FTEs budgeted in OSSE are employed by other agencies, including DCPS and the Department of Human Services (DHS).

increased by 87%, growing by \$17.1 million between FY22 and FY25. The agency has added 6.5 locally funded FTEs (16% increase) since FY23.<sup>11</sup> During the same period, K-12 enrollment (DCPS and charters) increased by approximately 3%.<sup>12</sup>



FY08 budget and FTE data based on Public Budget Chapters

## Scope of Study

Alvarez and Marsal (A&M) was engaged by ODCA to conduct an educational governance study with the goal of providing greater transparency into the growth of functions, programs, budget and FTEs at both OSSE and DME prompted by data published in the Annual Comprehensive Financial Report that showed large growth in staffing throughout the education cluster.<sup>13</sup> This study aims to document and clarify each agency’s current governance structures as well as operational and programmatic changes between FY22 – FY25. Specifically, the study addresses these questions critical to understanding the evolution of DME and OSSE and the role they play in providing oversight and support to the District’s education sector.

1. What are the minimum legally required functions (under federal and District law) for the SEA to perform in Washington, DC?
2. How do OSSE’s performed activities compare with those performed at other benchmark SEAs?

<sup>11</sup> Budget totals based on internal data sources. Please note that all figures have been rounded for clarity. As a result, some totals may not correspond with the sum of the parts. Due to data inconsistencies within OSSE and DME’s internal personnel system of record (PeopleSoft), the FTE trends for OSSE could only be captured for FY23 – FY25, while DME’s FTE data are based on public budget chapters published by the Office of the Chief Financial Officer (OCFO). Public budget chapters for OSSE state that OSSE’s local FTE count increased by 70.6 (23.5%) between FY22-FY25, while DME’s increased by 10.5 (29%) over the same time period.

<sup>12</sup> District enrollment data is based on OSSE’s [total audited annual public enrollment](#).

<sup>13</sup> ODCA. (2025). *District Full-Time Equivalent Grew Much Faster than Population Over 10-Year Period*. Retrieved from <https://dcauditor.org/report/district-full-time-equivalents-grew-much-faster-than-population-over-10-year-period/>

3. What governance and oversight duties, responsibilities, and programs have been added to each agency? Are there areas of overlap and duplication in the DME and OSSE?
4. What are the DME and OSSE funding with the new investments in dollars and FTEs since FY22?
5. Is the DME performing any of the functions of the SEA? Is DME or OSSE performing any of the functions of an LEA?

In the sections that follow, A&M analyzes the growth in OSSE and DME’s governance responsibilities and programmatic activities as well as the associated increases to local budgets and FTEs. Additionally, this report identifies key programs that have either (1) expanded substantially over the past four fiscal years or (2) may go beyond the traditional scope of a typical SEA. A&M uses staff interviews, internal budget data, legislation, and publicly available planning documents to shed light on how these new, expanded, or non-traditional functions came to be.

Given that OSSE, as DC’s SEA, is the primary agency responsible for overseeing LEAs and core educational programs, this study identifies the key functions that OSSE is required to deliver under federal and District law, highlighting where OSSE’s activities may diverge from those of state education agency peers. Finally, this study reviews the overall governance of both agencies, identifying potential areas of overlap between each agency and noting examples where DME or OSSE may be performing the functions of an LEA.

## **Data Sources & Analysis**

The Education Governance and Oversight Study was conducted between July and October 2025 using publicly available data and reports (DC Government Annual Budgets) as well as internal data sources. Both agencies provided FY22 to 25 budget data from two financial management systems, the System of Accounting and Reporting (SOAR) and the District Integrated Financial System (DIFS) as well as FY22-25 personnel data (PeopleSoft position files), agency planning documents (e.g., strategic plans) and organizational charts. Additionally, the A&M team conducted a total of 16 interviews with senior leaders across both agencies.

The analysis in this report uses each agency’s adjusted local funds budget rather than the initial budget. Each year, the mayor and DC Council decide how to allocate the District’s resources for the fiscal year, which results in an initial budget. This spending plan is adapted throughout the fiscal year for a variety of reasons, such as the need to repurpose certain funds for evolving priorities. The adjusted budget used in this report reflects revisions made to the initial budget during the fiscal year (i.e., mid-cycle supplemental and reprogramming budget adjustments).

Throughout this study, A&M differentiates between the “operating budget” and the “administrative budget.” The operating budget, as defined by the Office of the Chief Financial Officer (OCFO), encompasses all day-to-day District activities and includes employee salaries, supplies,

passthrough funds (i.e., subsidies and grants) and other non-personnel items related to current activities (i.e., contracts).<sup>14</sup>

The term “administrative budget” was developed in consultation with DME and OSSE for this study. It subtracts funds categorized as subsidies and grants from the total operating budget, providing a more precise view of the budget used to run each agency.<sup>15</sup> Passthrough funds are funds that an agency receives from one source, such as the DC general fund, and then transfers to another entity, such as an LEA or non-profit organization. These funds are typically intended for a specific purpose that is carried out by the recipients.

By separating passthrough funds from all other fund types, A&M can provide a more accurate picture of how much money OSSE and DME control directly, versus what they simply transfer to other partners, providing a clearer view of the agency’s actual resource requirements.

### **Study Limitations & Considerations**

There are several data quality and consistency considerations that limit the analysis of this study. First, DC used SOAR in FY22 and transitioned to DIFS beginning in FY23 with each system differing in how budget data is categorized. There is not a ready and reliable crosswalk between the two systems, which limits the ability to make reliable detailed comparisons between FY22 spending and subsequent years. In addition, the data used for this study was extracted in July 2025, before the close of FY25, and therefore may not reflect final year-end figures for FY25.

Second, budget data provided from SOAR and DIFS was limited in its description of how local funds are used. Funds could be disaggregated by “account category” (e.g., personnel versus non-personnel), “program” (e.g., Early Learning or Postsecondary & Career Education), and “award.” Within DIFS, “awards” are a broad bucket of funds typically associated with federal grants (e.g., Title I). Awards can be further disaggregated into “projects,” which provide an additional layer of budget detail, such as the grant recipient (e.g., a specific DCPS high school). Projects are associated with a specific description and administrative code to indicate which agency receives the funds (e.g., OSSE or DCPS), however OSSE officials noted that in their view the codes are “inconsistent and not decipherable.” Both agencies have an opportunity to make more consistent and effective use of the Project attribute to plan, account for, and improve the transparency of costs.

Importantly, for many locally appropriated fund types, this level of detail was not available. For example, budget data for local funds allocated to the OSSE Division of Early Learning Educator Pay Equity Program did not include a project or award description, limiting visibility into specific fund

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<sup>14</sup> Office of the Chief Financial Officer. (2023). *District of Columbia FY 2024 Proposed Budget and Financial Plan*. [https://cfo.dc.gov/sites/default/files/dc/sites/ocfo/publication/attachments/ocfo\\_dc\\_budget\\_volume\\_1l.pdf](https://cfo.dc.gov/sites/default/files/dc/sites/ocfo/publication/attachments/ocfo_dc_budget_volume_1l.pdf)

<sup>15</sup> Note that for purposes of this report, administrative budget is different from the Agency Management Program (AMP), which typically encompasses the administrative functions of DC agencies. OSSE and DME use this program differently than designed, with administrative costs are captured in other programs outside AMP.

recipients. A detailed breakdown of how federal and local funds were categorized is available in Table 3 (see Section A of the appendix).

Further limitations exist in calculating the number of inter-agency positions funded by OSSE's local budget but filled by employees in another agency. PeopleSoft does not include a filter to isolate these positions and the methodology to determine inter-agency FTE used in the District's budget book changed in FY24. To address this, A&M worked with OSSE to apply a set of filters to determine the best approximation of year-over-year inter-agency FTE (see Section B of the appendix). DME also noted discrepancies in the FTE positions listed in its PeopleSoft personnel file. These data inconsistencies are the result of the inability to distinguish between vacancies from inactive positions that should have been closed or deleted but were not, and active vacancies that have not yet been filled. In consultation with DME, A&M used public budget files to understand changes in FTE positions over time.

## II. Office of the State Superintendent of Education

Federal law requires states to have a state education agency (SEA) responsible for a common set of federally-mandated functions, including administering federal grants such those authorized in Titles I through IX under the Every Student Succeeds Act (ESSA) and in the Individuals with Disabilities Education Act (IDEA), setting academic standards, administering statewide assessments, verifying student enrollment counts, developing state accountability systems (e.g., publishing a state report card), monitoring LEAs for compliance with federal laws, ensuring teachers meet state certification standards, and managing federal nutrition programs.<sup>16</sup> SEAs also typically have additional responsibilities dictated by state policy and priorities.

### Expansion of Functions

Due to policy changes at the state level, OSSE's functions and responsibilities have continued to expand since the agency was created in 2007. Under PERAA, OSSE was given responsibility for overseeing early childhood education services for DC residents. The passage of the Pre-K Enhancement and Expansion Act of 2008 expanded access to and investment in the District's universal, two-year Pre-K programs for three- and four-year olds.<sup>17</sup> In 2012, OSSE assumed responsibility for providing daily transportation services for eligible special education students, a function the agency continues to deliver today.

In FY08 OSSE was funded at \$61.9 million in local funds but with adjustments spent \$108 million. Local fund spending grew to \$131 million in FY16. By FY24, the agency's total local fund spending reached \$283.6M.<sup>18</sup>

Between FY22 and FY25, OSSE added several new locally-funded responsibilities and programs, many of which resulted from new legislation passed by the DC Council. While the examples below are not exhaustive, they demonstrate how new legislation, as well as increases in locally-funded grants and subsidies driven by the early learning program, played a role in expanding OSSE's overall responsibilities as an agency.

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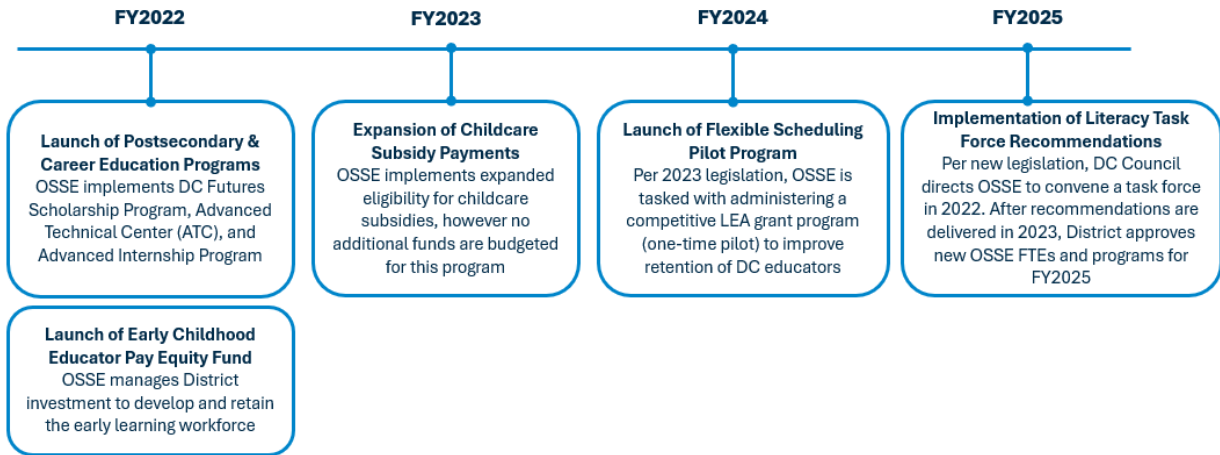
<sup>16</sup> See Table 12, Section C of the appendix for a more detailed summary of federally mandated SEA functions and the major education statues that define these requirements.

<sup>17</sup> OSSE. (2016, February 2). *The State of Pre-K in the District of Columbia*.

[https://osse.dc.gov/sites/default/files/dc/sites/osse/publication/attachments/OSSE Annual Pre-K Report 2016 Feb 2 1017.pdf](https://osse.dc.gov/sites/default/files/dc/sites/osse/publication/attachments/OSSE%20Annual%20Pre-K%20Report%202016%20Feb%201017.pdf)

<sup>18</sup> ODCA. *Twenty Years of D.C. Agency Overspending*. (2025) Retrieved from [Twenty Years of D.C. Agency Overspending - Office of the DC Auditor](#)

**Figure 4**  
**Timeline of New Responsibilities & Programs within OSSE**



*Figure 4 above based on analysis of OSSE Public Budget Chapters, FY22-25*

During this time period, OSSE:

**Expanded Postsecondary & Career Education Programs.**<sup>19</sup> OSSE oversaw new investments in Career and Technical Education (CTE), the DC Futures Scholarship, Advanced Technical Centers (ATC) and the Advanced Internship Program. These investments were initially funded through federal COVID funds and as those funds expired, local funds and other sources enabled the programs to continue. Additionally, the FY25 approved local budget included:

- An additional 11 FTEs and \$5M to support the Reimagine High Schools Strategy, including funding and staff for ATCs, internship programs and dual enrollment<sup>20</sup>
- An increase of \$4.3M for the DC Futures Program

**Launched the Early Childhood Pay Equity Program.** In 2021, DC Council passed the Early Childhood Educator Pay Equity Fund Establishment Act, which established a special fund, administered by OSSE, to support DC child care providers by offering more competitive wages.<sup>21</sup> The legislation also created a task force to be staffed by OSSE, responsible for making

<sup>19</sup> The DC Futures Program provides scholarship funding and support services for DC college students to complete an associate or bachelor’s degree at a local institution. Launched in 2022, ATCs are designed to improve DC students’ access to CTE courses by centralizing programs within a common, well-equipped facility, allowing students to attend from across the District. The Advanced Internship program is part of OSSE’s Career and Technical Education program and places eligible high school seniors into paid and credit-bearing internship opportunities during the school year.

<sup>20</sup> OCFO. (2024, July 30). *FY2025 Approved Budget and Financial Plan*. [https://cfo.dc.gov/sites/default/files/dc/sites/ocfo/publication/attachments/gd0\\_osse\\_chapter\\_2025j.pdf](https://cfo.dc.gov/sites/default/files/dc/sites/ocfo/publication/attachments/gd0_osse_chapter_2025j.pdf)

<sup>21</sup> DC Code § 1-325.431. (2021). *Early Childhood Educator Pay Equity Fund*. Retrieved from <https://code.dccouncil.gov/us/dc/council/code/sections/1-325.431>

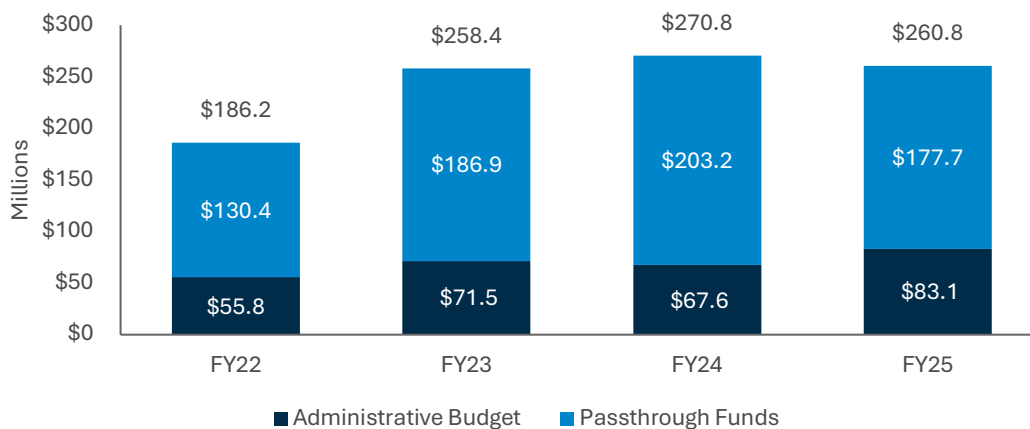
recommendations around how to implement the fund. In FY22, the Council increased OSSE’s local budget by \$53.9M to support the launch of the Pay Equity Fund.

**Led the Structured Literacy Task Force & Implemented Key Recommendations.** In 2022, the Council passed legislation mandating the creation of a new task force focused on early childhood literacy. Since then, OSSE has been tasked with implementing the recommendations of the task force, receiving new local funding to support this work. Under the legislation, OSSE must administer a pilot program to support “structured literacy instruction skills” during the 2025-2026 and 2026-2027 school years. The agency is required to “maintain and support no fewer than 4 literacy coaches to support up to 20 schools.”<sup>22</sup> The FY25 budget increased funding by \$566K and added 7 additional locally funded FTEs to OSSE’s Educator Training division to support early literacy.

### Changes in Local Funds & FTEs

Since FY22, OSSE’s locally funded operating budget has increased by \$74.6 million – a 40% increase – with much of that growth the result of passthrough funds. Between FY22-25, an average of 71% percent of OSSE’s local budget was allocated to subsidies and grants. In FY24 and FY25, OSSE allocated 75% and 68% of local funds to subsidies and grants respectively. One of the largest of these is the agency’s Early Childhood Educator Pay Equity Fund which awards quarterly payments to childcare providers, who in turn increase compensation for their staff using a funding formula established by OSSE.

**Figure 5**  
**OSSE Local Operating Budget**  
FY22-25



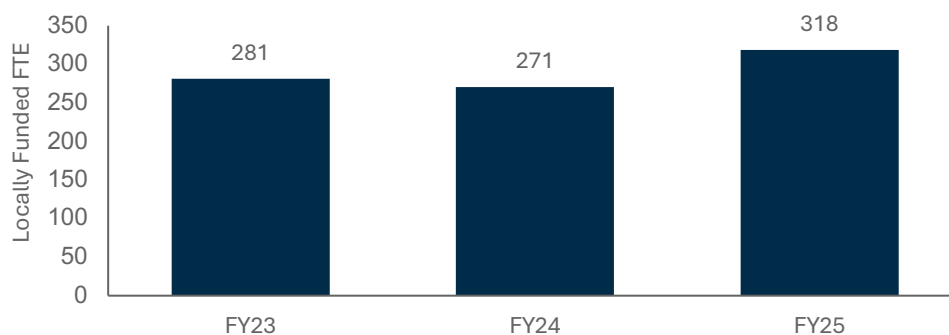
Within OSSE’s locally funded operating budget, the agency’s administrative budget (i.e., contracts, personnel and equipment) increased by \$27.3 million (49% increase), growing from \$55.8 million to

<sup>22</sup> D.C. Code §§ 38-2261 - 2265. (2024). *Chapter 22D: Structured Literacy Action Plan*. Retrieved from <https://code.dccouncil.gov/us/dc/council/code/titles/38/chapters/22D>.

\$83.1 million between FY22 and FY25. From FY23 to FY25, the administrative budget grew by \$11.6 million, including increased personnel costs and decreased facilities costs.

The growth in OSSE’s locally funded administrative budget can largely be explained by the increase in FTE and contractual services. Between FY23 and FY25, as seen in Figure 6 below, OSSE’s locally funded FTE increased by 37 positions (18%). Of the 37 additional FTE, at least 17 were newly created positions. Due to limitations in the personnel data provided, A&M is unable to confirm the status of the additional 20 positions (i.e., whether they were existing positions that were transferred to the local budget).

**Figure 6<sup>23</sup>**  
**Locally Funded FTE at OSSE**  
FY23-25



These 17 new FTE positions trended towards higher-salaried technical and supervisory positions, with pay grades ranging from Grade DS 12 – 15<sup>24</sup> and salaries between \$80,784 and \$151,503. Five of the 17 FTE (29%) had level 14 and 15 pay grades (see section H of the appendix). In terms of allocation to teams, five of the 17 FTE (29%) were added to the Agency Management Program while only one of the 17 new locally funded FTE was allocated to the Early Learning Program (see Figure 7 below for a breakdown of OSSE’s program categories).<sup>25</sup>

Given the high volume of subsidies and grants administered by OSSE, the agency also relies on administrative resources such as grant management specialists to distribute and manage these funds. As grants and subsidies increased, administrative costs also increased. A&M was unable to identify the total number of full-time grant management specialists year over year at OSSE using the data provided. However, in FY23, OSSE was allocated a total of 36 FTEs with the title Management Analyst and by FY25, the agency had 81 FTEs in this position (all locally-funded staff).

