

Schedule 13

Funding Request for the FY 2015-16 Budget Cycle

Department of Education

PB Request Number: NPR-01

Request Titles

NPR-01 Workers' Comp

Dept. Approval By: 988 BJS 10/31/14 Supplemental FY 2014-15
Change Request FY 2015-16
Base Reduction FY 2015-16
 OSPB Approval By: [Signature] Budget Amendment FY 2015-16

Line Item Information	Fund	FY 2014-15		FY 2015-16		FY 2016-17
		Appropriation	Request	Base Request	FY 2015-16	Continuation
Total		\$633,501	\$0	\$633,501	(\$203,324)	(\$203,324)
FTE		-	-	-	-	-
Total of All Line Items	GF	\$242,122	\$0	\$242,122	(\$68,697)	(\$68,697)
	CF	\$55,434	\$0	\$55,434	\$4,821	\$4,821
	RF	\$77,794	\$0	\$77,794	(\$36,568)	(\$36,568)
	FF	\$258,151	\$0	\$258,151	(\$102,880)	(\$102,880)

Line Item Information	Fund	FY 2014-15		FY 2015-16		FY 2016-17
		Appropriation	Request	Base Request	FY 2015-16	Continuation
Total		\$633,501	\$0	\$633,501	(\$203,324)	(\$203,324)
	CF	\$55,434	\$0	\$55,434	\$4,821	\$4,821
01. Management and Administration - Workers' Compensation	FF	\$258,151	\$0	\$258,151	(\$102,880)	(\$102,880)
	GF	\$242,122	\$0	\$242,122	(\$68,697)	(\$68,697)
	RF	\$77,794	\$0	\$77,794	(\$36,568)	(\$36,568)

Letternote Text Revision Required?	Yes	No	<input checked="" type="checkbox"/>	If Yes, describe the Letternote Text Revision:
Cash or Federal Fund Name and CORE Fund Number:				
Reappropriated Funds Source, by Department and Line Item Name				
Approval by OIT?	Yes	No	Not Required	<input checked="" type="checkbox"/>
Schedule 13s from Affected Departments:				
Other Information:				

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Schedule 13

Funding Request for the FY 2015-16 Budget Cycle

Department of Education

PB Request Number NPR-02

Request Titles

NPR-02 Administrative Law Judge Services

Dept. Approval By: <u>908 B-5 10/31/14</u>	_____	Supplemental FY 2014-15
	_____	Change Request FY 2015-16
	_____	Base Reduction FY 2015-16
OSP Approval By: <u>[Signature]</u>	_____	Budget Amendment FY 2015-16

Line Item Information	Fund	FY 2014-15		FY 2015-16		FY 2016-17
		Appropriation	Request	Base Request	FY 2015-16	Continuation
Total		\$150,313	\$0	\$150,313	\$28,125	\$28,125
FTE		-	-	-	-	-
Total of All Line Items	GF	\$0	\$0	\$0	\$0	\$0
	CF	\$124,368	\$0	\$124,368	\$23,271	\$23,271
	RF	\$25,945	\$0	\$25,945	\$4,854	\$4,854
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2014-15		FY 2015-16		FY 2016-17
		Appropriation	Request	Base Request	FY 2015-16	Continuation
Total		\$150,313	\$0	\$150,313	\$28,125	\$28,125
01. Management and Administration - Administrative Law Judge Services	CF	\$124,368	\$0	\$124,368	\$23,271	\$23,271
	RF	\$25,945	\$0	\$25,945	\$4,854	\$4,854

Letternote Text Revision Required? Yes No <u>X</u>	If Yes, describe the Letternote Text Revision:
Cash or Federal Fund Name and CORE Fund Number:	
Reappropriated Funds Source, by Department and Line Item Name	
Approval by OIT? Yes No Not Required <u>X</u>	
Schedule 13s from Affected Departments:	
Other Information:	

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Schedule 13

Funding Request for the FY 2015-16 Budget Cycle

Department of Education

PB Request Number NPR-03

Request Titles

NPR-03 Payments to Risk Management and Property Fund

Dept. Approval By: <u>988 B-J 10/31/14</u>	—	Supplemental FY 2014-15
	—	Change Request FY 2015-16
	—	Base Reduction FY 2015-16
OSPB Approval By: <u>Grant M. Kelly</u>	—	Budget Amendment FY 2015-16