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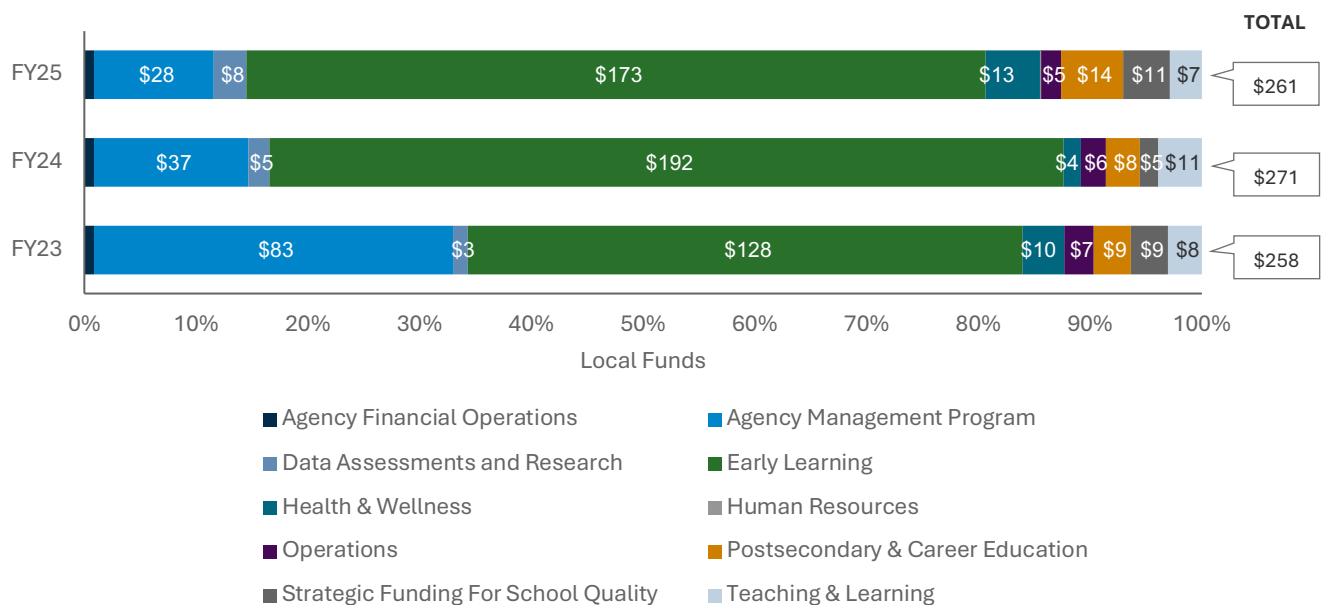
<sup>23</sup> The FY22 dataset from SOARs is not included in this analysis because the data file did not include the fund type per FTE. Therefore, the locally funded FTE could not be included in the analysis.

<sup>24</sup> Analysis completed using OSSE PeopleSoft dataset, which includes a maximum pay grade of 16, with a separate grading classification for the state superintendent. According to [Chapter 11 of the Electronic District Personnel Manual \(EDPM\)](#), the District Service Schedule (DS) is the basic pay schedule for positions which are divided into 18 grades of difficulty and responsibility of work.

<sup>25</sup> See Section B and Section H of the appendix for more detail on the methodology and datasets used to analyze OSSE FTE data.

OSSE’s organization structure is organized into 12 divisions that sit directly below the Superintendent, including Early Learning; Strategic Funding for School Quality; Teaching & Learning; Postsecondary & Career Education; Health & Wellness; Data, Assessment & Research; Systems Technology; Operations; Human Resources; Student Transportation; Chief of Staff and General Counsel. While the agency is organized across these 12 divisions, the budget is categorized across 10 program areas, listed in Figure 6 below. The 10 budget categories do not consistently map to the 12 divisions.

**Figure 6**  
**OSSE Local Funding By Program, FY23-25**



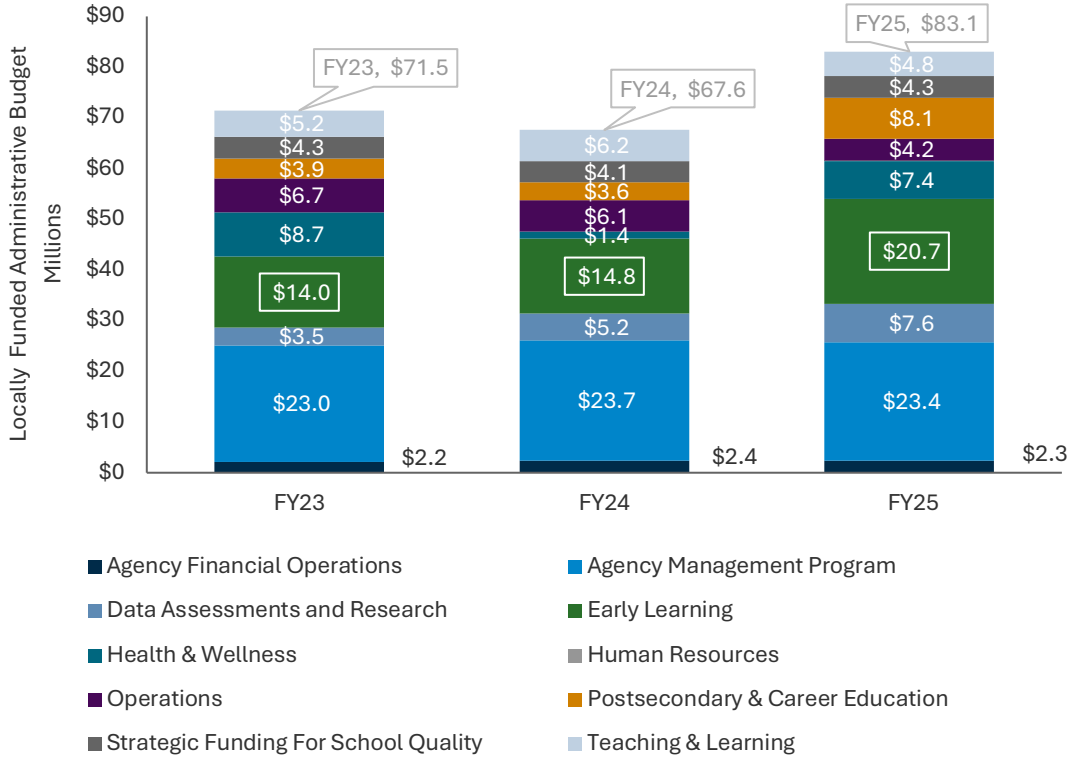
The Division of Early Learning, which focuses on children from birth to kindergarten, is by far the largest program at OSSE, encompassing 66% of the local operating budget in FY25 and 25% of the total administrative budget. Given the level of investment, A&M conducted deeper program-level analysis to provide greater transparency into this priority area.

*Investments in the Division of Early Learning*

DEL is funded through a combination of federal and local funds. Over the past three fiscal years, local operating funds allocated to the Early Learning program have grown substantially, increasing by \$45M between FY23 and FY25 (see Section E of the appendix). Within the Early Learning Program, OSSE noted that the FY23 budget includes a revenue swap of local funding with one-time ARPA Local Revenue Replacement funding, designated to support DEL’s Child Care Subsidy Program. Once ARPA funds expired, the local budget for this program was increased in FY24 to sustain the funding level.

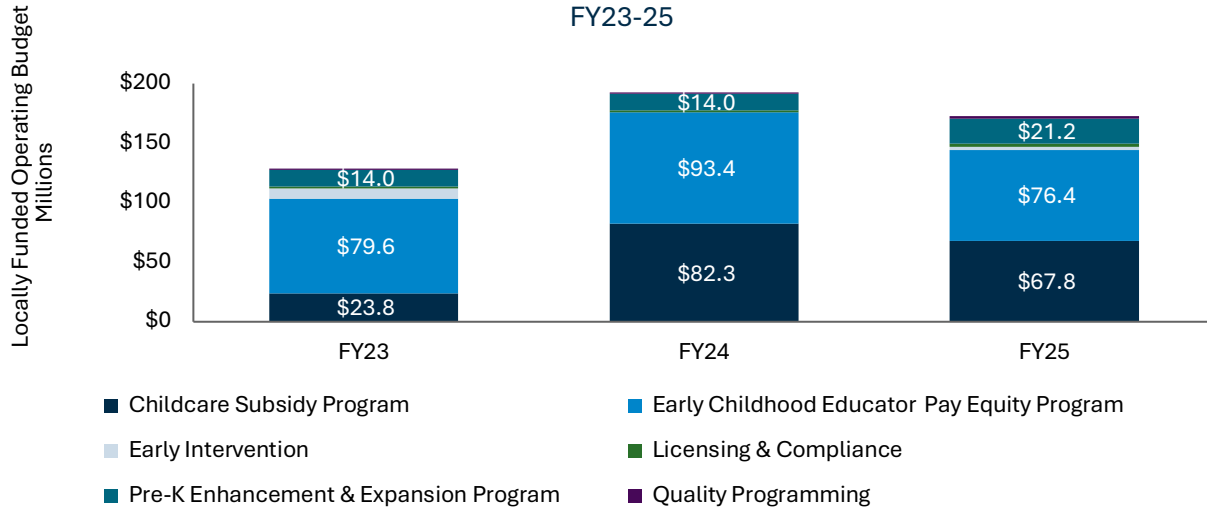
As captured in Figure 7 below, OSSE’s locally funded administrative budget increased by \$11.6 million between FY23-25, with nearly half of that growth (\$6.6 million) going to the Early Learning program. In FY25, Early Learning comprises a quarter of the locally funded administrative budget (see Section D of the appendix).

**Figure 7**  
**OSSE Locally Funded Administrative Budget by Program**  
 FY23-25



There are six key program activities within the Division of Early Learning: The Childcare Subsidy Program, Early Intervention, Pre-K Enhancement, Early Childhood Educator Pay Equity Program, Licensing and Compliance, and Quality Initiatives. The Child Care Subsidy Program experienced the largest growth since FY23, increasing from 19% of the DEL operating budget (\$23.8 million) to 39% in FY25 (\$67.8 million).

**Figure 8**  
**OSSE Locally Funded Operating Budget**  
**Sub-Programs within Early Learning**  
 FY23-25



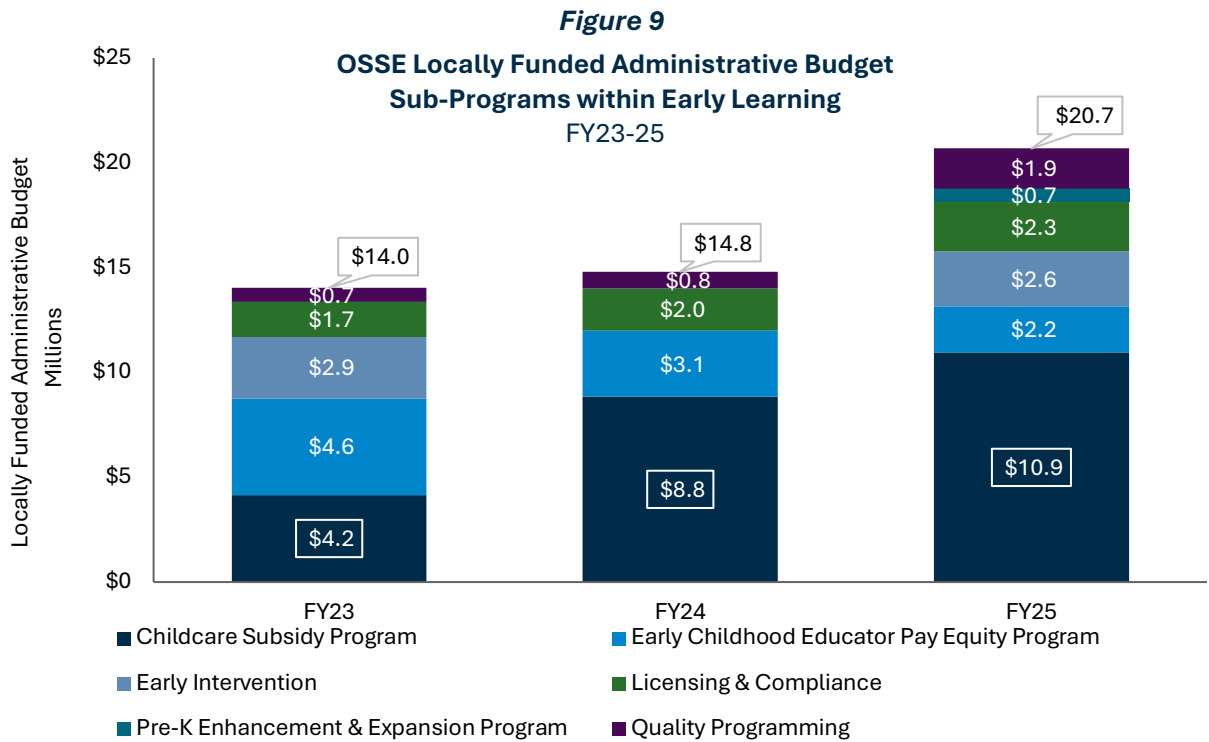
*Investments in the Childcare Subsidy Program*

The Childcare Subsidy Program is designed to subsidize childcare costs paid by DC families, covering all or part of a family’s childcare costs. A substantial portion (\$19.7M or 82%) of the program budget is comprised of passthrough funds in the form of subsidies awarded directly to childcare providers. In interviews, OSSE staff confirmed that the subsidies allocated to the Childcare Subsidy Program support payments to child development facilities for services delivered to children participating in the District’s Child Care Subsidy Program. As of August 2025, 180 childcare providers, operating in 290 locations received childcare subsidy payments. While subsidy enrollment varies by month, OSSE reported that as of July 2025, 7,358 children were enrolled in the program, a notable jump from the 5,767 children enrolled in the program in October 2024.<sup>26</sup>

As the Child Care Subsidy Program’s payments increased, the program’s administrative budget also increased at a much higher nominal rate (see Figure 9 below). Between FY23 and FY25, the locally funded administrative budget increased by nearly 160%, jumping from \$4.2 million in FY23 to \$10.9 million in FY25. While the administrative budget saw a notable increase overall, the proportion of the program’s total budget allocated to administrative expenses remained relatively similar year over year (17.6% and 16% of the total subsidy program went to administrative expenses in FY23 and FY25, respectively<sup>27</sup>). If the Child Care Subsidy Program continues to grow, there are likely opportunities to gain economies of scale in the administrative budget. Improving how administrative data is categorized in the budget (i.e., capturing all administrative costs within the Agency Management Program), would help to identify how best to capture these efficiencies.

<sup>26</sup> OSSE. *Responses to Fiscal Year 2024 Performance Oversight Questions*. (28 February 2025). <https://lims.dccouncil.gov/Hearings/hearings/664>

<sup>27</sup> Section I of the report appendix provides additional detail on budget trends in the Child Care Subsidy Program



### Key Insights

- OSSE’s locally funded operating budget has grown by 40% since FY22, driven mainly by increases in early learning.** Over the past three years, the budget increased by \$74.6 million, primarily in passthrough funds for the Child Care Subsidy Program. Between FY23 and FY25, local operating funds for this program grew by \$45 million. In FY25, 75% of OSSE’s local budget went to passthrough funding. In addition, nearly half of the administrative budget growth during this period (\$6.6 million) was allocated to Early Learning, which now comprises 25% of the locally funded administrative budget.
- The number of locally funded FTE positions at OSSE has increased by 18% between FY23 and FY25.** This growth includes 37 new positions, with 17 being newly created. These positions were primarily technical and supervisory roles, with salaries ranging from \$80,784 to \$151,503. Notably, five of these new positions were allocated to the Agency Management Program, while only one was assigned to the Early Learning Program.
- OSSE’s roles have expanded due to new legislation passed by the DC Council and by continuing to administer federally funded, COVID-era programs with local budget.** Since FY22, Council legislated the creation of the Structured Literacy Task Force and the implementation of its recommendations, including funding new literacy coaches and a flexible scheduling pilot. In addition, local funds were added to OSSE’s budget to continue Career and Technical Education (CTE) programs that were previously supported by federal Covid relief funds

## Comparison to Select State Education Agencies

State Education Agencies were established to administer state and federal education programs, focusing primarily on compliance and the distribution of funds to Local Education Agencies. Today, all SEAs have expanded their roles to include programs and supports based on state-specific priorities. As those mandates grow, SEAs face the challenge of balancing traditional, federally-mandated administrative functions with new responsibilities around policy development and implementation.

For purposes of this study, A&M grouped the core responsibilities of a typical SEA into the following six high-level categories (see Section G of the appendix) in order to compare OSSE's functions to a set of peer SEAs:

1. **Fund Distribution** – Provide fiscal management and oversight, administering state and federal funds
2. **Academic Standards & Assessments** - Develop accountability systems, set academic standards and assess student performance to ensure eligibility for federal funds
3. **Policy Oversight & Compliance** – Ensure compliance with federal and state laws
4. **Data Analysis, Collection & Reporting** – Collect and report high-quality data, maintain data systems, and establish strong data governance policies
5. **Educator Workforce & Licensing** – Develop and enforce teacher certification and licensing standards and support professional development
6. **Program Administration** – Support LEAs through pilot programs or grant competitions aimed at improving instructional practices

There are several examples in which OSSE's functions are unique or more expansive than those of its peers across the US (and instances where other SEAs assume responsibilities not fulfilled by OSSE). DC's education system is unique given its city-state status<sup>28</sup> and large public charter school sector concentrated within a relatively small geographic area. DC's status as both a city and a state means that its education system must be structured to accommodate this dynamic. For example, OSSE provides transportation services to eligible students with disabilities, a function that is typically run by LEAs. Because DC features 66 charter LEAs located within a 68-square mile district, many of which operate a single campus, a centralized transportation system run at the SEA level can help to mitigate the operational challenges that a small LEA might face in running its own bus system.

From a state perspective, DC is also unique because the chief executive holds a particularly high degree of authority over public education, appointing the leaders of both education oversight agencies - the chief state school officer (referred to as the State Superintendent of Education in DC) *and* the Deputy Mayor for Education. The mayor appoints the Chancellor of DCPS and also nominates individuals to the charter school governing board, subject to Council approval.

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<sup>28</sup> Unlike its SEA peers across the US, DC does not have a state government or an elected governor. Rather, D.C. residents elect local government leaders and policymakers, including the mayor and DC Council. DC is also different from other SEAs due to its broader status as a federal district rather than a state, with Congress holding jurisdiction over the District.

A&M reviewed state education agencies in Virginia, Rhode Island, Delaware, and Mississippi as comparable peers, selecting each state based on its similarity to DC across several different factors, including education governance structure, total population of students served, and academic outcomes. No single SEA peer shares all of these characteristics with OSSE; however, each state’s staffing levels, core functions, and specific activities help to demonstrate where OSSE is both similar to and different from other SEAs.

**Education Governance Structure.** Virginia Department of Education (VDOE) is a comparable “SEA peer” to OSSE due to its geographic proximity and similar governance structure. In addition to sharing a border, both DC and Virginia’s education systems have two authoritative education leadership positions within the state education system. DC has a State Superintendent of Education and a Deputy Mayor for Education. Similarly, Virginia has a Superintendent of Public Instruction and a Secretary of Education. In DC and Virginia, both education officials are appointed by a single government executive, as opposed to a state board or election.<sup>29</sup> As such, the executive branch holds significant authority over education leadership in both states.

**Total Population of Students Served.** Rhode Island Department of Education (RIDE) and Delaware Department of Education (DDE) were selected as benchmark SEAs due to their states’ comparable student populations, total land area, and geographic proximity to DC. As captured in Table 1 below, DC’s total student FY24 fall enrollment was 99,652 students, with Rhode Island and Delaware serving 135,978 and 142,053 students respectively.<sup>30</sup>

**Academic Outcomes.** Mississippi Department of Education (MDE) was selected due to the state’s notable gains in academic progress during the post-pandemic recovery period and improved reading and math outcomes, with fourth-grade students leading the U.S. in academic growth on the federally-mandated National Assessment of Student Progress (NAEP) over the time period between 2013 and 2024.<sup>31</sup>

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<sup>29</sup> Per A&M analysis, only five U.S. states/districts, including Virginia, Kentucky, Massachusetts, Oklahoma and DC have dual offices for education (i.e., two executive positions overseeing the state education system).

<sup>30</sup> Total enrollment counts based on Fall 2024 enrollment reported by each state, including charter school and Pre-K. Note that while there are other SEAs with student populations closer to that of DC such as Wyoming and North Dakota, they were not selected as benchmark states for this study due DC’s dense population and urban education environment.

<sup>31</sup> Based on results from the [Mississippi 2024 Reading State Snapshot Report](#) in the Nation’s Report Card and reports from the [Mississippi Department of Education](#).

**Table 1 Benchmark Comparison of High-Level Agency Characteristics<sup>32</sup>**

General Characteristics	State Education Agency				
	State & Abbreviated Title of Agency				
<i>How do these SEAs compare on key characteristics?</i>	District of Columbia <b>OSSE</b>	Virginia <b>VDOE</b>	Rhode Island <b>RIDE</b>	Delaware <b>DDE</b>	Mississippi <b>MDE</b>
Total K-12 Student Enrollment <sup>33</sup>	99,652	1,261,387	135,978	142,053	436,523
Total K-12 FTEs <sup>34</sup>	453 <sup>35</sup>	517 <sup>36</sup>	150	200	342
Ratio of K-12 Enrollment to K-12 Agency FTEs	220:1	2,440:1	906:1	710:1	900:1
Leadership Model	Mayor Appointed	Governor Appointed	State Board Appointed	Governor Appointed	State Board Appointed
Agency Scope Early Childhood Ed. (ECE), K-12, Higher Ed. (HE)	ECE, K-12, HE	ECE, K-12	Some ECE, K-12	ECE, K-12	Some ECE, K-12, HE

<sup>32</sup> See Section C of the appendix for additional detail on the methodology used to conduct this analysis.

<sup>33</sup> Total student enrollment includes pre-K through 12 and is inclusive of public charter school students. All data is based on statewide SY 2024-2025 Fall Enrollment Counts, as reported on each SEA’s website.

<sup>34</sup> Total K-12 FTEs includes all fund types (federal and local) and is based on FY24 data gathered from state budget documentation. Because some agencies house early childhood and higher education programs in separate agencies, the FTE totals represented here are only inclusive of FTEs designated as K-12 staff to allow for consistent comparison. Note that this analysis is an estimate based on publicly available data to understand general trends. Agencies may self-report different staff allocations. A detailed explanation of A&M’s methodology is provided in Section C of the appendix.

<sup>35</sup> Total K-12 FTEs for OSSE does not include staff responsible for student transportation (e.g., a motor vehicle operator). Per the [FY24 budget chapter](#), OSSE’s approved budget includes 976 total FTEs (across federal and local funds), 473 early childhood FTEs and 49 postsecondary FTEs were subtracted from this total, resulting in an estimated 453 SEA FTEs allocated to K-12 programs.

<sup>36</sup> Total K-12 FTEs for VDOE includes all agency staff, as the A&M team was not able to identify a public source that outlines program-level FTE allocations to early childhood.

The benchmark comparison in Table 2 below uses OSSE’s activities as a baseline to compare against the other SEAs. The highlighted activities offer a sample of OSSE’s functions, particularly those that set OSSE apart from other SEAs, and are not designed to be representative of all activities conducted by the agency.

**Table 2 Benchmark Comparison of SEA Activities**

Core SEA Function	SEA Activity	State Education Agency				
		District of Columbia <b>OSSE</b>	Virginia <b>VDOE</b>	Rhode Island <b>RIDE</b>	Delaware <b>DDE</b>	Mississippi <b>MDE</b>
	<i>Do other SEAs engage in this activity?</i>					
Fund Distribution	Provide supplemental local funding for early literacy programs	●	●	●	●	●
Educator Workforce & Licensing	Deliver Professional Development Directly to LEAs	●	●	●	●	●
Educator Workforce & Licensing	License Postsecondary Institutions	●	●	●	●	●
Educator & Workforce Licensing	Administer and License Childcare Programs	●	●	●	●	●
Program Administration	Administer Lottery School System	●	●	●	●	●
Other	Deliver Transportation Services for LEAs	●	●	●	●	●

● SEA performs this activity

● SEA has limited involvement in this activity

● SEA does not perform this activity

The benchmarking revealed that:

**OSSE’s agency-wide staffing levels are high compared to its peers.** When comparing the ratio of K-12 agency staff to total students enrolled in public K-12 schools across all fund types, DC stands out for having a high proportion of state-level staff. For example, total pre-K-12 student enrollment in the District in FY24 totaled 99,652 students, with approximately 453 full-time staff employed at OSSE dedicated to pre-K-12 functions. In comparison, total student enrollment in Virginia was nearly 12 times higher, with 1.26M students and only 13% more full-time staff – a total of 517 FTEs – working at the Virginia Department of Education (VDOE). Whereas OSSE has one K-12 agency staff

member for every 219 students enrolled, VDOE has a significantly higher student to SEA staff ratio of 2,440:1. The VDOE has 64 more FTE to serve 1.16M more students than DC.

**OSSE is highly involved in direct delivery of professional development, which is not necessarily required of SEAs. However, OSSE is well-aligned to its peers in performing legislatively mandated activities around early literacy training and grantmaking.** OSSE plays a direct role in developing and delivering professional development programming directly to LEAs similar to the types of professional development activities performed in Delaware and Mississippi. Importantly, OSSE is also closely aligned with its SEA peers when it comes to implementing legislation on early literacy instruction. Across the board, DC, Virginia, Rhode Island, Delaware and Mississippi have implemented legislation requiring additional teacher development and support in early childhood literacy.

**Like many other SEAs, OSSE is responsible for all early childhood education activities.** Because early childhood education governance models vary widely from state to state, OSSE is not unique in administering and licensing statewide childcare programs. Like the District, Delaware and Virginia also unify early childhood care and education within their state education agencies. In contrast, Rhode Island and Mississippi house childcare licensing programs within their respective departments of human services. Because federal law does not require SEAs to administer childcare programs, some of OSSE's early childhood functions extend beyond federal mandates.

**There are several areas where OSSE has taken on a more expansive role that, in other states, would be more traditionally delegated to an LEA.** Based on A&M's review of agency planning documents and interviews with division leaders, these functions are most apparent in the Postsecondary & Career Education and Operations divisions of the agency, where OSSE is more closely involved in a direct service role. The agency's Operations division provides building and facility management, dispute resolutions (e.g., hearings for special education and residency fraud), and oversight of the District's annual enrollment audit. For example, OSSE:

- **Manages dual-enrollment programs.** OSSE administers the District's dual-enrollment program, known as the DC Dual Enrollment Consortium Program working with higher education institutions to create service offerings. While it's common for SEAs to set the policies and share resources related to Dual Enrollment, OSSE plays a more direct role in creating course offerings and working directly with students to provide programmatic support.<sup>37</sup>
- **Administers internship and scholarship programs.** OSSE's postsecondary team directly manages internship programs, conducting hands-on programmatic functions such as recruiting employers and student participants. Scholarship programs are another area in which OSSE plays a direct service role. For example, the OSSE Scholars Summer Enrichment Program funds student tuition, room and board, and transportation costs for DC high school students to attend a summer college program.

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<sup>37</sup> OSSE. [Dual Enrollment Opportunities](https://osse.dc.gov/page/osse-dual-enrollment-opportunities). Retrieved from <https://osse.dc.gov/page/osse-dual-enrollment-opportunities>  
Education Commission of the States. (2022) [50-State Comparison: Dual/Concurrent Enrollment Policies](https://www.ecs.org/50-state-comparison-dual-concurrent-enrollment-policies/). Retrieved from <https://www.ecs.org/50-state-comparison-dual-concurrent-enrollment-policies/>

- **Manages all special education transportation within the District, which is traditionally a function assigned to LEAs.** Student transportation services are operated at the Local Education Agency level in nearly every other U.S. state. However, because the District has 67 LEAs, OSSE oversees and operates transportation. With 66 charter LEAs and more individual campuses, all LEAs may not have the infrastructure, capital, or staffing in place to run their own transportation programs. As OSSE and DME emphasized, a centralized transportation system captures the greatest efficiency, given the density of schools and the overall geography of the District. While reviewing the benefits and challenges of OSSE’s transportation system is beyond the scope of this report, the bus system stands out as an education function that is unique to DC.

Several staff members emphasized that OSSE engages in much more direct service than other SEAs, which yields both benefits and challenges. On one hand, close proximity to students and families may mean that the agency is more versed on the specific needs of its constituents. On the other, a large, complex agency like OSSE may experience challenges in running program logistics - functions that an LEA or higher education institution could be more suited to handle. Nonetheless, it’s important to recognize that DC’s geography, size, and large proportion of charter schools means that OSSE must adapt to the District’s local context and needs.

### Key Insights

1. **OSSE has a higher ratio of K-12 staff to students compared to other SEAs.** OSSE employs one K-12 agency staff member for every 219 students, while ratios in benchmark states range from 710 (Delaware) to 2,440 (Virginia) students per staff member.
2. **OSSE delivers services beyond what are federally required, similar to benchmarked SEAs.** OSSE actively develops and delivers professional development programming, particularly in areas like early literacy training. This aligns with practices in Delaware and Mississippi but goes beyond the typically more limited SEA role of setting policies and providing resources. OSSE’s hands-on approach reflects its commitment to supporting educators directly.
3. **OSSE directly manages functions typically handled by LEAs, including special education transportation and dual enrollment programs.** Unlike most SEAs, OSSE oversees transportation services for special education students across DC’s 67 LEAs, centralizing operations to maximize efficiency given the city’s dense geography and school system structure. Additionally, OSSE administers the DC Dual Enrollment Consortium Program, working directly with higher education institutions and students to create course offerings and provide programmatic support. OSSE also manages internship and scholarship programs, such as the OSSE Scholars Summer Enrichment Program.

### III. Deputy Mayor for Education

The Deputy Mayor for Education (DME) was established in 2008 to “serve as the principal policy advisor on education and provide oversight of the District’s agencies that impact school readiness.” Today, DME continues to provide oversight of education-related agencies, plays a key role in cross-agency coordination and is responsible for “developing and implementing the mayor’s vision for academic excellence and creating a high-quality education continuum from birth to workforce.”<sup>38</sup> The mayor’s current priorities are focused on learning acceleration, postsecondary and career pathways, and youth safety and wellbeing, which include initiatives to expand Out of School Time (OST) programming and reduce chronic absenteeism. Each of these priority areas has seen new investments and programs over the past three fiscal years, with the largest growth in local funds and FTEs in OST programs.

#### Expansion of Functions

In FY09, DME’s first year in operation, the agency was funded at \$2.5M. The agency’s local fund spending grew to \$3.2M in FY16, its first full fiscal year under the Bowser Administration. By FY24, the agency’s total local fund spending reached \$29M.<sup>39</sup> Between FY22 and FY25, DME added new programs and responsibilities spanning a variety of policy priorities including attendance, student safety, and postsecondary and workforce outcomes. OST initiatives account for most of the programmatic growth in DME during this time period, adding \$11.2M and 5 FTE since FY23. While many of these new functions are explicitly tied to the mayor’s education agenda, others are the result of legislative mandates from the DC Council. The Education to Employment Pathways (ETEP), Every Day Counts, and My Afterschool DC are three new initiatives launched within the past four fiscal years, the first via legislative concurrence with a Mayoral proposal and the next two originating from COVID response and recovery programming:

**Education to Employment Pathways (ETEP)** – In 2023, the mayor proposed and DC Council passed legislation authorizing DME to create a new data system to “collect, analyze, and publish data on how and how well the District’s education and work-force related programs...are serving District residents through their lifetimes.” Under the new legislation, District agencies must work with DME to support the implementation of a centralized workforce data system. The ETEP Office was formally established a year later within DME via a mayoral executive order.<sup>40</sup> As a result, the 2024 local budget saw an increase of \$411K and 1.5 FTEs to support operating expenses for the new education to workforce data system.

ETEP pulls data from OSSE’s own education data warehouse, known as the DC Statewide Longitudinal Educational Data system (SLED). SLED was launched in 2007 through a \$5M federal grant and authorizing legislation that requires OSSE to collect and analyze public education data across multiple DC agencies.<sup>41</sup> In explaining how the District’s two education data systems, ETEP

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<sup>38</sup> Office of the Deputy Mayor For Education. [About DME](https://dme.dc.gov/page/about-dme). Retrieved from <https://dme.dc.gov/page/about-dme>

<sup>39</sup> ODCA. *Twenty Years of D.C. Agency Overspending*. (2025) Retrieved from [Twenty Years of D.C. Agency Overspending - Office of the DC Auditor](#)

<sup>40</sup> ETEP is authorized by DC Code [§ 38-191](#) and [Mayor’s Order 2024-036](#).

<sup>41</sup> OSSE is authorized by DC Code [DC Code § 38-2609](#) to develop and implement a longitudinal education data warehouse (SLDS) in coordination with the Office of the Chief Technology Officer. See also ODCA’s

and SLED, work together, DME noted that OSSE’s state longitudinal data system is “our source of truth and our authority on education information.” Unlike SLED, which primarily houses K-12 and postsecondary data sources, ETEP is focused on workforce outcomes, which requires a regional data-sharing approach, given that many DC residents travel to neighboring states for job opportunities. This has persisted as one of the blind spots in DC’s longitudinal data systems. As a result, ETEP joined a regional partnership with Maryland and Virginia, which will enable DC policymakers to track student education to career outcomes across state lines.

**My Afterschool DC (MOST-DC)** – In the FY24 budget, DC approved a one-time \$5M enhancement and 7 FTEs to launch the My Afterschool DC program, which sought to (1) create a one-stop shop, online portal for parents and caregivers to access information on OST opportunities and (2) increase OST programming at 29 priority schools (i.e., schools with high demand and low supply of out-of-school time options). Of the \$5M allocated to My Afterschool DC, \$1.9M was budgeted to develop the infrastructure for the online portal and \$3.1M was budgeted for OST programs. As of 2025, My Afterschool DC has been renamed My Out of School Time DC (MOST-DC). The MOST-DC program remains active, receiving \$3.37M in local funds in FY25.

**Every Day Counts! Attendance Initiative** – While a relatively small investment compared with other new programmatic investments in DME, Every Day Counts! received \$375k in local funds in FY24 to address chronic absenteeism resulting from the pandemic. The initiative originated in 2015 as the Truancy Taskforce and was later renamed the Every Day Counts! (EDC) Taskforce.<sup>42</sup> The taskforce received federal recovery dollars from DME in 2022 to support a partnership with EveryDay Labs, a company that provides “nudges,” or attendance communications sent to DCPS and participating DC Public Charter School families. Because attendance remains a mayoral priority and an area of concern across the District, the mayor and DC Council opted to sustain the program with local funds in FY24 after federal COVID funding ceased. One FTE supporting K-12 and attendance work, including the Every Day Counts initiative, was backfilled with local funds starting in FY24.

Beyond the growth of specific programs, DME also plays a role in incubating new education programs before they mature and are transferred to their long-term home in other agencies. For example, the Safe Passage Program was incubated in DME from 2016 to 2023 and was transferred to a new “host agency,” the Deputy Mayor for Public Safety and Justice (DMPSJ). DMPSJ assumed management, oversight, and evaluation beginning on October 1, 2023.

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education data audit, [Measuring What Matters: More and Better Data Needed to Improve D.C. Public Schools](#).

<sup>42</sup> DME. December 2022 Every Day Counts! Taskforce Meeting. (2022).

<https://attendance.dc.gov/sites/default/files/dc/sites/attendance/publication/attachments/December2022EDCTaskforceMtgDeck.pdf>

**Figure 10 Timeline of New Programs & Responsibilities within DME**

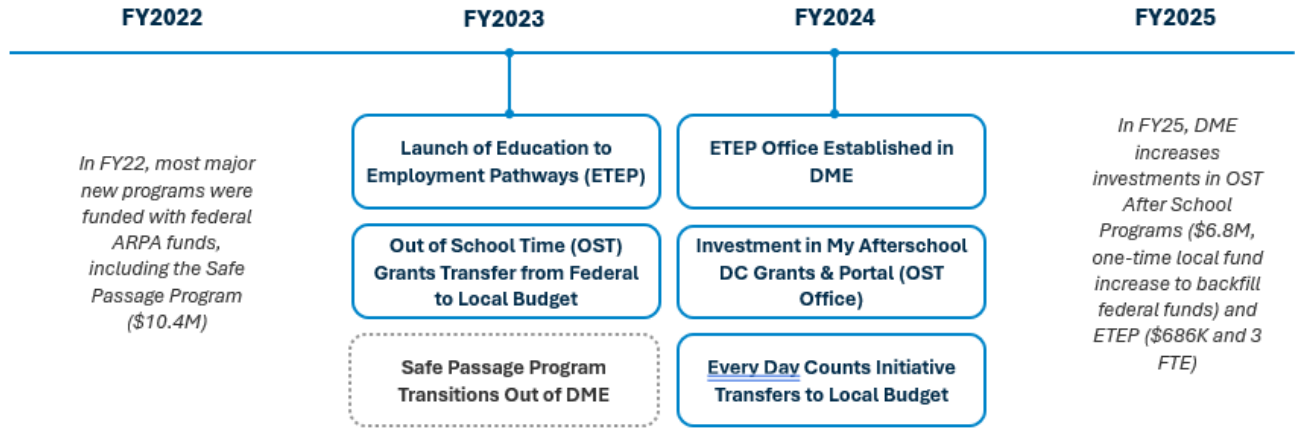
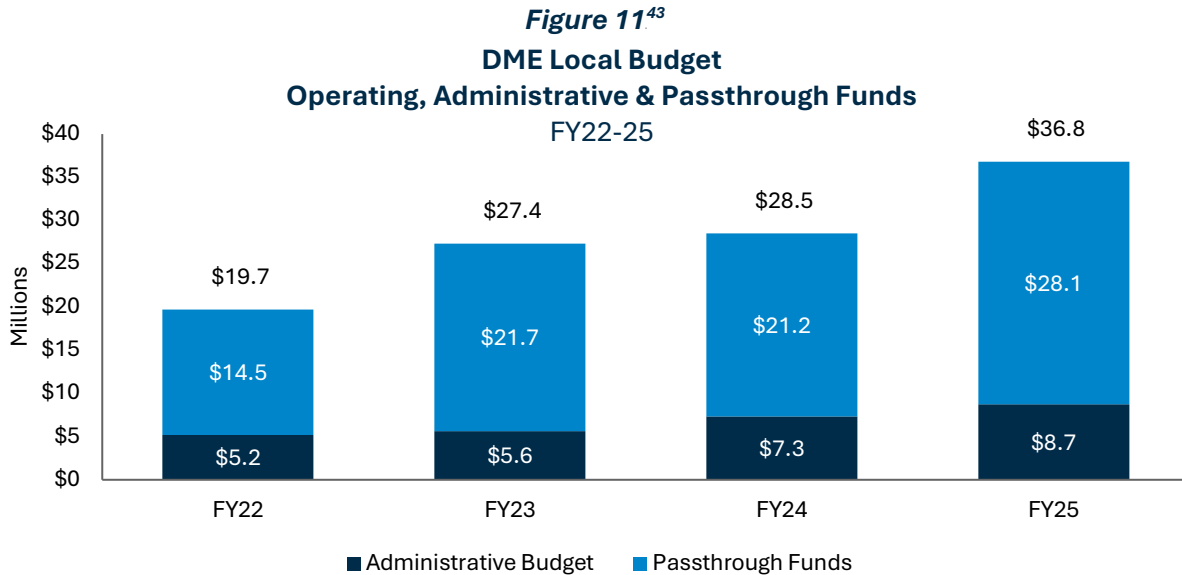


Chart above based on analysis of DME Public Budget Chapters, FY22-25

**Changes in Local Funds & FTEs**

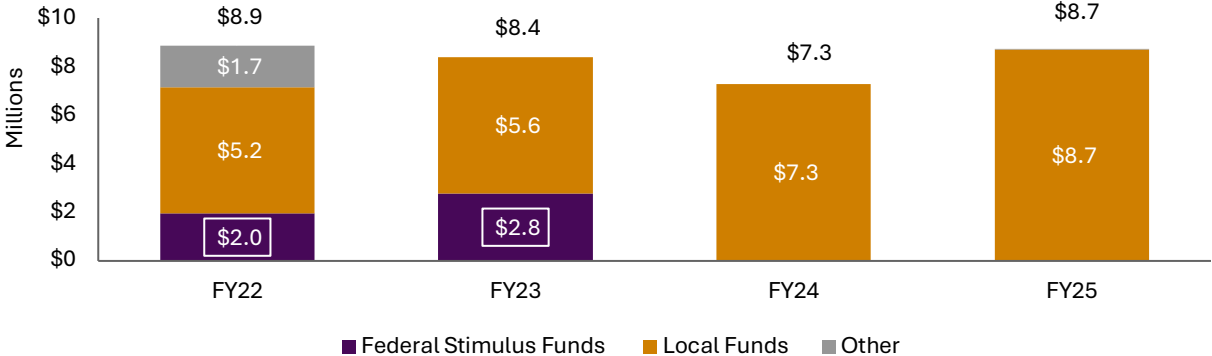
Since FY22, DME’s local operating increased by \$17.1 million (87% increase), growing from \$19.7 million to \$36.8 million in FY25, as seen in Figure 11 below. In FY25, 76% of the local budget was allocated to grants and subsidy programs, or passthrough funds (see Section J of the appendix), associated with Out of School Time programs.



<sup>43</sup> See Section A of the appendix for additional detail regarding the fund types used in Figure 12.

From FY22 to FY25, DME’s locally funded administrative budget increased by \$3.5 million (68% increase), growing from \$5.2 million to \$8.7 million. This growth was in part to backfill ESSER and “Other” funds that had previously funded DME’s administrative budget so that total administrative spending growth was sustained.

**Figure 12**  
**DME Administrative Budget By Fund Type**  
 FY22-25



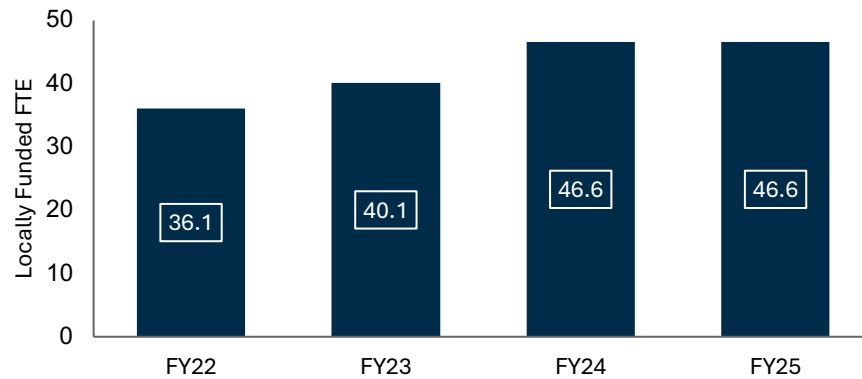
This increase in the locally funded administrative budget can be partially attributed to the increase in locally funded FTE. As seen in Figure 13, DME added 10.5 locally funded FTE (29% increase) between FY22 and FY25, with headcount increasing from 36.1 to 46.6 FTE in FY25 (see Section M of the appendix). Of the 10.5 FTE added during this time period, over half of the positions (6 FTE) support the agency’s OST program (see section K of the appendix).