Line Item Information	FY 2014-15		FY 2015-16	FY 2016-17	
	Appropriation	Request	Base Request	FY 2015-16	Continuation
Fund					
Total	\$75,598	\$0	\$75,598	(\$7,753)	(\$7,753)
FTE	-	-	-	-	-
Total of All Line Items	\$75,598	\$0	\$75,598	(\$7,753)	(\$7,753)
GF	\$75,598	\$0	\$75,598	(\$7,753)	(\$7,753)
CF	\$0	\$0	\$0	\$0	\$0
RF	\$0	\$0	\$0	\$0	\$0
FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	FY 2014-15		FY 2015-16	FY 2016-17	
	Appropriation	Request	Base Request	FY 2015-16	Continuation
Fund					
Total	\$75,598	\$0	\$75,598	(\$7,753)	(\$7,753)
01. Management and Administration - Payment to Risk Management and Property Funds	\$75,598	\$0	\$75,598	(\$7,753)	(\$7,753)
GF	\$75,598	\$0	\$75,598	(\$7,753)	(\$7,753)

Letternote Text Revision Required? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	If Yes, describe the Letternote Text Revision:
Cash or Federal Fund Name and CORE Fund Number:	
Reappropriated Funds Source, by Department and Line Item Name	
Approval by OIT? Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required <input checked="" type="checkbox"/>	
Schedule 13s from Affected Departments:	
Other Information:	

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Schedule 13

Funding Request for the FY 2015-16 Budget Cycle

Department of Education

PB Request Number: NPR-04

Request Titles

NPR-04 Capitol Complex

Dept. Approval By: <u><i>JOB [Signature]</i></u> <u>10/31/14</u>	Supplemental FY 2014-15
	Change Request FY 2015-16
	Base Reduction FY 2015-16
OSPB Approval By: <u><i>[Signature]</i></u>	Budget Amendment FY 2015-16

Line Item Information	Fund	FY 2014-15		FY 2015-16		FY 2016-17
		Appropriation	Request	Base	FY 2015-16	Continuation
				Request		
	Total	\$527,813	\$0	\$527,813	\$290,467	\$290,467
	FTE	-	-	-	-	-
Total of All Line Items	GF	\$81,599	\$0	\$81,599	\$99,186	\$99,186
	CF	\$69,250	\$0	\$69,250	\$28,543	\$28,543
	RF	\$102,924	\$0	\$102,924	\$34,529	\$34,529
	FF	\$274,040	\$0	\$274,040	\$128,209	\$128,209

Line Item Information	Fund	FY 2014-15		FY 2015-16		FY 2016-17
		Appropriation	Request	Base	FY 2015-16	Continuation
				Request		
	Total	\$527,813	\$0	\$527,813	\$290,467	\$290,467
	CF	\$69,250	\$0	\$69,250	\$28,543	\$28,543
01. Management and Administration - Capitol Complex Leased Space	FF	\$274,040	\$0	\$274,040	\$128,209	\$128,209
	GF	\$81,599	\$0	\$81,599	\$99,186	\$99,186
	RF	\$102,924	\$0	\$102,924	\$34,529	\$34,529

Letternote Text Revision Required? Yes No <u>X</u>	If Yes, describe the Letternote Text Revision:
Cash or Federal Fund Name and CORE Fund Number:	
Reappropriated Funds Source, by Department and Line Item Name	
Approval by OIT? Yes No Not Required <u>X</u>	
Schedule 13s from Affected Departments:	
Other Information:	

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Schedule 13

Funding Request for the FY 2015-16 Budget Cycle

Department of Education

PB Request Number NPR-05

Request Titles

NPR-05 Annual Fleet Vehicle Request

Dept. Approval By: 988 B S 10/31/14 **Supplemental FY 2014-15**
 Change Request FY 2015-16
 Base Reduction FY 2015-16
 OSPB Approval By: [Signature] **Budget Amendment FY 2015-16**