In addition to a growing headcount overall, DME also saw a slight increase in administrative positions focused on grant management between FY22 and FY25. In FY22, the agency had 6 positions titled Grants Management Specialist and by FY25, the agency had a total of 8 budgeted positions (including 7 Grants Management Specialists and a Supervisory Grants Management role added in FY23).<sup>44</sup> The additional grant management roles suggest that as grant funding increases, more administrative staff are needed to monitor grant compliance and reporting.

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<sup>44</sup> Per DME PeopleSoft personnel data, total position count includes vacant and filled roles.

**Figure 13**  
**DME Locally Funded FTE**  
 FY22-25



*Investments in the Office of Out of School Time (OST) Programs*

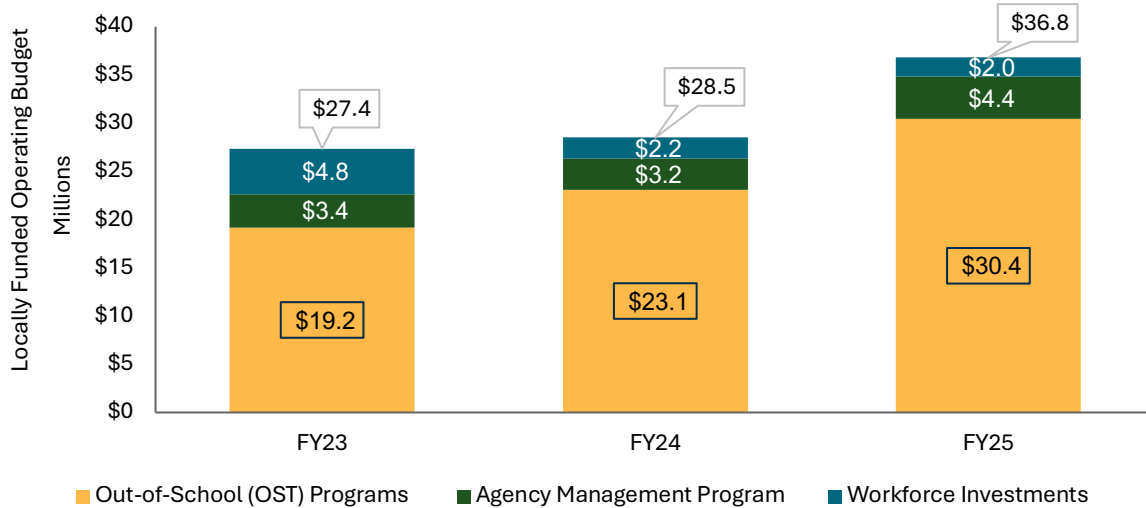
The growth in DME’s locally funded operating and administrative budgets was primarily driven by significant new investments in Out of School Time programs. The OST office was established in 2017 following the enactment of legislation seeking to establish resources and support for a Districtwide system of high-quality after-school programs.<sup>45</sup> Over the past three fiscal years, local funding for OST has increased by nearly a third, rising from \$19.2 million to \$30.4 million, with government subsidies and grants increasing by \$9.3 million, growing from \$17.8 million to \$27.1 million.

OST’s operating budget now accounts for over 83% of DME’s total local funds. Compared to other programs in DME, OST experienced the largest growth in FTE headcount, increasing by 60% from 10 to 16 FTE in FY25 (see Section K of the appendix).

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<sup>45</sup> D.C. Code §21-261. (2016). [Office of Out of School Time Grants and Youth Outcomes Establishment Act of 2016](#).

**Figure 14**  
**DME Locally Funded Operating Budget by Program**  
 FY23-25



In FY25, DME received \$6.8M in one-time funds, half of which came from federal ESSER funds, which flowed from OSSE to DME and half from new local funds, which the DC Council allocated to backfill the gap left from expiring federal funds. Thus, while there was a notable increase in OST grants between FY24 and FY25, a portion of the funding was temporary and will not continue as a recurring budget enhancement in subsequent fiscal years unless authorized by the DC Council.

Within OST, passthrough grants comprise nearly 90% of the local budget, or \$27.1M.<sup>46</sup> DME distributes a large portion of these funds directly to beneficiaries, or nonprofits that offer after school and summer programming (e.g., Boys and Girls Clubs of Greater Washington). According to its FY2024 Annual Report, OST awarded 172 grants to nonprofits and served 17,475 youth in FY24.<sup>47</sup>

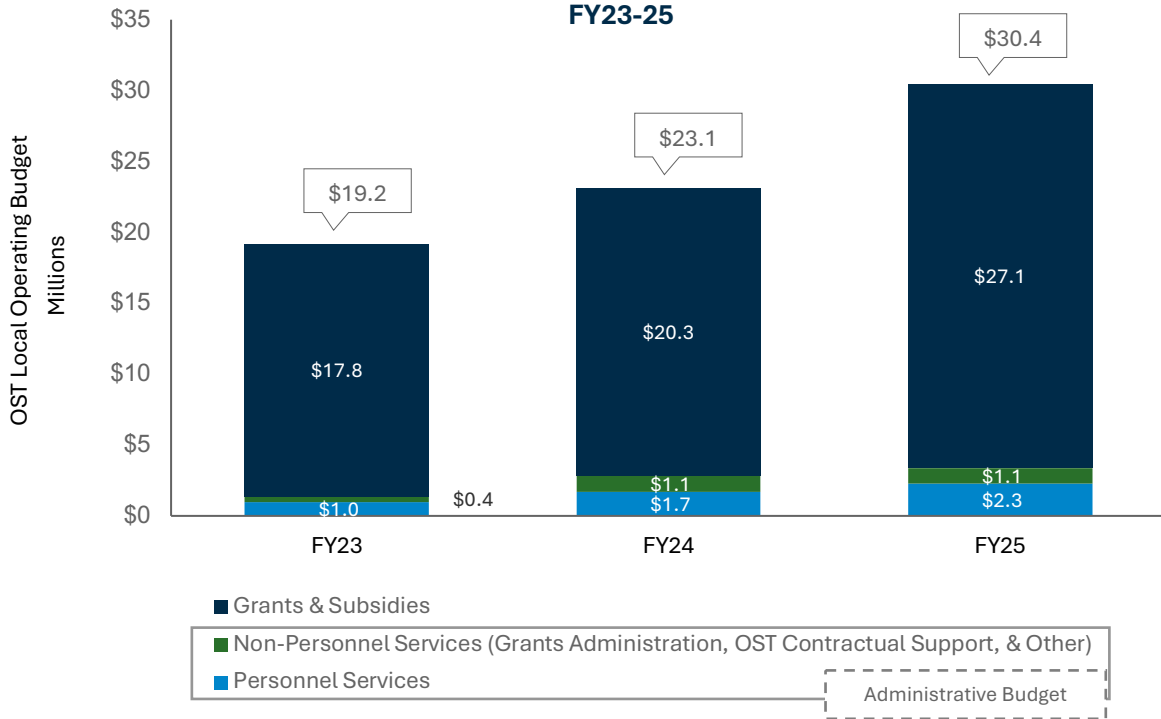
As captured in Figure 15 below, the locally funded administrative budget allocated to the OST program (i.e., non-personnel and personnel services) increased as grants increased. From FY23-25, the administrative budget grew from 7.3% to 11.2% of the total OST budget and increased by 5 FTE.

<sup>46</sup> Note that while the DIFS system includes a broader category titled “Government Subsidies & Grants,” the OST program only provides government grants, not subsidies.

<sup>47</sup> OST Office FY24 Annual Report. (2025, March 25).

[https://learn24.dc.gov/sites/default/files/dc/sites/learn24/page\\_content/attachments/FY19%20Annual%20Report.pdf](https://learn24.dc.gov/sites/default/files/dc/sites/learn24/page_content/attachments/FY19%20Annual%20Report.pdf)

**Figure 15**  
**DME Locally Funded Operating Budget - OST Program**  
**FY23-25**



## Comparison to Mayoral-Control Cities

A&M reviewed the education governance structures of four other mayoral control cities, or cities in which the mayor exerts authority over the local school system, budget and education policy -- for example, the mayor has the authority to appoint the district superintendent or school chancellor. New York City, Chicago, Philadelphia and Boston were selected for the benchmark comparison due to the relatively high degree of control the mayor has over each public school system, including the authority to appoint the majority, if not all, school board members. The selected cities vary widely in size of student population served (including public and non-public enrollment), with Boston's student population about half that of DC, and New York City's approximately 13 times larger.

Three of the benchmark cities, Chicago, Philadelphia and Boston, have a leadership role that is comparable to DC's Deputy Mayor of Education. Broadly speaking, the role entails working with district and city leaders to implement the mayor's education policy agenda. New York City does not have a specific, separate education policy leader in its executive branch – rather, educational leadership is primarily driven by the NYC Schools Chancellor, a position that the mayor appoints. DC's governance structure stands out against its peer cities in that the DME brings together early childhood through workforce initiatives under a single entity within the mayor's office.

Although Chicago, Philadelphia and Boston have a comparable policy leadership role within the mayor's office, that role is not backed by a single agency (as is the case for DME). For example, in Chicago, the Deputy Mayor for Education focuses on a limited set of initiatives, such as out of school programming. Unlike DME, which has a team focused on K-12 initiatives, Chicago Public Schools is the only city agency focused on K-12 policy and programs.

**Table 3 Benchmark Comparison of Mayoral Control City Characteristics**

General Characteristics	Mayoral Control City				
	District of Columbia	New York City	Chicago	Philadelphia	Boston
<i>How do these cities compare on key characteristics?</i>					
<b>Total PK-12 Student Enrollment<sup>48</sup></b>	100,160 <sup>49</sup>	1,318,383 <sup>50</sup>	391,305 <sup>51</sup>	230,347 <sup>52</sup>	51,099 <sup>53</sup>
<b>Title of Comparable Role(s) within Executive Branch</b>	Deputy Mayor for Education	N/A	Deputy Mayor for Education & Youth	Chief Education Officer; Deputy Mayor for the Office of Children & Families	Senior Advisor for Youth & Schools
<b>Description of Comparable Role(s)</b>	Develop and implement the mayor’s education agenda for birth through adulthood, including K-12 and postsecondary; provide oversight and support for DC’s education and workforce agencies	The city divides education initiatives across several leaders, including an Executive Director for the Mayor’s Office of Child Care	Work with district and city leaders to align education and youth initiatives	Cabinet-level executive works with district and city to lead and implement mayor’s education agenda	Works in close partnership with the Mayor, Boston Public Schools, and City Officials to advance mayor’s education agenda
<b>Title of Comparable Education Office within Executive Branch</b>	Deputy Mayor for Education	N/A	N/A	Mayor’s Office of Education; Office of Children and Families	N/A

<sup>48</sup> All enrollment data based on public and non-public PK-12 students reported for the 2024 – 2025 school year.

<sup>49</sup> Total K-12 enrollment for DC is based on OSSE’s [Audited Enrollment data for the 2024-2025 School Year](#), which totals the number of students who are DC residents at a school, including both public and non-public schools across the District. DC’s total enrollment at public schools is 99,652.

<sup>50</sup> Per [New York City Public Schools data](#) and [NY State Education Dept data](#) on nonpublic schools, New York City has a total of 1,318,383 pre-K – 12 students enrolled across traditional public (906,248 students), charter (148,089), non-public (227,816), and alternative schools (36,230). A breakdown of school type is available [here](#).

<sup>51</sup> Per Chicago Public Schools (CPS) [20<sup>th</sup> Day Membership Report for the 2024-2025 school year](#). The Illinois State Board of Education does not provide clear data on the total number of students [enrolled in non-public schools for SY24-25](#), however several sources estimate the total to be about 66,000 for Chicago. As a result, the enrollment figure above is an estimate based on public school data (325,305 students) plus a non-public estimate (66,000 students).

<sup>52</sup> Per the School District of Philadelphia’s [annual enrollment data](#) (198,299 students) and the Pennsylvania Department of Education’s [Private and Non-Public Schools Enrollment Report](#) (32,048 students) for SY24-25.

<sup>53</sup> Per the Massachusetts Department of Elementary and Secondary Education enrollment data for [Boston Public Schools](#) (46,094 students) and non-public schools (5,005).

The benchmark comparison in Table 4 below uses DME’s core functions and activities as a baseline to compare against the cities of New York, Chicago, Philadelphia and Boston. Each activity is grouped into four high level functional categories, including:

1. **Fiscal Oversight** – Oversee budget preparation and financial reporting, provide guidance on the Uniform Per Student Funding Formula.
2. **Cross-Agency Oversight & Coordination** – Oversee and support DC education agencies.
3. **Data Analysis, Collection & Reporting** – Provide cross-agency data to inform the District’s education and workforce strategy and analyze the performance of agency initiatives.
4. **Policy & Initiative Development** – Develop and implement high-impact, interagency projects and grant programs in support of the mayor’s education policy goals.

The highlighted activities offer a sample of DME’s functions and are not designed to be representative of all activities conducted by the agency. Each mayoral control city structures its education governance and agenda differently, with education-related objectives shared across a variety of stakeholders, including the mayor’s office, city agencies, or departments. DC is unique in consolidating the mayor’s education initiatives under a single executive-level leader and office.

**Table 4 Benchmark Comparison of City Agency Activities**

Core Function	City Activity	Mayoral Control City				
		District of Columbia	New York City	Chicago	Philadelphia	Boston
	<i>Do other city-level agencies engage in this activity?</i>					
<b>Cross-Agency Oversight &amp; Coordination</b>	Build collaboration and coordination among government agencies, non-profit partners, and the private sector	●	●	●	●	●
<b>Data Analysis, Collection &amp; Reporting</b>	Maintain a data system connecting education & workforce data to understand career outcomes and program impact on city residents <sup>54</sup>	●	●	●	●	●
<b>Data Analysis, Collection &amp; Reporting</b>	Develop a plan to ensure school facilities are efficiently used, modernized and well-maintained	●	●	●	●	●
<b>Policy &amp; Initiative Development</b>	Award grants to out of school time programs and providers	●	●	●	●	●

● City performs this activity    ● City partially performs this activity    ● City does not perform this activity

<sup>54</sup> While New York City maintains a [workforce dashboard](#) that connects workforce and degree attainment data, it does not list NYCPS or another education agency as a participating data provider.

The benchmarking revealed that:

**DC is aligned with its peers when it comes to an ongoing focus on out-of-school programs and policies; however, DME's level of investment in OST grants is much higher than three of the four benchmarked cities.**<sup>55</sup> In FY25, DME's OST program was allocated \$27.1M in locally funded grants, while the City of Boston's Human Services Cabinet budgeted just under \$2.1M for child care and out of school programming throughout the city.<sup>56</sup> Chicago, a city with nearly four times the student population of DC, committed \$17M for out of school activities and youth programming.<sup>57</sup>

**DC's city government is relatively unique compared to its peers in that DME has oversight over public school facilities and developing the Master Facilities Plan.** Under DC code, DME is responsible for creating strategic plans, managing data, coordinating with District agencies and facilitating long-term infrastructure goals, despite the fact that actual modernization and other construction is managed by DC's Department of General Services. In Chicago and Philadelphia, the LEAs are responsible for facilities planning, whereas in Boston the LEA and city government work together. Notably, in 2025 Boston announced plans to stand up a governance unit that will merge Boston Public School's facilities management division with the City's Public Facilities Department, creating a new division to manage school facilities projects.

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<sup>55</sup> Note that out-of-school grants and programs can be awarded and implemented by a variety of state and local agencies. More research is needed to comprehensively assess the exact amount budgeted for after-school programs across each City.

<sup>56</sup> City of Boston. (2025) Human Services Operating Budget Fiscal Year 2025.

<https://content.boston.gov/sites/default/files/file/2024/09/V3%2013-%2025%20A%20Human-Services-Cabinet.pdf>

<sup>57</sup> City of Chicago 2025 Budget Overview. (2025).

[https://www.chicago.gov/content/dam/city/depts/obm/supp\\_info/2025Budget/2025-Overview-DIGITAL.pdf](https://www.chicago.gov/content/dam/city/depts/obm/supp_info/2025Budget/2025-Overview-DIGITAL.pdf)

## Key Insights

1. **By FY25, 83% of DME's locally funded operating budget can be attributed to the expansion of the Office of Out of School Time (OST).** Between FY23 and FY25, the agency's local budget steadily increased from \$27.4 million to \$36.8 million (34% increase). In total, over three fiscal years, \$65.2M local dollars were allocated to OST programs in the form of grants to providers of after school and summer programs. In addition, 6 of the 10.5 new locally funded FTE were in OST.
2. **At least \$3.4M in local funds were added to DME's budget to backfill federal COVID funds that had expired.** DME received a total of \$34M in pandemic funds between FY22 and FY23. In the years that followed, DME relied on an increase in local funds to sustain programs like OST that had previously been supported through one-time federal funds.
3. **In addition to growth in OSE, DME added new functions and responsibilities that added to the budget and FTE growth** such as launching an education to workforce data system (ETEP), an attendance initiative to address chronic absenteeism (Every Day Counts!), and developing an online portal to help families access afterschool programs offered across different agencies (My Out-of-School Time DC).

## IV. Shared Governance: How OSSE & DME Work Together

### Governance & Oversight Structures

Despite the growth and expansion of functions over the last four years, the specific governance roles between DME and OSSE, and the structural relationship between them, have remained consistent. DME is the policy leader and cross-agency coordinator, while OSSE serves as the implementor and can leverage DME's inter-agency coordination capacity to pilot and launch new programs on the mayor's agenda.

In interviews with DME and OSSE leaders underscored that each agency has a complementary role in implementing the mayor's vision for education policy in the District. As one OSSE leader characterized the current oversight structure, "We're in a hierarchical system where the mayor is clearly the north star and we're able to operate in the direction that she wants. We've got some pretty good lanes." Another staff member simplified the division of duties, explaining that "OSSE manages federal fund distribution and executes programs, while DME sets strategic priorities and advocates for education initiatives."

At the program and initiative level, however, there are instances where the division of roles is more ambiguous and some staff saw an opportunity to clarify the rationale for delegating certain projects to each agency. One noted, "As far as my day to day goes, it's clear to me what OSSE versus DME own. Bigger picture, it's not always clear why that's the case. I'm not always sure why which project is farmed out to which agency." This theme came up throughout the interview process and presents a potential improvement opportunity for both the legislative and executive branches.

### Areas of Overlap Between DME & OSSE

The following program areas and initiatives are cases where the DME's role may overlap with that of OSSE's, albeit for specific, strategic reasons. Because DME frequently steps into the role of incubator for new education initiatives, there are several instances in which DME is running programs directly – even if that role is temporary. For example:

- **Every Day Counts! Attendance Initiative.** DME partnered with a technology vendor called Everyday Labs to send "chronic absenteeism mail and text nudges" on behalf of DC Public Schools and participating charters. This attendance intervention overlaps with OSSE's legislatively mandated role to provide attendance and truancy resources for LEAs. One staff member emphasized that in this particular case, "the role of the SEA in improving student attendance is quite unclear."
- **Office of OST.** OST is funded for 16 FTE positions and a budget of \$36.8M that includes both program and grant functions. OSSE also administers a separate, federal grant program focused on expanding OST services, the 21<sup>st</sup> Century Community Learning Centers, or 21CCLC first authorized in 1994 under Title IV, Part B of the federal ESSA legislation. OST's local grant programs and OSSE's 21CCLC federal grant programs are both featured on the OST office's website as well as the My Out-of-School-Time DC portal.
- **Education to Employment Pathways (ETEP)** – While OSSE has primary and statutory responsibility for the District's education data, DME hosts the District's Education Through

Employment Data System. In terms of data collection and sharing, DME focuses on a wider scope, connecting workforce-related sources such as wage data from the Department of Employment Services (DOES). Despite these differing scopes, it is worth noting that both education agencies host separate data systems, which could lead to potential duplication of IT infrastructure.

A comparison of senior leadership roles across DME and OSSE presents another potential area of overlap created by operating two education oversight agencies. The table below lists DME leadership positions<sup>58</sup> that have functional similarities to those at OSSE. Because OSSE is a much larger agency with many more leadership roles, the analysis uses the DME senior team members as a starting point, seeking to identify select examples where there are similar or partially similar roles in OSSE. While both agencies list general counsel on their staff, this position was not included in the table because a title and salary were not listed in the Peoplesoft data for DME.

**Table 5 High-Level Comparison of Overlapping Leadership Roles**

Comparison of Overlapping Leadership Roles at DME & OSSE			
Does the role exist at both agencies?	DME Position Title	OSSE Position Title	Description of Overlap
Yes	Chief of Staff	Chief of Staff	Both agencies have a full-time chief of staff position.
Yes	Director of Budget & Performance Management	Deputy Supt. of Operations	Both roles provide agency-wide fiscal strategy and management (i.e., oversee budget preparation).
Yes	Director of Communications & Outreach	Director of Communications & Community Outreach	Both agencies have full-time leaders to develop and implement their respective communications and outreach strategies.
Partial	Deputy Chief of Staff/Director of Legislation and Governmental Affairs	Deputy Chief of Staff	DME's Deputy Chief of staff oversees legislative affairs, while OSSE's Chief of Staff division also oversees the agency's policy and legislation team.
Partial	Director of Planning & Analysis	Assistant Supt. of Data, Assessment & Research	Both roles oversee reporting, analysis, and research to inform DC education policy, stakeholders and the public, however the type of reporting may vary. (OSSE prepares the state report card, for example, while DME conducts the adequacy study and enrollment projections).
Partial	Executive Director, Office of Out of School Time Grants and Youth Outcomes	Assistant Sup. of Strategic Funding for School Quality	Both positions manage grants related to out of school time programs. DME focuses on locally-funded programs, while OSSE manages federally funded programs.
<b>Total Cost of Salaries<sup>59</sup> FY25</b>	\$868,986	\$1,038,363	

<sup>58</sup> Comparison of leadership roles is limited to positions identified as the DME Senior Team, per the agency website, <https://dme.dc.gov/page/about-dme>. A&M reviewed job functions, agency organization charts, and position titles at DME, comparing potential functional areas of overlap with OSSE leadership positions.

<sup>59</sup> Total cost of salaries is an estimated total based upon FY25 internal PeopleSoft data files provided by each agency and FY25 salary data included in each agency's Responses to Fiscal Year FY24-25 Performance Oversight Questions ([DME](#) and [OSSE](#)).

## Key Insights

1. **DME and OSSE maintain a collaborative partnership and internally, agency staff are clear on the division of functions.** Interviews with staff repeatedly underscored that DME serves as a cross-agency funder focused on policy, while OSSE focuses on managing federal funds and program implementation. At the same time, some staff members noted that it was not always clear *why* certain roles or functions were assigned to each agency.
2. **As DC's Executive and Legislative Branches add new responsibilities to each agency, there is a clear opportunity to clarify the rationale for directing certain initiatives to one agency over the other.** For example, staff were not always clear on why DME implemented attendance initiatives such as Every Day Counts!, when, according to legislation, OSSE is responsible for providing attendance and truancy resources.
3. **There are some areas of overlap between DME and OSSE, particularly in direct service programs such as DME's attendance and out of school time initiatives.** As the SEA and manager of federal funds, OSSE administers Title IV federal grant programs focused on out of school time services (21CCLC), while DME manages local grant programs through the Office of Out of School Time. DME developed an online portal called My Out-Of-School Time DC to help families access resources from both programs. The agency also initiated a new education and workforce data project, though OSSE has statutory responsibility for DC's education data system.
4. **Because OSSE and DME operate as separate agencies, there are areas of functional overlap or duplication between senior leadership roles, particularly evident in operational positions.** The personnel costs of operating two education-focused agencies may be worth further exploration, should the District wish to maximize operational efficiencies.

## V. Recommendations

Nearly two decades have passed since the passage of the Public Education Reform Amendment Act. With K-12 public school enrollment of approximately 96,652 students<sup>60</sup> across DC, the benefits of operating two separate oversight agencies should be re-examined. At a minimum, with the significant amount of passthrough funds that flow through each agency, opportunities exist to streamline operations and gain efficiencies. Further, both agencies implement programs and manage services, including overseeing the significant passthrough funding, which requires administrative staff to monitor and manage distribution. In total, cumulative leadership and administrative costs amount to an estimated \$91.8 million annually.<sup>61</sup> This offers the potential to streamline responsibilities.

Both OSSE and DME have experienced increases in local budgets and full-time employees (FTEs) between FY22 and FY25, reflecting their expanding missions and responsibilities. With the District's revenue sources more limited now and into the future, better data and reporting can provide a clearer picture of staffing and budget needs, informing future decisions around budget, FTEs, functions and responsibilities.

Any revisiting of the current education governance structure may also consider the benefits of having two agencies in the context of DC's city/state responsibilities. While the current DME-OSSE structure may not be perfectly optimized, it may be beneficial in addressing DC's specific needs, and any refinements should carefully balance efficiency improvements with the value of cross-agency collaboration and alignment.

This study has addressed the complementary roles OSSE and DME are expected to play in shaping and implementing the District's education agenda, with OSSE focusing on implementation and federal fund distribution and DME focusing on policy and cross-agency coordination. Despite these clear distinctions, A&M uncovered some overlap and ambiguity in roles, particularly in program administration and direct service delivery.

Based on the observations shared in this study, A&M recommends that:

1. **DME and OSSE should take steps to improve the transparency of budget data.**  
Despite the complexities of the agencies' budget structure, OSSE and DME have an opportunity to work toward greater transparency and accuracy in tracking, preparing, and presenting annual budget data. Specifically:
  - 1a. OSSE should conduct a thorough review of internal data architecture and reporting systems, identifying where data fields can be added or modified to capture greater detail about how local funds are allocated. For example, A&M observed that OSSE does not regularly populate the "project field" in DIFS for locally funded grants, making it difficult to track the recipients of passthrough funds.
  - 1b. OSSE should work with the Office of the Chief Financial Officer (OCFO) to identify how administrative costs can be more clearly and consistently tracked in DIFS

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<sup>60</sup> Per the OSSE SY 2024-2025 audited public enrollment, which includes students at both DCPS and PCSB.

<sup>61</sup> Based on FY25 local administrative budget for DME and OSSE.

through the Agency Management Program. By using this standardized code as designed, OSSE can better track functional efficiency and increase transparency into the true administrative costs associated with operating the agency.

- 1c. OSSE and DME should add a high-level budget section in annual reports to show year-over-year changes, designed in a format that can be easily understood by DC residents and families.
2. **To improve the transparency and reporting of personnel data**, OSSE and DME should review how data is captured in PeopleSoft, the District’s personnel system of record. While both agencies use PeopleSoft to track approved positions, accurately capturing year over year FTE data requires specific institutional knowledge that does not appear to be formally documented. Specifically:
  - 2a. DME should document and implement regular staffing reconciliations to ensure personnel data in PeopleSoft is updated to differentiate between vacant positions that have been retired versus those that the agency is actively recruiting for.
  - 2b. OSSE should improve how it tracks and reports inter-agency positions funded by MOU (e.g., staff that work at DCPS but are funded by OSSE) versus positions that are performed directly at the SEA. The current PeopleSoft dataset does not clearly differentiate functions, roles, and “home” agency within OSSE, making it difficult to know the true number of FTE working at the agency.
  - 2c. OSSE should conduct a thorough review of processes and systems used to capture and report division, team, and program-level FTE allocations. During this study, A&M sought to gather data on the total number of K-12 FTEs funded through federal and local sources in FY24. OSSE was unable to provide this information, noting that it would require additional time, analysis, and pose an undue burden on the agency. A review of current state data tracking processes can uncover the technical or operational constraints preventing the agency from providing these numbers.
  - 2d. OSSE should provide annual reporting on changes made to staffing. To improve transparency, OSSE should add division-level and agency-wide FTE counts (including filled and vacant positions) to its organizational charts. Because this resource already exists and is easily accessible on the District’s website, adding basic personnel data would improve visibility into growth and how FTEs are allocated across the agency.
3. **DME and OSSE should collaborate on an efficiency assessment of all locally funded, direct service programs managed by each agency**, gathering data on program-level administration costs, staffing, and program delivery strengths or weaknesses. The assessment should result in clear recommendations about improving efficiency which could include contracting with an experienced CBO or LEA partner. For example, programs such as the OSSE Scholars Summer Enrichment Program, which manages day-to-day program operations, including coordinating student travel, may benefit from a more agile contracting partner such as a local university or nonprofit.

## VI. Appendix

### Additional Context on Budget and FTE Methodology

#### A. Summary of Budget Analysis Methodology

A&M leveraged the Budgetary Control Analysis Report Year to Date file for DME and OSSE for FY23-25. In the analysis, A&M leveraged the following data fields provided in the original data file:

- Agency
- Program (Parent Level 2) Description
- Program (Parent Level 1) Description
- Fund Description
- Account Category Description (Parent Level 3)
- Account Category Description (Parent Level 1)

In addition to the data fields provided for FY22-25 data, A&M developed supplemental headers through crosswalks created from the original dataset. These crosswalks are built on the headers provided, with certain assumptions applied where necessary. The assumptions, along with the corresponding headers and fields, are outlined in the tables below. A&M validated and confirmed these categorizations with OSSE. A&M did not include capital funds in this analysis, as this is a separate budget source.

Budget values reflected in the analysis use the “Total Budget,” which includes the “Initial Budget” (budget approved for the fiscal year) plus any adjustments made throughout the year (“Adjustment Budget”).

**Table 3**

<b>Fund Description</b>	<b>Summarized Categorized Fund Description</b>
ARPA - COUNTY	Federal COVID Funds
ARPA - MUNICIPAL	Federal COVID Funds
ARPA - STATE	Federal COVID Funds
ARPA FUNDS 2021	Federal COVID Funds
DIRECT LOAN FUND	Other
FED PAYMENTS- DC SCHOOL CHOICE AGREEMENT	Federal Grants & Payments
FEDERAL GRANTS	Federal Grants & Payments
FEDERAL GRANTS - COVID-19	Federal COVID Funds
FEDERAL PAYMENTS - INTERNAL	Federal Grants & Payments
MEDICAID PUBLIC PROVIDER RECOVERY GRANT	Federal Grants & Payments
ARPA - LOCAL REVENUE REPLACEMENT	Federal COVID Funds <sup>62</sup>
COMMON LOTTERY BOARD FUND	Local Funds

<sup>62</sup> Note: OSSE advised that the fund “ARPA – Local Revenue Replacement” be categorized as local funds. However, A&M could not confirm that this fund type was indeed a local funding source. Therefore, the analysis in this report categorizes “ARPA – Local Revenue Replacement” as “Federal COVID Funds.”

<b>Fund Description</b>	<b>Summarized Categorized Fund Description</b>
COMMUNITY SCHOOLS FUND	Local Funds
CONTINGENCY RESERVE	Local Funds
EARLY CHILDHOOD EDUCATOR PAY EQUITY FUND	Local Funds
HEALTHY TOTS FUNDS	Local Funds
LOCAL ARPA - MUNICIPAL	Federal COVID Funds
LOCAL FUNDS	Local Funds
RESERVE FUNDS	Local Funds
SCHOOL SAFETY & POSITIVE CLIMATE	Local Funds
SPECIAL EDUCATION ENHANCEMENT FUND	Local Funds
CHILD DEVELOPMENT FACILITIES FUND	Other
HEALTHY SCHOOLS FUND	Other
LONG TERM / G.O. / I.T. BONDS	Capital Funds
OSSE AGENCY FUND	Other
OSSE SUB GRANTS TO LEA - TITLE 2	Federal Grants & Payments
PAY AS YOU GO	Capital Funds
PRIVATE DONATIONS	Other
PRIVATE GRANT FUND	Other
SHORT - TERM BONDS	Capital Funds
SITE EVALUATION	Other
STATE SUPERINTENDENT OF EDUCATION FEES	Other
STUDENT RESIDENCY VERIFICATION FUND	Other

**Table 4**

<b>Account Category (Parent Level 1) Description</b>	<b>Bucketed Account Category (Parent Level 1) Description</b>
FRINGE BENEFITS - CURR PERSONNEL	Other
OTHER SERVICES & CHARGES	Other
CONTINUING FULL TIME	Other
CONTRACTUAL SERVICES - OTHER	Contractual Services
GOVERNMENT SUBSIDIES & GRANTS	Government Subsidies & Grants
CONTINUING FULL TIME - OTHERS	Other
PURCHASES EQUIPMENT & MACHINERY	Other
SUPPLIES & MATERIALS	Other
OVERTIME PAY	Other
ADDITIONAL GROSS PAY	Other
P-CARD CLEARING ACCOUNT BUDGET TRACKING	Other
ENERGY COMM & BLDG RENTALS	Other
OTHER EXPENSES	Other
PARTICIPANT PAYROLL	Other

Account Category (Parent Level 1) Description	Bucketed Account Category (Parent Level 1) Description
SECURITY SERVICES	Other
RENTALS EQUIPMENT & OTHER	Other
HOLDING FOR PAYROLL EXCEPTIONS	Other
MISCELLANEOUS EXPENSE NON BUDGETARY	Other
DEBT SERVICE PAYMENTS NON BUDGETARY	Other

**Table 5**

Agency	Agency Name
GDO	OSSE
GW0	DME

A&M leveraged the FY22 Budget file from DME and OSSE for FY22. In addition to the data fields provided for FY22, A&M leveraged the crosswalks from DME and OSSE that were provided to connect SOARs to DIFS. In the analysis, A&M leveraged the following data fields provided in the original data file:

- Agency
- Agency Fund
- Agency Fund Title
- Comp Source Group Title
- Program Code 3
- GAAP Category Title

In addition to the data fields provided for FY22-25 data, A&M developed supplemental headers through crosswalks created from the original dataset. These crosswalks are built on the headers provided, with certain assumptions applied where necessary. The assumptions, along with the corresponding headers and fields, are outlined in the tables below.

**Table 6**

Agency Fund Title	DIFS Agency Fund Description
ARPA - COUNTY	Federal COVID Funds
ARPA - MUNICIPAL	Federal COVID Funds
ARPA - STATE	Federal COVID Funds
ARPA FUNDS 2021	Federal COVID Funds
DIRECT LOAN FUND	Other
FED PAYMENTS- DC SCHOOL CHOICE AGREEMENT	Federal Grants & Payments
FEDERAL GRANTS	Federal Grants & Payments
FEDERAL GRANTS - COVID-19	Federal COVID Funds
FEDERAL PAYMENTS - INTERNAL	Federal Grants & Payments
MEDICAID PUBLIC PROVIDER RECOVERY GRANT	Federal Grants & Payments

Agency Fund Title	DIFS Agency Fund Description
ARPA - LOCAL REVENUE REPLACEMENT	Federal COVID Funds <sup>63</sup>
COMMON LOTTERY BOARD FUND	Local Funds
COMMUNITY SCHOOLS FUND	Local Funds
CONTINGENCY RESERVE	Local Funds
EARLY CHILDHOOD EDUCATOR PAY EQUITY FUND	Local Funds
HEALTHY TOTS FUNDS	Local Funds
LOCAL ARPA - MUNICIPAL	Federal COVID Funds
LOCAL FUNDS	Local Funds
RESERVE FUNDS	Local Funds
SCHOOL SAFETY & POSITIVE CLIMATE	Local Funds
SPECIAL EDUCATION ENHANCEMENT FUND	Local Funds
CHILD DEVELOPMENT FACILITIES FUND	Other
HEALTHY SCHOOLS FUND	Other
LONG TERM / G.O. / I.T. BONDS	Capital Funds
OSSE AGENCY FUND	Other
OSSE SUB GRANTS TO LEA - TITLE 2	Federal Grants & Payments
PAY AS YOU GO	Capital Funds
PRIVATE DONATIONS	Other
PRIVATE GRANT FUND	Other
SHORT - TERM BONDS	Capital Funds
SITE EVALUATION	Other
STATE SUPERINTENDENT OF EDUCATION FEES	Other
STUDENT RESIDENCY VERIFICATION FUND	Other
DME WIC	Other
DME/DEPARTMENT OF EMPLOYMENT SERVICES	Other
HIGH IMPACT TUTORING	Other
DME AFTER SCHOOL PROGRAM	Other
BACK TO SCHOOL DC COVID-19 VACCINE CAMP	Other
DC DATA VAULT	Other
DME SUMMER PROGRAM	Other
MOU - TAPIT	Other
FEDERAL GRANTS - COVID19	Federal COVID Funds
MOU - OSSE - MHFTE - DBH	Other
DOH/OSSE - DCEIP EVALUATIONS	Other
INTRA-DISTRICT	Other
OSSE AFE/WIC/DOES PARTNERSHIP MOU	Other

<sup>63</sup> Note: OSSE indicated that this funding source should be categorized as local funds. However, A&M was unable to verify whether the original source was local or federal COVID funds. For purposes of this analysis, this category has been categorized as a federal source.

<b>Agency Fund Title</b>	<b>DIFS Agency Fund Description</b>
MOU - OSSE / DCPS	Other
CONTINGENCY CASH RESERVE FUNDING COVID19	Other
MOU-DHS CHILD CARE SUBSIDY, TANF, TANF MOE	Other
MOU - GED TESTING AND DOC	Other
MOU - GED TESTING AND DYS5	Other
MOU BTW H&W AND DOH (COVID-WORKFORCE)	Other
LOCAL ARPA - COUNTY	Federal COVID Funds
MOU BTW H&W AND DOH (YOUTH SCHOLARSHIP)	Other
CAPITAL FUND - OTHER	Capital Funds

**Table 7**

<b>Program Code 3</b>	<b>DIFS Program Code 3 Title</b>
FRINGE BENEFITS - CURR PERSONNEL	Other
OTHER SERVICES & CHARGES	Other
CONTINUING FULL TIME	Other
CONTRACTUAL SERVICES - OTHER	Contractual Services
GOVERNMENT SUBSIDIES & GRANTS	Government Subsidies & Grants
CONTINUING FULL TIME - OTHERS	Other
PURCHASES EQUIPMENT & MACHINERY	Other
SUPPLIES & MATERIALS	Other
OVERTIME PAY	Other
ADDITIONAL GROSS PAY	Additional Gross Pay
P-CARD CLEARING ACCOUNT BUDGET TRACKING	Other
ENERGY COMM & BLDG RENTALS	Other
OTHER EXPENSES	Other
PARTICIPANT PAYROLL	Other
SECURITY SERVICES	Other
RENTALS EQUIPMENT & OTHER	Other
HOLDING FOR PAYROLL EXCEPTIONS	Other
MISCELLANEOUS EXPENSE NON BUDGETARY	Other
DEBT SERVICE PAYMENTS NON BUDGETARY	Other
SUPPLIES AND MATERIALS	Other
REGULAR PAY - OTHER	Other
SUBSIDIES AND TRANSFERS	Government Subsidies & Grants
REGULAR PAY - CONT FULL TIME	Other
OTHER SERVICES AND CHARGES	Other
EQUIPMENT & EQUIPMENT RENTAL	Other
TELECOMMUNICATIONS	Other
ENERGY, COMM. AND BLDG RENTALS	Other

Program Code 3	DIFS Program Code 3 Title
OCCUPANCY FIXED COSTS	Other
RENTALS - LAND AND STRUCTURES	Other

**Table 8**

GAAP Category Title - Comp Source Group Title	Categorized Account Type
NON-PERSONNEL SERVICES - Other	Non-Personnel Services - Other
PERSONNEL SERVICES - Other	Personnel Services
NON-PERSONNEL SERVICES - Government Subsidies & Grants	Government Subsidies & Grants
NON-PERSONNEL SERVICES - Contractual Services	Contractual Services
PERSONNEL SERVICES - Additional Gross Pay	Personnel Services

*B. Summary of FTE Methodology*

OSSE

A&M leveraged the personnel data provided by OSSE for the FY23-25 analysis. OSSE noted that several of the FTE positions provided within the PeopleSoft personnel files are classified as inter-agency, despite their budget allocations being linked to OSSE. To address this data limitation, A&M calculated FTEs by analyzing OSSE as the funding agency, human resources agency, and project organization. This was confirmed with OSSE based on their institutional knowledge of the PeopleSoft system. A&M used the sum of the FTE x Distribution % to count the number of total FTEs. For the locally funded FTE, A&M leveraged the fund type and Table 11 below. For the program specific analysis, A&M leveraged the list of programs in Table 9 below. In the FTE analysis, A&M leveraged the following data fields provided in the original data file:

- Funding Agency
- HR Agency
- Project Organization
- Fund
- Sum of FTE x Distribution %
- Program

In addition to the data fields provided, A&M developed supplemental headers through crosswalks created from the personnel data provided by OSSE. These crosswalks are built on the headers provided, with certain assumptions applied where necessary. The assumptions, along with the corresponding headers and fields, are outlined in the tables below.

To the calculate the total number of new, locally funded FTEs at OSSE during the FY23-FY25 time period, A&M leveraged position numbers to identify which were new locally funded positions in the PeopleSoft data since FY23. By identifying net new positions since FY23, A&M identified which positions were net new in FY24 and sustained in FY25, which were net new in FY24 and not sustained in FY25, and which were net new in FY25.

**Table 9**

<b>Program</b>	<b>Program (Parent Level 2) Description (Based on the budget file)</b>
400362	STRATEGIC FUNDING FOR SCHOOL QUALITY
400341	POST SECONDARY & CAREER EDUCATION
100069	AGENCY MANAGEMENT PROGRAM
400349	EARLY LEARNING
100044	AGENCY MANAGEMENT PROGRAM
400357	TEACHING & LEARNING
400337	POST SECONDARY & CAREER EDUCATION
400338	POST SECONDARY & CAREER EDUCATION
400345	DATA ASSESSMENTS AND RESEARCH
400352	EARLY LEARNING
400353	EARLY LEARNING
400363	STRATEGIC FUNDING FOR SCHOOL QUALITY
400365	HEALTH & WELLN ESS
100151	AGENCY MANAGEMENT PROGRAM
100153	AGENCY MANAGEMENT PROGRAM
150002	AGENCY FINANCIAL OPERATIONS
400335	POST SECONDARY & CAREER EDUCATION
400367	HEALTH & WELLN ESS
400360	OPERATIONS
400359	OPERATIONS
400355	TEACHING & LEARNING
400339	POST SECONDARY & CAREER EDUCATION
150003	AGENCY FINANCIAL OPERATIONS
400364	STRATEGIC FUNDING FOR SCHOOL QUALITY
400358	OPERATIONS
400342	POST SECONDARY & CAREER EDUCATION
400343	DATA ASSESSMENTS AND RESEARCH
100068	AGENCY MANAGEMENT PROGRAM
400348	EARLY LEARNING
150011	AGENCY FINANCIAL OPERATIONS
100063	AGENCY MANAGEMENT PROGRAM
100094	AGENCY MANAGEMENT PROGRAM
400340	POST SECONDARY & CAREER EDUCATION
400350	EARLY LEARNING
150012	AGENCY FINANCIAL OPERATIONS
400344	DATA ASSESSMENTS AND RESEARCH
150001	AGENCY FINANCIAL OPERATIONS
400347	DATA ASSESSMENTS AND RESEARCH
400354	TEACHING & LEARNING

<b>Program</b>	<b>Program (Parent Level 2) Description (Based on the budget file)</b>
100193	LONG TERM CARE PROGRAM
400624	HUMAN RESOURCES
100075	AGENCY MANAGEMENT PROGRAM
400351	EARLY LEARNING
400622	POST SECONDARY & CAREER EDUCATION
400346	DATA ASSESSMENTS AND RESEARCH
100154	AGENCY MANAGEMENT PROGRAM
100003	AGENCY MANAGEMENT PROGRAM
400336	POST SECONDARY & CAREER EDUCATION
100211	AGENCY MANAGEMENT PROGRAM
0	NO PROGRAM
400621	EARLY LEARNING
400623	POST SECONDARY & CAREER EDUCATION
400386	AFTER SCHOOL PROGRAMS / OST PROGRAMS
400385	AFTER SCHOOL PROGRAMS / OST PROGRAMS
100096	AGENCY MANAGEMENT PROGRAM
400388	WORKFORCE INVESTMENTS
400387	AFTER SCHOOL PROGRAMS / OST PROGRAMS
400389	WORKFORCE INVESTMENTS
100127	AGENCY MANAGEMENT PROGRAM
100002	AGENCY MANAGEMENT PROGRAM
400088	CENTRAL SERVICES
100173	DISTRICT RECOVERY PLAN

**Table 10**

<b>Fund</b>	<b>Fund Description (Based on the budget file)</b>
4020002	FEDERAL GRANTS
4020023	FEDERAL GRANTS - COVID-19
4040002	PRIVATE GRANT FUND
3030304	SHORT - TERM BONDS
4015916	ARPA - STATE
1010001	LOCAL FUNDS
1060264	SITE EVALUATION
1010190	ARPA - LOCAL REVENUE REPLACEMENT
3030300	LONG TERM / G.O. / I.T. BONDS
4015110	FEDERAL PAYMENTS - INTERNAL
1010100	RESERVE FUNDS
1011008	HEALTHY SCHOOLS FUND
1010118	COMMUNITY SCHOOLS FUND

<b>Fund</b>	<b>Fund Description</b> <i>(Based on the budget file)</i>
1060041	STATE SUPERINTENDENT OF EDUCATION FEES
4015918	ARPA - MUNICIPAL
4015120	FED PAYMENTS- DC SCHOOL CHOICE AGREEMENT
4020999	MEDICAID PUBLIC PROVIDER RECOVERY GRANT
1010213	EARLY CHILDHOOD EDUCATOR PAY EQUITY FUND
1010112	SCHOOL SAFETY & POSITIVE CLIMATE
3030301	PAY AS YOU GO
1010110	COMMON LOTTERY BOARD FUND
4015917	ARPA - COUNTY
4045001	PRIVATE DONATIONS
1060102	STUDENT RESIDENCY VERIFICATION FUND
1010138	CONTINGENCY RESERVE
1010113	HEALTHY TOTS FUNDS
4015915	ARPA FUNDS 2021
1070019	OSSE SUB GRANTS TO LEA - TITLE 2
1060107	CHILD DEVELOPMENT FACILITIES FUND
1010207	LOCAL ARPA - MUNICIPAL
7062018	OSSE AGENCY FUND
1010106	SPECIAL EDUCATION ENHANCEMENT FUND
4015133	DIRECT LOAN FUND

**Table 11**

<b>Fund Name</b>	<b>Summarized Categorized Fund Description</b>
FEDERAL GRANTS	Federal Grants & Payments
LOCAL FUNDS	Local Funds
FEDERAL PAYMENTS - INTERNAL	Federal Grants & Payments
SITE EVALUATION	Other
ARPA - STATE	Federal COVID Funds
HEALTHY SCHOOLS FUND	Other
RESERVE FUNDS	Local Funds
FEDERAL GRANTS - COVID-19	Federal COVID Funds
STUDENT RESIDENCY VERIFICATION FUND	Other
PRIVATE GRANT FUND	Other
ARPA - LOCAL REVENUE REPLACEMENT	Federal COVID Funds
PUBLIC HEALTH CRISIS RESPONSE	Federal COVID Funds
ARPA - MUNICIPAL	Federal COVID Funds
COMMUNITY SCHOOLS FUND	Local Funds
SHORT - TERM BONDS	Capital Funds
ARPA FUNDS 2021	Federal COVID Funds

## DME

DME observed that the FTE positions listed in the PeopleSoft personnel file are not entirely accurate. This is due to vacancies resulting from position changes that should have been closed or deleted but weren't, as well as vacancies that remain open because they haven't been filled yet. Consequently, simply removing all vacancies doesn't reflect the true number of FTE positions. To accurately analyze FTEs, A&M used public budget files to determine the actual number of FTE positions. See the appendix summary of DME FTEs for more detail on these public budget materials.

### C. Summary of FTE Benchmarking Methodology

To compare total K-12 FTE counts for each SEA reviewed in the study, A&M reviewed publicly available state budget documentation, including DC, Virginia, Rhode Island, Delaware, and Mississippi. Using budget data from FY24 (both federal and local funds), A&M identified total FTEs for each SEA and subtracted positions allocated to early childhood and higher education, given that certain states house these programs in separate agencies. For example, childcare subsidies and licensing may be housed in a state's department of human services rather than its education agency.

To determine total K-12 FTE for OSSE using public budget chapters, A&M started with the FY24 budgeted FTE total (976 FTEs). FTEs allocated to early childhood (473 FTE) and postsecondary programs (49 FTE) were subtracted from the FTE total, resulting in 453 FTEs, the estimated number of FTEs allocated for K-12 programming.

Virginia and Rhode Island have separate agencies dedicated to postsecondary programs. Rhode Island's Office of the Postsecondary Commissioner has 45 total budgeted FTEs in FY24. The State Council of Higher Education for Virginia has 72 total budgeted FTEs (52 general fund, 20 non-general fund). These FTE totals have been included in the chart above for comparison purposes, however because these agencies are separate from the SEAs, FTEs have not been subtracted from RIDE and VDOE agency FTE count.

All FTE counts have been rounded to the nearest whole number. Note that the sources listed in the table below are FY25 state budget documents, as these sources list total approved positions for FY24.

FY24 FTE Allocation <i>All Fund Types</i>	District of Columbia OSSE	Virginia VDOE	Rhode Island RIDE	Delaware DDOE	Mississippi MDE
Agency Total	976	517	330	229	342
Early Childhood	473	<i>Not Available</i>	N/A	29	N/A
Postsecondary	49	72	45	N/A	N/A
<b>K-12</b>	<b>453</b>	<b>517</b>	<b>150</b>	<b>200</b>	<b>342</b>
Notes on Methodology	Approved budget includes 976 total FTEs. 473 early childhood FTEs and 49 postsecondary	Budget includes 181.17 general fund positions and 335.83 non-general fund positions for	Approved budget includes 150 central office staff for elementary and secondary education (RIDE).	Approved budget includes 178.8 total FTEs for DDOE, with 29 allocated to Early Childhood Support	Authorized headcount for MDE includes 342 permanent FTEs and 143 time-limited staff (not included in

FTEs were subtracted from this total, resulting in an estimated 453 SEA FTEs allocated to K-12 programs.

department of education, central office operations. Data on total staff for early childhood programs (e.g., Child Care Development Fund and Head Start) was not available from budget documentation. As a result, K-12 FTE total may be less than 517 FTEs. Many postsecondary functions are housed in a separate agency and have not been subtracted from the SEA's FTE total.

All other budgeted positions (84 FTE) are at specialized schools (School for the Deaf and Career & Technical School). Early childhood programs are split across the state's Depts. of Health and Human Services. RIDE runs state Pre-K programs. As a result, early childhood FTEs were not subtracted from the SEA's FTE total.

program. DDOE has a Higher Education Office (DHEO) within the agency, however it's unclear which program unit these FTEs are allocated to. DDOE's "Workforce Support" program includes some postsecondary positions, but not all. Given this data limitation, A&M did not subtract any postsecondary FTE positions from the agency total.

analysis). Early childhood programs are split across the state's Dept. of Human Services, Dept. of Health, Office of the Governor, and the Dept. of Education. MDE's Office of Early Childhood only oversees Pre-K programs. As a result, early childhood FTEs were not subtracted from the SEA's FTE total. Postsecondary functions (e.g., scholarships, accreditation) are also housed in separate governing bodies.

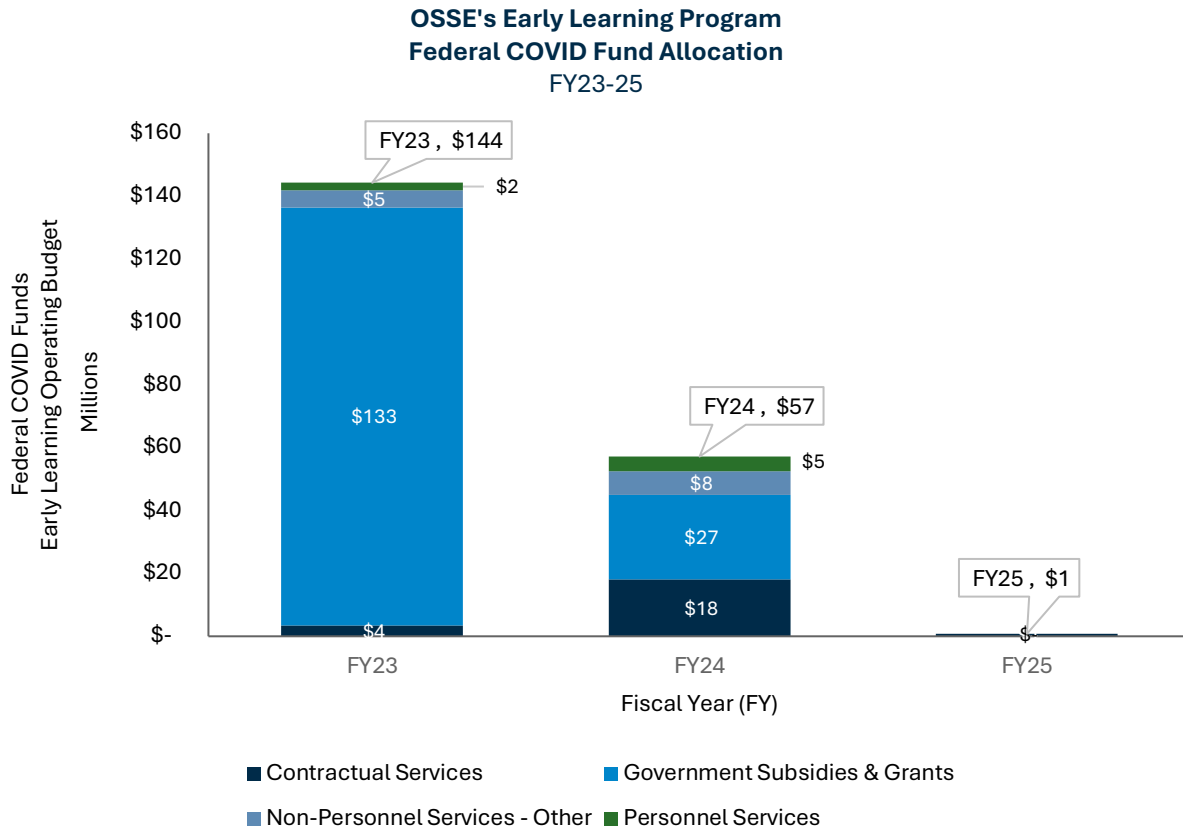
Source                      [FY25 Approved Budget & Financial Plan](#)      [State Budget Bill](#)      [FY25 Budget Proposal](#)      [FY25 Operating Budget – Education](#)      [FY25 Budget Bulletin](#)

## Tables & Figures

### D. Summary of OSSE Local Funds

Local Funds Category	FY22	FY23	FY24	FY25
Operating Budget	\$186,173,234	\$258,413,579	\$270,770,162	\$260,803,058
Administrative Budget	\$55,847,961	\$71,465,572	\$67,609,149	\$83,089,366
Passthrough Funds	\$130,325,273	\$186,948,007	\$203,161,013	\$177,713,692
% Budget Allocated to Administrative Costs	30%	28%	25%	32%
% Budget Allocated to Passthrough Funds	70%	72%	75%	68%
<b>Early Learning Program</b>				
Operating Budget	N/A	\$128,371,071	\$192,440,256	\$172,524,044
Administrative Budget	N/A	\$14,043,913	\$14,810,180	\$20,683,701
% Budget Allocated to Administrative Costs	N/A	20%	22%	25%
% Budget Allocated to Early Learning	N/A	50%	71%	66%

E. Summary of OSSE’s Early Learning Program - Federal COVID Fund Allocation



F. Summary of Legally Required Agency Functions

a. OSSE’s Functional Requirements

The table below provides a high-level summary of the common, core functions of an SEA, detailing the minimum, legally required functions OSSE must perform under federal law as well as state and local functions that have been added by either the DC Council or mayor. Given that states are largely responsible for governing education, the majority of OSSE’s mandated functions are outlined under Title 38, Chapter 26 of the Code of the District of Columbia. In addition to establishing the Office of the State Superintendent of Education, this section of the DC Code outlines the roles and responsibilities of the agency and its leader, the State Superintendent of Education. Federal requirements that govern OSSE’s activities are outlined by major education statutes such as the Every Student Succeeds Act (ESSA).<sup>64</sup>

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<sup>64</sup>A&M’s summary of federally mandated SEA activities is drawn from the following major education statutes: Every Student Succeeds Act (ESSA), Individuals with Disabilities Education Act (IDEA), Family Educational Rights and Privacy Act (FERPA), and Title IX. The summary of local requirements is limited to Title 38, Chapter 26 of the District of Columbia Code, which lists the specific responsibilities of the Office of the State Superintendent of Education, as well as select regulations found in the D.C. Municipal Regulations (DCMR). Note that specific, local regulations governing the provision of special education services are outlined in [Title 5, Subtitle A](#), Chapters 28 and 30 of the DCMR.

Historically, State Education Agencies were established to administer state and federal education programs, focusing primarily on compliance and distributing funds to Local Education Agencies. Today, many SEAs have expanded their roles, facing the challenge of balancing traditional, federally-mandated administrative functions with new responsibilities around policy development and implementation. For purposes of this study, A&M has grouped the core responsibilities of a typical State Education Agency across the following six high-level categories:

1. **Fund Distribution** – Provide fiscal management and oversight, administering state and federal funds
2. **Academic Standards & Assessments** - Develop accountability systems, set academic standards and assess student performance to ensure eligibility for federal funds
3. **Policy, Oversight & Compliance** – Ensure compliance with federal and state laws
4. **Data Analysis, Collection & Reporting** – Collect and report high-quality data, maintain data systems, and establish strong data governance policies
5. **Educator Workforce & Licensing** – Develop and enforce teacher certification and licensing standards and support professional development
6. **Program Administration** – Support LEAs through pilot programs or grant competitions aimed at improving instructional practices

In the table below, A&M maps each of OSSE’s legislatively mandated activities to these high-level categories.<sup>65</sup>

### Summary of Legally Required Functions - OSSE

Table 12

Core SEA Function	Federal Requirements	State Requirements	DC Code Citation
<b>Fund Distribution</b> <sup>66</sup>	<ul style="list-style-type: none"> <li>• Administer ESSA Title I - Title IX Grants (e.g., 21st Century Community Learning, Perkins V, Migrant Education, School Improvement)</li> <li>• Administer IDEA Grants</li> <li>• Administer Emergency Relief Funds (e.g., ESSER Funds)</li> </ul>	<ul style="list-style-type: none"> <li>• Make recommendations to revise the student funding formula (Uniform Per Student Funding Formula)</li> <li>• Provide supplemental funding for early literacy programs</li> <li>• Issue grants to DC public/charter schools, LEAs, institutions of higher education, nonprofits, and other providers to increase access to postsecondary and career opportunities</li> <li>• Award scholarships and financial assistance for postsecondary education</li> </ul>	<p>§ 38–2602 (b)(4)</p> <p>§ 38–2602 (b)(24)</p> <p>§ 38–2602 (b)(29)</p> <p>§ 38–2602 (b)(29)(A)</p>

<sup>65</sup> A&M developed high-level categories to represent common State Education Agency functions for purposes of this analysis. Each category describes a group of common activities typically performed by SEAs.

<sup>66</sup> Note that OSSE also administers the Child Care and Development Fund (CCDF), a federal block grant authorized by the Child Care and Development Block Grant (CCBDG) Act of 2014. This grant supports childcare access and quality in the District. Under federal law, governors designate the lead agency to administer CCDF programs. Because not all SEAs administer CCDF, this grant has not been included in Table 12, “Legally Required Functions.”

<b>Core SEA Function</b>	<b>Federal Requirements</b>	<b>State Requirements</b>	<b>DC Code Citation</b>
<b>Academic Standards &amp; Assessments</b>	<ul style="list-style-type: none"> <li>• Administer statewide assessments in reading/language arts, math and science to measure student progress (frequency varies by student grade)</li> <li>• Administer annual assessments to measure English-language proficiency for all English-learners</li> <li>• Develop a State Accountability System to measure student performance</li> <li>• Approve school-level comprehensive support and improvement plans, periodically monitoring and reviewing plan implementation</li> <li>• Notify LEAs of any schools that require comprehensive support and establish statewide "exit criteria" for underperforming schools</li> </ul>	<ul style="list-style-type: none"> <li>• Ensure the security and integrity of districtwide assessments</li> <li>• Develop, approve and adopt academic standards for LEAs and pre-k programs that receive district funding</li> <li>• Define minimum amount of instructional time and rules around instructional credits for all schools including public and private</li> <li>• Define extended learning standards</li> <li>• Assist LEAs with adopting teaching and learning practices that support students with reading difficulties</li> </ul>	<p>§ 38–2602 (b)(29)(A) § 38–2602; § 38–272.01</p> <p>§ 38–2602 (b)(7-8)</p> <p>§ 38–2581.02</p>
<b>Policy, Oversight &amp; Compliance</b>	<ul style="list-style-type: none"> <li>• Ensure compliance with federal laws, including Title VI and Title IX of the Civil Rights Act and IDEA</li> <li>• Monitor LEA grant programs to ensure that federal funds are used only for authorized purposes, comply with federal laws, and meet performance goals</li> <li>• Monitor and support LEAs to ensure compliance with federal disability laws (IDEA)</li> <li>• Enforce federal grant rules</li> </ul>	<ul style="list-style-type: none"> <li>• Develop and adopt state-level policies that come within the functions of SEAs under federal law</li> <li>• Establish rules to review and approve state-level policies set forth by the State Board of Education</li> <li>• Set the rules to verify residency for public/charter school students</li> <li>• Oversee and monitor compliance with state-level functions and activities related to early childhood education, including establishing eligibility policies and payment rates for childcare subsidy programs</li> <li>• Administer and implement DC homeschooling regulations</li> <li>• Develop and publish online written guidance to assist LEAs in developing and adopting policies</li> </ul>	<p>§ 38–2602 (b)(11-12)</p> <p>§ 38–2602 (b)(3)</p> <p>§ 38–2602(b)(9)</p> <p>§ 38–2602(b)(26)(A)</p>

Core SEA Function	Federal Requirements	State Requirements	DC Code Citation
		for handling student mental and behavioral health	
		<ul style="list-style-type: none"> <li>• Create a truancy prevention resource guide that includes a minimum set of topics</li> </ul>	§ 38–2602 (b)(19)
<b>Data Analysis, Collection &amp; Reporting</b>	<ul style="list-style-type: none"> <li>• Collect and report data in compliance with federal privacy law (FERPA)</li> <li>• Develop a state report card that provides data on metrics such as graduation rates and per-pupil expenditures</li> <li>• Provide guidance to LEAs on what data must be collected, when it must be shared, and any special rules around how data is collected (e.g., average daily attendance, Fall enrollment counts, Common Core of Data, and Special Education data)</li> <li>• Provide a reasonable assurance of data quality</li> </ul>	<ul style="list-style-type: none"> <li>• Conduct an annual residency audit to determine current Pre-K enrollment</li> </ul>	§ 38–2602 (b)(9B)
		<ul style="list-style-type: none"> <li>• Administer the Youth Risk Behavior Surveillance System and publish a detailed report on results, provide certain data back to LEAs</li> </ul>	§ 38–2602 (b)(31)(A)
		<ul style="list-style-type: none"> <li>• Administer a school climate survey for grades 7-10</li> </ul>	§38–2602 (b)(28)(A)
		<ul style="list-style-type: none"> <li>• Conduct studies and pilot projects to develop, review or test state policy</li> </ul>	§38–2602 (b)(13)
<b>Educator Workforce &amp; Licensing</b>	<ul style="list-style-type: none"> <li>• Provide grant funding and resources for teacher professional development<sup>67</sup></li> <li>• Ensure all teachers in LEAs that receive federal funding (Title II, Part A funds) meet state certification standards</li> <li>• Review and approve LEA plans to ensure that their professional development activities are tied to state standards</li> </ul>	<ul style="list-style-type: none"> <li>• License K-12 teachers<sup>68</sup></li> </ul>	5-A DCMR §1600
		<ul style="list-style-type: none"> <li>• Develop and publish a publicly accessible catalogue of all PD trainings/programs offered by the SEA</li> </ul>	§38–2602 (b)(27)(A)
		<ul style="list-style-type: none"> <li>• Oversee licensing of higher education institutions</li> </ul>	§38–2602 (b)(6)
		<ul style="list-style-type: none"> <li>• Oversee Pre-K program and childcare center licensing, monitoring for compliance and quality</li> </ul>	§38–2602 (b)(6A); § 38–271.02

<sup>67</sup> Under ESSA, Title II Part A, funding is awarded to SEAs on a formula basis. States may retain up to 5% of funds for state-level activities (e.g., 3% of funding may go to state-level principal and school leader support), however the majority of federal funds must awarded as sub-grants to LEAs.

<sup>68</sup> Under ESSA, states have sole authority to determine all teacher certification requirements, including which teachers are qualified to deliver core content instruction.

Core SEA Function	Federal Requirements	State Requirements	DC Code Citation
<b>Program Administration</b>	<ul style="list-style-type: none"> <li>Administer federal nutrition programs, including the National School Lunch Program (NSLP), School Breakfast Program (SBP), Summer Food Service Program (SFSP), and others, ensuring programs are managed according to federal rules and standards, determining eligibility and providing training and technical assistance to LEAs</li> </ul>		

**b. DME’s Functional Requirements**

The table below provides a high-level summary of the statutory requirements DME must perform under DC law. DME’s mandated functions are outlined in Title 38, Chapter 191 of the Code of the District of Columbia. This law establishes a Department of Education led by a Deputy Mayor for Education. The mayor is authorized to appoint this position. Note that for purposes of this study, A&M has grouped DME’s core functions into four high-level categories including:

5. **Fiscal Oversight** – Oversee budget preparation and financial reporting, provide guidance on the Uniform Per Student Funding Formula
6. **Cross-Agency Oversight & Coordination** – Oversee and support DC education agencies
7. **Data Analysis, Collection & Reporting** – Provide cross-agency data to inform the District’s education and workforce strategy and analyze the performance of agency initiatives
8. **Policy & Initiative Development** – Develop and implement high-impact, interagency projects and grant programs in support of the mayor’s education policy goals

**Summary of Legally Required Functions - DME**  
**Table 13**

Core Agency Function	Local Requirements	DC Code Citation
<b>Fiscal Oversight</b>	<ul style="list-style-type: none"> <li>• Establish common financial reporting standards for the non-capital budgets and expenditures of DCPS and public charter schools; these standards should include categories for reporting budgets/expenditures for instructional staff, school administrators, instructional supports, educational materials and non-educational administrative costs; the standards should permit “meaningful and accurate” budget and expenditure comparisons between all public schools and local education agencies</li> </ul>	§ 38–191(b)(10)(A)
<b>Cross-Agency Oversight &amp; Coordination</b>	<ul style="list-style-type: none"> <li>• Oversee OSSE (referred to as the State Superintendent of Education Office)</li> <li>• Oversee the Office of Public Education Facilities Modernization</li> <li>• Promote, coordinate, and oversee collaborative efforts across District agencies to support education and child development</li> <li>• Coordinate programs, policies, and objectives of the Mayor with the Board of Trustees of the University of the District of Columbia (UDC)</li> <li>• Coordinate the development of the Master Facilities Plan</li> </ul>	§ 38–191(1)(A-B)  § 38–191(b)(3-4)  § 38–191(b)(3-4)
<b>Data Analysis, Collection &amp; Reporting</b>	<ul style="list-style-type: none"> <li>• Develop a District-wide data system that integrates and tracks data across education, justice and human service agencies; this system may be used to collect, analyze and publish data on how well the District’s education and workforce-related programs are serving District residents throughout their lifetimes</li> </ul>	§ 38–191(1)(D); (10)(b-1-2)

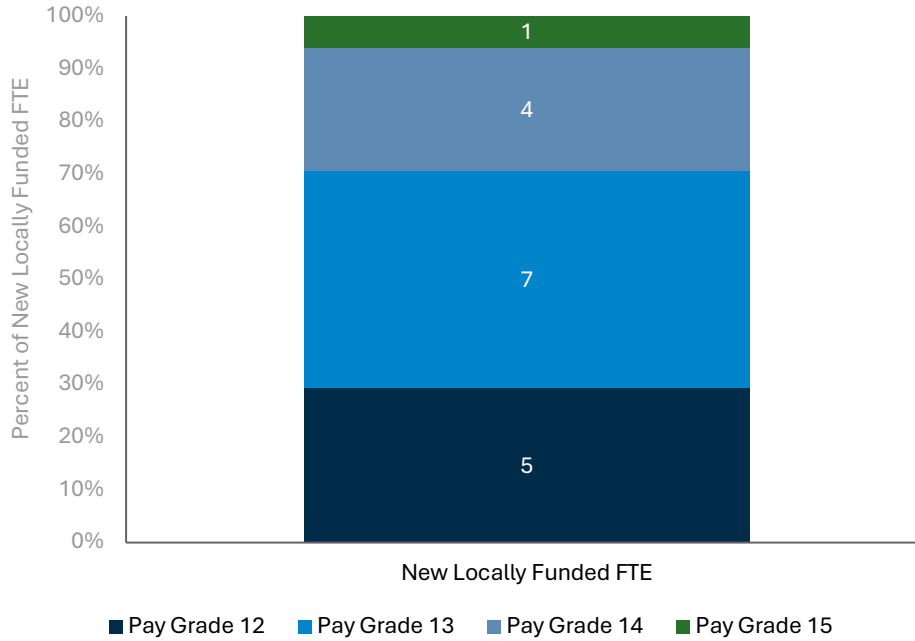
Core Agency Function	Local Requirements	DC Code Citation
	<ul style="list-style-type: none"> <li>Submit required reports to the Mayor, Chancellor, State Board of Education and DC Council, including an analysis of the number of and types of complaints received and recommendations made</li> </ul>	§ 38–191(7), § 38-353(14)
	<ul style="list-style-type: none"> <li>Every three years, review and update a statewide, strategic education and youth development plan that must be submitted to DC Council and the State Board of Education</li> </ul>	§ 38–191(c)
	<ul style="list-style-type: none"> <li>Every five years, compile and submit an in-depth education funding adequacy study that reviews the Uniform Per Student Funding Formula (UPSFF) and addresses issues of equitable funding among schools and between DCPS and public charter schools</li> </ul>	§ 38–191(g)
<b>Policy &amp; Initiative Development</b>	<ul style="list-style-type: none"> <li>Develop and support programs to improve the delivery of educational services and opportunities, including DCPS, public charter schools, and UDC (recognizing that the Mayor does not hold authority over the University)</li> </ul>	§ 38–191(b)(2)
	<ul style="list-style-type: none"> <li>Coordinate the integration of programs and resources across DC agencies that support education and child development</li> </ul>	§ 38–191(b)(3)
	<ul style="list-style-type: none"> <li>Promote, coordinate, and oversee the enhancement and quality of adult education and literacy programs within OSSE</li> </ul>	§ 38–191(b)(6)
	<ul style="list-style-type: none"> <li>Provide administrative and technical support for the Common Lottery Board</li> </ul>	§ 38–191(b)(9)

*G. Summary OSSE FTE FY23 – FY25*

	2023	2024	2025
<b>Locally Funded FTE</b>	281	271	318

H. Summary of OSSE New Locally Funded FTE Since FY23

OSSE New Locally Funded FTE Since FY23 Organized by Pay Grade (FY24-25)



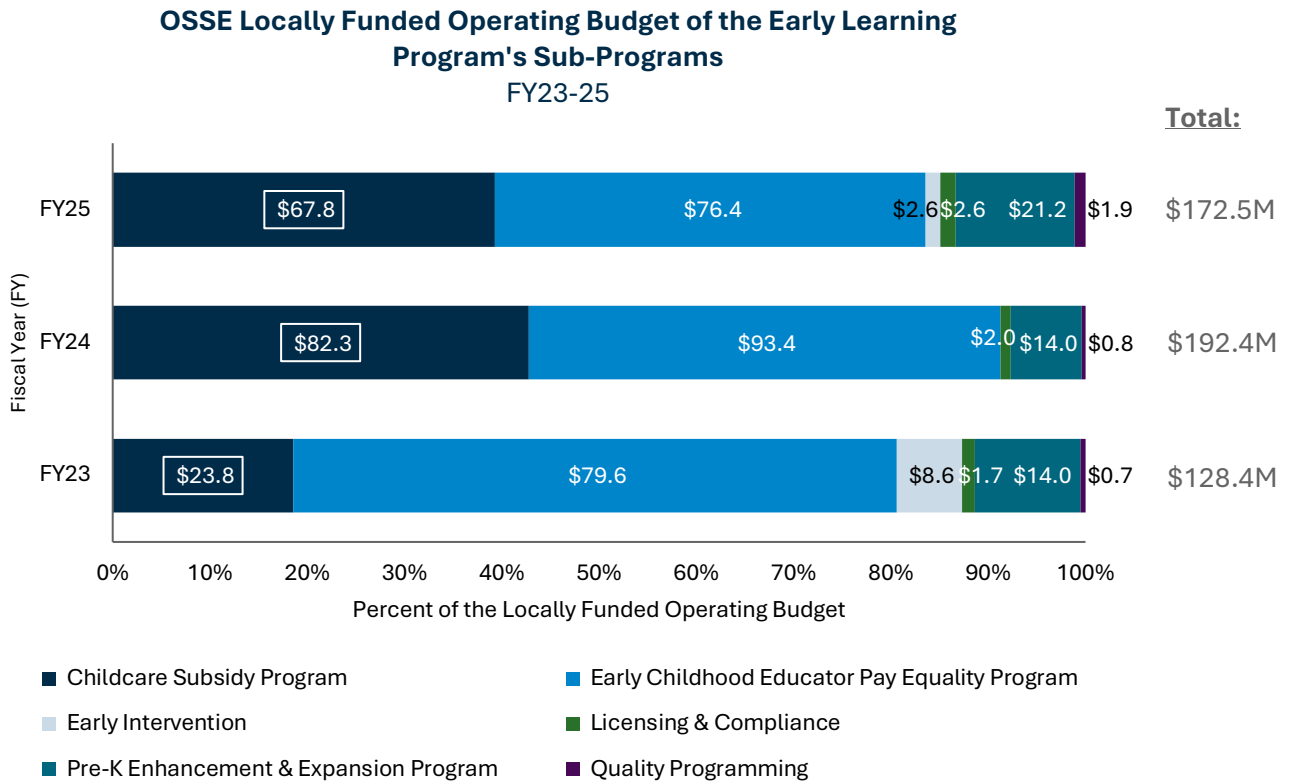
Pay Grade	% of New Locally Funded FTE	New Locally Funded FTE
Pay Grade 12	29%	5
Pay Grade 13	41%	7
Pay Grade 14	24%	4
Pay Grade 15	6%	1

Position Title	Number of New Locally Funded FTE
Attorney Advisor	2
Data Analysis Manager	1
Education Research Analyst	1
IT Specialist (Network)	1
Management Analyst	8
Program Manager	3
Supervisory Public Affairs Spec.	1
<b>Total</b>	<b>17</b>

Program Title	Number of New Locally Funded FTE
Agency Financial Operations	2

Agency Management Program	5
College & Career Readiness	1
Data Assessments & Research	3
Early Learning	1
Operations	1
Post Secondary & Career Education	1
Teaching & Learning	3
<b>Total</b>	<b>17</b>

I. OSSE Locally Funded Operating Budget of Early Learning Program's Sub-Programs



J. Summary of DME Local Funds

Local Funds Category	FY22	FY23	FY24	FY25
Operating Budget	\$19,686,439.7	\$27,355,690.6	\$28,507,365.0	\$36,799,411.1
Administrative Budget	\$5,178,010.7	\$5,617,261.6	\$7,289,231.6	\$8,694,232.2
% Budget Allocated to Administrative Costs	26%	21%	26%	24%
% Budget Allocated to Passthrough Funds	74%	79%	74%	76%

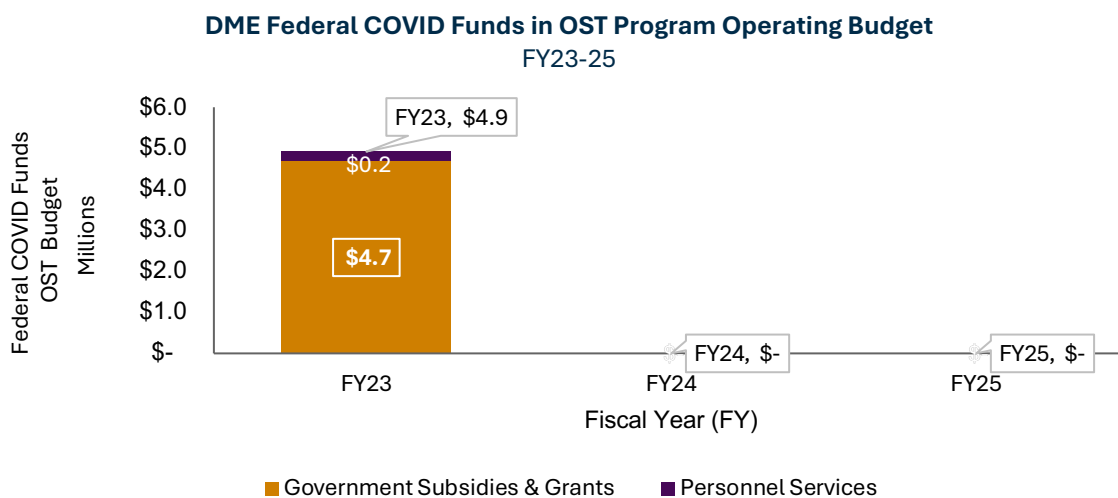
Local Funds Category	FY22	FY23	FY24	FY25
<b>Out of School Time (OST) Program</b>				
Operating Budget	N/A	\$19,189,158.9	\$23,116,209.3	\$30,425,612.4
Administrative Budget	N/A	\$1,390,354.9	\$2,805,970.5	\$3,364,477.2
% Budget Allocated to Administrative Costs	N/A	25%	38%	39%
% Budget Allocated to OST Program	N/A	70%	81%	83%

*K. Summary of DME OST FTE Data*

<b>BY TEAM</b>				
FTE Data in Budget Books	FY22	FY23	FY24	FY25
OST	10	11	17	16
WIC	17.9	15.1	8.1	9.1
DME Main	19.1	21	21.5	21.5
<b>TOTAL</b>	<b>47</b>	<b>47.1</b>	<b>46.6</b>	<b>46.6</b>

DME noted that FY22 SOAR data reflects the Workforce Investment Council’s (WIC) intra-district positions budgeted at Department of Employment Services as part of DC’s federal allocation for Workforce Innovation and Opportunity Act (WIOA). However, these positions are not reflected in total budget counts for FY23-25 in SOAR. To make the datasets comparable, DME provided the total FTE headcount organized by Fund Type and included the intra-district positions at WIC.

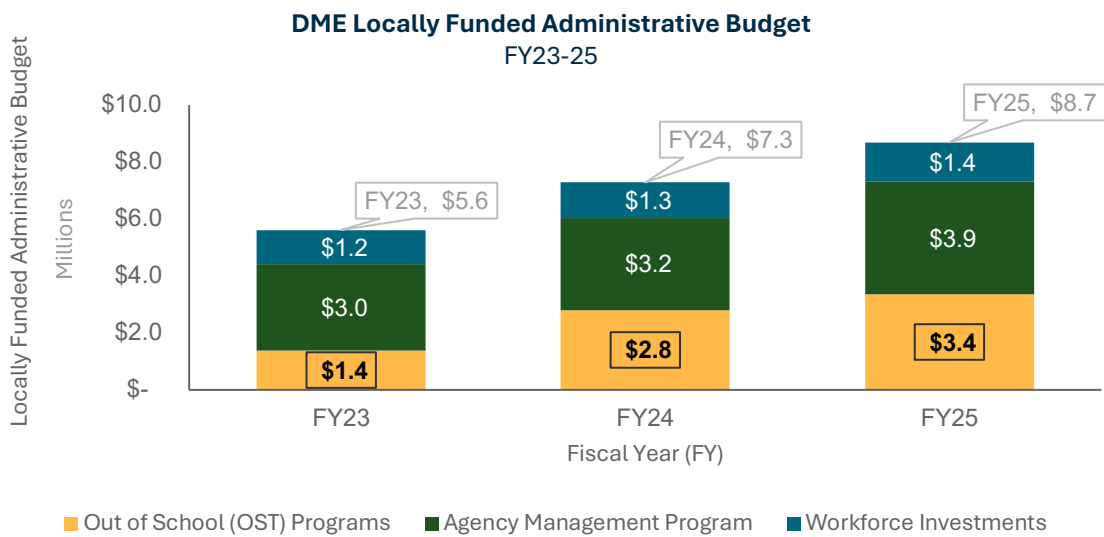
*L. Summary of DME Federal COVID Funds in OST Program Operating Budget*



M. Summary of DME FTE by Fund Type

BY FUND TYPE				
FTE Data in Budget Books	FY22	FY23	FY24	FY25
Local	36.1	40.1	46.6	46.6
Federal	7	7	0	0
Intra-District - WIOA MOU with Department of Employment Services for WIC positions	3.9	4	3.89	3.89
Other	0	0	0	0
<b>TOTAL</b>	<b>47</b>	<b>51.1</b>	<b>50.49</b>	<b>50.49</b>

N. Summary of DME Locally Funded Administrative Budget of the OST Program



# Agency Comments

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On February 13, 2026, we sent a draft copy of this report to the Deputy Mayor for Education (DME) and the Office of the State Superintendent of Education (OSSE) for review and written comments. DME responded with comments on February 27, 2026; OSSE responded on March 11, 2026. Agency comments are included here in their entirety.



Office of the Deputy Mayor for Education  
John A. Wilson Building | 1350 Pennsylvania Ave, NW, Suite 307 | Washington, DC 20004

February 27, 2026

Kathleen Patterson  
Office of the DC Auditor  
1331 Pennsylvania Ave NW, 8<sup>th</sup> Floor  
Washington, DC 20004

RE: DME Response to ODCA Study of Education Governance & Oversight

Dear Ms. Patterson:

Thank you for the opportunity to comment on the report on the Study of Education Governance and Oversight which examines the strong partnership the Office of the Deputy Mayor for Education (DME) and the Office of the State Superintendent of Education (OSSE) employs to deliver for DC families every day.

Since PERAA was enacted, DC's education system has improved greatly under Mayoral control and Council oversight with DME and OSSE playing critical roles in fostering that success. Some of the recent highlights that have been achieved under Mayoral control include:

- Last year, statewide scores on DC Comprehensive Assessment of Progress in Education (CAPE) in English Language Arts (ELA) and math improved by 3.6 percentage points in each subject, bringing ELA proficiency back to pre-pandemic levels.
- DC improved or stayed steady across all grades and tested subject areas of the 2024 Nation's Report Card (NAEP), while the national average fell.
  - NAEP fourth grade math proficiency increased by 8 points and tied with Delaware for the jurisdiction demonstrating the largest improvement nationally.
  - DCPS is the only urban district to make significant or nominal increases in all four grade and subject combinations tested by NAEP and continues to be recognized as the fastest improving urban school district.

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- Graduation rates have continued to climb, growing to an all-time high of 78.7% in the 2024-25 school year and rising 2.6 percentage points from the previous school year. Since 2015, graduation rates have grown by 23% or 14.7 percentage points.

The study notes the growth of DME's budget is attributable to targeted investments the Mayor and the Council have made in out-of-school-time grants, the Education Through Employment Data System, and attendance interventions.

- Through the Office of the Deputy Mayor for Education, DC invests \$27 million to improve the access and quality of **out-of-school time programming**. These targeted investments served 18,921 students last year alone, which means students across DC are engaged in safe, high-quality programming across all eight wards.
- The **Office of Education through Employment Pathways (ETEP)** was created in 2024. Since its inception, ETEP has integrated education and workforce data across five agencies and published nine reports, as well as dashboards and a research agenda. ETEP is vital at this moment for our city, as we seek to understand how our investments across government drive impact for our residents.
- DC's partnership with **Every Day Counts** has enabled us to partner with local education agencies to deliver evidence-based nudge texts and emails to DC students and families on their attendance habits. This low-cost-per-student intervention has yielded tremendous outcomes, with almost half of the 48,000 students who received the nudges improving their attendance and 20% of those students moving from chronically absent to not chronically absent in SY24-25.

Below, I have responded to the study's recommendations which pertain to DME specifically.

**Recommendation:** OSSE and DME should add a high-level budget section in annual reports to show year-over-year changes, designed in a format that can be easily understood by DC residents and families.

- **Response:** DME's budget is published annually by the Office of the Chief Financial Officer which shows year-over-year budget changes. Additionally, DC residents, families, and other stakeholders within the Education community regularly engage throughout the Executive's budget formulation process and the Council's budget oversight period where year-over-year funding changes and rationales are provided. Lastly, OST's annual reports show total funding per grant competition and per

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provider to support transparency in how grant dollars were allocated in previous years.

**Recommendation:** DME should document and implement regular staffing reconciliations to ensure personnel data in PeopleSoft is updated to differentiate between vacant positions that have been retired versus those that the agency is actively recruiting for.

- **Response:** DME's budget team has worked with our colleagues in the Office of the Chief Financial Officer and DC Human Resources to align office vacancies shown in PeopleSoft records according to inactive/active status. We will continue to review and reconcile these reports quarterly as we collaborate with our OCFO and HR partners on DME's regular financial reviews.

**Recommendation:** DME and OSSE should collaborate on an efficiency assessment of all locally funded, direct service programs managed by each agency, gathering data on program-level administration costs, staffing, and program delivery strengths or weaknesses. The assessment should result in clear recommendations about improving efficiency which could include contracting with an experienced CBO or LEA partner.

- **Response:** DME is committed to ensuring we are making best and most efficient use of the agency's resources as good stewards of taxpayer dollars. Through ETEP, DC government will have access to better information and analysis on how government investments are performing for DC residents' education and workforce goals, two areas of large investment in the District. Beyond ETEP, we will continue to collaborate with OSSE and other agencies across government during budget formulation and execution to ensure the investments we make drive this purpose forward.

DME is committed to continuing our partnership with OSSE and other agency partners across government to deliver for DC children and families in the future. These partnerships are more important than ever, and I thank you for your staff's effort in highlighting them through this study.

Sincerely,



Paul Kihn



OFFICE OF THE STATE  
SUPERINTENDENT OF EDUCATION

March 11, 2026

Kathleen Patterson, D.C. Auditor  
Office of the District of Columbia Auditor  
1331 Pennsylvania Avenue NW  
Washington, DC 20004

RE: ODCA Draft Report – *Study of Education Governance & Oversight: Deputy Mayor for Education and Office of the State Superintendent of Education*

Dear Auditor Patterson:

This correspondence serves as the Office of the State Superintendent of Education’s (OSSE) response to the Office of the District of Columbia Auditor’s (ODCA) draft report, “Study of Education Governance & Oversight: Deputy Mayor for Education and Office of the State Superintendent of Education.” We appreciate the opportunity to respond and comment on the report.

In this letter, we highlight key accomplishments that underscore why the current educational governance structure is sound and reiterate our previously shared concerns with some of the methodology deployed in the report, as it leads to misleading or out-of-context data and conclusions. We conclude by responding to each of the recommendations related to OSSE.

### **OSSE and the DME Continue to Deliver for Students and Families**

Under the current education governance model, largely established by the Public Education Reform Amendment Act (PERAA), the OSSE and the Office of the Deputy Mayor of Education (DME) have worked to improve educational outcomes for students and be a valuable resource to our schools and Local Educational Agencies (LEAs).

Over the past twenty years, OSSE has increased in size and scope because the agency is an indispensable partner and resource to our schools, and it is trusted by District residents and stakeholders to deliver critical educational services and programming, as recognized by the DC Council, which has continued to task OSSE with additional responsibilities that typically fall outside of SEA functions.<sup>1</sup> During the report’s period of study (FY22-FY25), OSSE:

- Launched a first-in-the-nation Early Childhood Pay Equity Fund, which delivers key investments to child care development centers to recruit and retain early educators;

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<sup>1</sup> See Office of the District of Columbia Auditors (ODCA). *Study of Education Governance & Oversight: Deputy Mayor for Education and Office of the State Superintendent of Education*. March 2026. Pg. 11-13.

- Opened two new Advanced Technical Centers to provide students with innovative dual enrollment career and technical education opportunities in the high-demand sectors of cybersecurity and health;
- Convened District-wide literacy and math task forces and began implementing their recommendations;
- Started a robust High Impact Tutoring grant initiative that delivers high-quality, evidence-based supports to students;
- Launched the OSSE Apprenticeship in Teaching program, providing a tuition-free earn-and-learn pathway to becoming a certified teacher;
- Issued grants and provided oversight to over 100 LEAs and CBOs while also meeting fiscal and programmatic reporting requirements for federal and local entities;
- Continued our role as the go-to-source of accurate and reliable data on enrollment, attendance, assessments, graduation, and post-secondary participation and attainment; and
- Delivered hundreds of millions of dollars in federal COVID relief funds to our LEAs to assist in implementing numerous key education strategies during the pandemic and beyond.

During this same time, our District students made real academic progress:

- Students made the largest gains in English language arts (ELA) and math proficiency since the pandemic, with ELA proficiency surpassing pre-pandemic achievement; forty percent of schools raised proficiency by at least 5 points in one of these subjects; and more than 60 percent showed measurable progress in both.<sup>2</sup>
- D.C. ranked first in the nation for learning recovery in both math and reading for grades 3 to 8 between 2022 and 2024. In that two-year period, D.C. students gained back the equivalent of half a grade level in math and a quarter of a grade level in reading. Just a few years ago, D.C. ranked 32<sup>nd</sup> in math recovery since 2019, and today, it leads the country.<sup>3</sup>

These programs and achievements are possible because of the commitment and expertise of our teachers, schools, and LEAs, who design and deliver high-quality learning experiences every day, as well as the exceptional leadership and dedication of OSSE staff who provide the guidance, tools, and supports that empower educators to bring these programs to life and ensure they reach the students who need them the most. The continued expansion of OSSE’s responsibilities reflects the strong track record of valuable- work the agency delivers on behalf of District students and families.<sup>4</sup>

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<sup>2</sup> OSSE. 2025 Statewide Assessment Results: English Language Arts (ELA) and Math (Aug. 21, 2025), [https://osse.dc.gov/sites/default/files/dc/sites/osse/page\\_content/attachments/Assessment 2025 PublicDeck FINAL.pdf](https://osse.dc.gov/sites/default/files/dc/sites/osse/page_content/attachments/Assessment%2025_PublicDeck_FINAL.pdf).

<sup>3</sup> Press Release, Education Recovery Scorecard, District of Columbia (Feb. 11, 2025), <https://educationrecoverycorecard.org/states/district-of-columbia/>.

<sup>4</sup> Moreover, many of OSSE’s expanded duties are a direct result of Council legislation. “Between FY22 and FY25, OSSE added several new locally funded responsibilities and programs, many of which resulted from new legislation passed by the DC Council.” *See supra* note 1 at 11.

## **Methodological Concerns**

OSSE disagrees with much of the methodology used in this report. OSSE is disappointed that, despite providing considerable oral and written feedback and guidance during the engagement, the report continues to make assertions without proper context and, in some instances, presents misleading or incorrect information.<sup>5</sup> Below, we highlight a subset of the issues identified.

### ***Administrative Budget***

Analysis based on the report's definition of 'administrative budget' is errant, and OSSE objected to it at the time of engagement.<sup>6</sup> As defined in the report, 'administrative budget' is the agency's total operating budget, minus any funds categorized as subsidies or grants (as classified in the District's Integrated Financial System (DIFS)), "used to run each agency."<sup>7</sup>

This definition ignores OSSE programming that is not a subsidy or grant and couches it as 'administrative.' For example, conducting the annual, legally mandated Enrollment Audit, which is paid for mostly by contract, would be couched as 'administrative' under the report's definition, but this is a critical programmatic function of OSSE and not administration of the agency. Similarly, the work of locally and federally mandated special education independent hearing officers, the teacher apprentice program (funded through an MOU with the University of the District Columbia), and many other programs are combined into this amorphous, mislabeled 'administrative budget' category.

By not clearly delineating programmatic budgets, in addition to potential passthrough funds under subsidies and grants, the report's analysis lacks appropriate context. No substantive conclusions can be drawn from any budget analysis that uses such a broad definition of "administrative budget."

### ***Full-Time Employees (FTEs)***

The report spends considerable time analyzing OSSE's FTE count, but it uses inconsistent data sources and makes claims that show a lack of understanding of the underlying data. In some instances, the report uses internal Peoplesoft data and in other instances publicly available sources, and then it comingles the two resulting in errant or misleading conclusions, as described below.

As a threshold matter, OSSE repeatedly stressed that it would be unwise to use internal Peoplesoft data to conduct critical analysis. Despite our objections, the report uses these data

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<sup>5</sup> During this engagement, which was hosted during the critical 'Start of School' period before School Year 2025-2026 began, OSSE had to divert substantive resources to fulfill data requests, host meetings, and field follow-up inquiries.

<sup>6</sup> It should be further noted that OSSE objects to the characterization that definition of 'administrative budget' was "developed in consultation with DME and OSSE" because the report does not indicate that OSSE objected to the definition numerous times. *Supra* note 1 at 9.

<sup>7</sup> *Id.*

and, resultantly, draws errant conclusions.<sup>8</sup> For example, the Peoplesoft data that was provided showed that OSSE had, during the report’s analysis period, an Energy Assistance Processor, counting against our local FTEs. OSSE has never employed an Energy Assistance Processor. This emphasizes why using Peoplesoft data for the basis of analysis in this report is faulty, at least not without providing adequate caveats or essential context. Because OSSE was unable to review and confirm each specific assumption the Auditor’s team made when analyzing the Peoplesoft data, there is limited utility in the conclusions drawn from that dataset.

Similarly suspect is the report’s OSSE versus other states’ State Education Agency (SEA) “Benchmark” analysis. This analysis makes assumptions that do not align with the realities of agency staffing. To determine that there were 453 “K-12 FTEs,” at OSSE, the report uses FY24 approved budget that “includes 976 total FTEs (across federal and local funds), 473 early childhood FTEs and 49 postsecondary FTEs were subtracted from this total, resulting in an estimated 453 SEA FTEs allocated to K-12 programs.”<sup>9</sup> But OSSE does not have 473 early childhood employees.<sup>10</sup> This report counts FTEs that do not work for OSSE as OSSE employees. When making comparisons to other SEAs, this decision erroneously skews our staffing to student ratio and leads to incorrect conclusions.

More fundamentally, using varying data sources or convoluted analysis for FTE counts is simply unnecessary because OSSE’s FTE count by source is publicly available.<sup>11</sup> Each year, the budget book shows changes in local FTE counts and why the count changed. In fact, Table GD0-5 in each budget book outlines new or removed workstreams that change FTE counts. For example, in FY23, OSSE was approved for 339.5 local FTEs.<sup>12</sup> In FY24, that FTE count increased to 345.5 because of a combination of initiatives.<sup>13</sup> These changes were approved by the DC Council.<sup>14</sup>

### **Other Concerns**

OSSE opposed additional methodology and conclusions included in the report that were also based on partial budget data without proper context. For example, the report uses “adjusted budget” instead of “initial budget”<sup>15</sup> for analysis and the report incorrectly suggests that the child

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<sup>8</sup> Curiously, the auditor used only “public budget files to determine the actual number of FTE positions” for the DME, but for OSSE, the auditor chose to use Peoplesoft and public information. OSSE stressed that FTE analysis should only be conducted on publicly available budget data. *Supra* note 1 at 52.

<sup>9</sup> *Supra* note 1 at 21.

<sup>10</sup> The report classified these positions as “Early Learning” Positions because that’s where they were placed in the budget book, but as we pointed out during the engagement, those are mostly interagency positions that were errantly placed in that division by a sister agency. To claim publicly that these positions are “Early Learning” and draw conclusions based on that incorrect assessment is irresponsible. *Id.*

<sup>11</sup> OCFO publishes FTE counts for every agency in annual budget chapters. <https://cfo.dc.gov/node/289642>

<sup>12</sup> OCFO. FY23 GD0 Budget Book.

[https://cfo.dc.gov/sites/default/files/dc/sites/ocfo/publication/attachments/gd\\_osse\\_chapter\\_2023j.pdf](https://cfo.dc.gov/sites/default/files/dc/sites/ocfo/publication/attachments/gd_osse_chapter_2023j.pdf)

<sup>13</sup> OCFO. FY24 GD0 Budget Book.

[https://cfo.dc.gov/sites/default/files/dc/sites/ocfo/publication/attachments/gd\\_osse\\_chapter\\_2024j.pdf](https://cfo.dc.gov/sites/default/files/dc/sites/ocfo/publication/attachments/gd_osse_chapter_2024j.pdf)

<sup>14</sup> The report engages in a Peoplesoft analysis of locally funded FTEs, but the figures it has are well below the approved number of locally funded FTEs (281 vs. 339.5 in FY23, 271 vs. 345.5 in FY24, and 318 vs 371.4 in FY25), which highlights the likely incorrect amount the report is reflecting. *Supra* note 1 at 14. *Supra* note 12 and 13.

<sup>15</sup> *Supra* note 1 at 8.

care subsidy budget has been increasing.<sup>16</sup> As we noted during our engagement, examining budget data during a transition to a new financial system, combined with the wind down of a massive influx of federal dollars, is bound to be difficult to interpret without clear understanding and substantive expertise. OSSE recommends substantially amending or withdrawing the report for this reason.

### **Recommendations Responses**

Below, we respond to each of the recommendations made to OSSE.

**Recommendation 1a.** *OSSE should conduct a thorough review of internal data architecture and reporting systems, identifying where data fields can be added or modified to capture greater detail about how local funds are allocated.*

- **Response:** OSSE, as do most other District agencies, uses DIFS to capture budget and expenditure information. OSSE complies with all Office of the Chief Financial Officer (OCFO) policies regarding DIFS use, and we exercise best practices to maximize transparency. Changes to policies regarding adding, modifying, or populating certain fields should be directed to OCFO.

**Recommendation 1b.** *OSSE should work with the Office of the Chief Financial Officer (OCFO) to identify how administrative costs can be more clearly and consistently tracked in DIFS through the Agency Management Program.*

- **Response:** Since the transition to DIFS, OSSE has continually been working to adjust the budget in the Agency Management Program (Program Parent Level 2) string to better align with the agency organizational structure. OSSE will continue this ongoing work to create a more transparent budget in DIFS that captures programmatic budgets that align to public expectations.

**Recommendation 1c.** *OSSE and DME should add a high-level budget section in annual reports to show year-over-year changes, designed in a format that can be easily understood by DC residents and families.*

- **Response:** OCFO publicly posts agency budgets in agency budget books each fiscal year that show year-over-year budget changes. These documents provide ample detail and transparently show annual budget differences over the past four fiscal years. OSSE also participates in a robust budget formulation and oversight process where stakeholders and the DC Council have an opportunity to hear directly from OSSE regarding year-over-year funding changes and associated reasoning.

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<sup>16</sup> On one hand the report says, the child care subsidy program’s “administrative budget increased [] at a similar rate,” and then in the very next sentence, the report notes, “[i]n FY23, the program’s locally-funded administrative budget was 17.6% of the total subsidy program and in FY25 it was 16%,” which is a decrease. *Supra* note 1 at 17.

**Recommendation 2b.** *OSSE should improve how it tracks and reports inter-agency positions funded by MOU (e.g., staff that work at DCPS but are funded by OSSE) versus positions that are performed directly at the SEA.*

- **Response:** OSSE uses the District’s Human Resources platform, Peoplesoft, to track personnel data. The District’s financial system, DIFS, interacts with Peoplesoft in a predefined, set manner. OSSE does not have the ability to track interagency positions in a manner inconsistent with the practices of OCFO and the Department of Human Resources of the District of Columbia. However, any member of the public can view interagency positions in the annual fiscal year budget chapters published by OCFO.

**Recommendation 2c.** *OSSE should conduct a thorough review of processes and systems used to capture and report division, team, and program-level FTE allocations.*

- **Response:** OSSE already keeps records of FTE allocations by division and programs, and OSSE currently can provide key personnel analysis at various organizational levels. In some cases, historical analysis can be more challenging to disaggregate program level personnel data because of the integration of DIFS and Peoplesoft, but those instances have largely been ameliorated.

**Recommendation 2d.** *OSSE should provide annual reporting on changes made to staffing. To improve transparency, OSSE should add division-level and agency-wide FTE counts (including filled and vacant positions) to its organizational charts.*

- **Response:** As noted previously, annual changes made to staffing are captured in the OCFO budget books for each fiscal year. In addition, OSSE already includes division-level and agency-wide FTE counts in our agency organizational charts, which are posted to our website and provided annually to Council.<sup>17</sup>

**Recommendation 3.** *DME and OSSE should collaborate on an efficiency assessment of all locally funded, direct service programs managed by each agency, gathering data on program-level administration costs, staffing, and program delivery strengths or weaknesses.*

- **Response:** OSSE takes pride in maximizing agency resources to improve outcomes for students and families. We have been and will continue to be committed to exploring ways to ensure funds are used in the most effective and efficient manner possible. OSSE will continue to partner with the DME to capitalize on each agency’s strengths when executing programming to aid in efficiency and performance.

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<sup>17</sup> OSSE. Organizational Chart (Jan. 5, 2026), [https://osse.dc.gov/sites/default/files/dc/sites/osse/page\\_content/attachments/Q1%20-%20OSSE%20Org%20Chart.pdf](https://osse.dc.gov/sites/default/files/dc/sites/osse/page_content/attachments/Q1%20-%20OSSE%20Org%20Chart.pdf).

Thank you for the opportunity to respond to this report. Although OSSE strongly disagrees with the methodology, we are appreciative that the report allows the public to see the excellent work OSSE is undertaking for our District students, families, schools and LEAs. OSSE and the DME are committed to continuing our partnership and engaging in the critical work to deliver for DC children and families.

Sincerely,

A handwritten signature in black ink that reads "Antoinette S. Mitchell". The signature is written in a cursive, flowing style.

Antoinette S. Mitchell, Ph.D.  
State Superintendent of Education

CC:

Betsy Cavendish, General Counsel, EOM  
Paul Kihn, Deputy Mayor for Education

# ODCA Response to Agency Comments

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The Office of the DC Auditor appreciates having received comments on the draft report from the Office of the Deputy Mayor for Education (DME) and the Office of the State Superintendent of Education (OSSE). We regret the DME did not provide a response to recommendations.

OSSE provided comments on recommendations and took exception with the methodology used but did not provide any specific examples of errors that might have occurred had the methodology been faulty. We note that the information in the report was drawn from the District Integrated Financial System (DIFS), the District's enterprise financial system of record; from PeopleSoft, the District's human resources system of record; and from the Financial Plan and Budget for each year in the report's scope as published and submitted to the U.S. Congress by the Office of the Chief Financial Officer.

OSSE notes: "[E]xamining budget data during a transition to a new financial system, combined with the wind down of a massive influx of federal dollars, is bound to be difficult to interpret without clear understanding and substantive expertise. OSSE recommends substantially amending or withdrawing the report for this reason." We reject the suggestion and stand by the findings and recommendations.

To the question of expertise, the team on this project brought considerable substantive knowledge and experience in education funding in general and in District of Columbia financial systems and practices specifically. The Alvarez & Marsal project lead served seven years in finance positions at the D.C. Public Schools including as chief financial officer and subsequently as the Mayor's education advisor and an architect of the District's comprehensive school modernization plan. The ODCA contract administrator on this project served as the Mayor's budget director when DME and OSSE were established and certain state education functions were transferred from DCPS to OSSE. Alvarez & Marsal are preparing a response on study methodology and that will be available on the ODCA website page for this report.

OSSE appeared to agree with all or part of two of the report's seven recommendations and asserted the agency is already providing sufficient and transparent budget and personnel information. In response to the recommendation for an efficiency assessment that could address duplication and growth in spending on program administration, we are pleased that OSSE stated it will "continue to be committed to exploring ways to ensure funds are used in the most effective and efficient manner possible."

We look forward to following up on that recommendation and others included in the report.

# About ODCA

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The mission of the Office of the District of Columbia Auditor (ODCA) is to support the Council of the District of Columbia by making sound recommendations that improve the effectiveness, efficiency, and accountability of the District government.

To fulfill our mission, we conduct performance audits, non-audit reviews, and revenue certifications. The residents of the District of Columbia are one of our primary customers and we strive to keep the residents of the District of Columbia informed on how their government is operating and how their tax money is being spent.

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