Line Item Information	FY 2014-15		FY 2015-16		FY 2016-17
	Appropriation	Request	Base Request	FY 2015-16	Continuation
Fund					
Total	\$21,083	\$0	\$21,083	(\$2,173)	(\$2,173)
FTE	-	-	-	-	-
Total of All Line Items					
GF	\$21,083	\$0	\$21,083	(\$2,173)	(\$2,173)
CF	\$0	\$0	\$0	\$0	\$0
RF	\$0	\$0	\$0	\$0	\$0
FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	FY 2014-15		FY 2015-16		FY 2016-17
	Appropriation	Request	Base Request	FY 2015-16	Continuation
Fund					
Total	\$21,083	\$0	\$21,083	(\$2,173)	(\$2,173)
04. School for the Deaf and the Blind - Vehicle Lease Payments					
GF	\$21,083	\$0	\$21,083	(\$2,173)	(\$2,173)

Letternote Text Revision Required? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	If Yes, describe the Letternote Text Revision:
Cash or Federal Fund Name and CORE Fund Number:	
Reappropriated Funds Source, by Department and Line Item Name	
Approval by OIT? Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required <input checked="" type="checkbox"/>	
Schedule 13s from Affected Departments:	
Other Information:	

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Schedule 13



Funding Request for the FY 2015-16 Budget Cycle

Department of Education

PB Request Number R-01

Request Titles

R-01 Total Program Funding for FY 2015-16

Dept. Approval By:		<u>10/31/14</u>	<input checked="" type="checkbox"/>	Supplemental FY 2014-15
			<input type="checkbox"/>	Change Request FY 2015-16
			<input type="checkbox"/>	Base Reduction FY 2015-16
OSPB Approval By:			<input type="checkbox"/>	Budget Amendment FY 2015-16

Line Item Information	Fund	FY 2014-15		FY 2015-16		FY 2016-17
		Appropriation	Request	Base Request	FY 2015-16	Continuation
	Total	\$3,961,002,581	\$0	\$3,961,002,581	\$381,088,678	\$35,161,396
	FTE	-	-	-	-	-
Total of All Line Items	GF	\$3,184,047,461	\$0	\$3,184,047,461	\$239,895,415	\$558,457,522
	CF	\$776,955,120	\$0	\$776,955,120	\$141,193,263	(\$523,296,126)
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2014-15		FY 2015-16		FY 2016-17
		Appropriation	Request	Base Request	FY 2015-16	Continuation
	Total	\$3,953,506,569	\$0	\$3,953,506,569	\$380,574,819	\$35,147,033
02. Assistance to Public Schools - State Share Of Districts' Total Program Funding	GF	\$3,184,047,461	\$0	\$3,184,047,461	\$239,895,415	\$558,457,522
	CF	\$769,459,108	\$0	\$769,459,108	\$140,679,404	(\$523,310,489)
	Total	\$7,496,012	\$0	\$7,496,012	\$513,859	\$14,363
02. Assistance to Public Schools - Hold-Harmless Full-Day Kindergarten Funding	CF	\$7,496,012	\$0	\$7,496,012	\$513,859	\$14,363

Letternote Text Revision Required?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	If Yes, describe the Letternote Text Revision:
Of the increase cash funds amount, \$145,260,807 is from the State Education Fund and the State Public School Fund is decreased by \$4,067,544.					
Cash or Federal Fund Name and CORE Fund Number:	State Education Fund -- 4400				
	State Public School Fund -- 1130				
Reappropriated Funds Source, by Department and Line Item Name:	n/a				
Approval by OIT?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	Not Required: <input checked="" type="checkbox"/>
Schedule 13s from Affected Departments:	n/a				
Other Information:	none.				



Cost and FTE

- The Department requests an increase of \$381,088,678 million total funds in FY 2015-16 for adjustments to the state share portion of the K-12 school finance formula and the Hold Harmless Full-Day Kindergarten Program. The Department's request represents a 9.6 percent increase to the state share amount for K-12 funding from the FY 2014-15 appropriations.

Current Program

- Colorado's 178 school districts are funded for 845,136 pupils statewide. Most of the revenues used to support public schools in Colorado are provided by the Public School Finance Act. Based on the formulas and requirements contained in this Act, the Department estimates the state share for funding public schools will increase by \$381.1 million in FY 2015-16.

Problem or Opportunity

- In FY 2015-16, the Department projects that total student enrollment will increase by 1.2 percent (10,453 pupils). The Department also projects at-risk students will increase by 1.9 percent (5,838 pupils). The Department requests a 16 percent decrease to the Accelerating Students through Concurrent Enrollment (ASCENT) enrollment slots (a decrease of 116 students).
- The FY 2015-16 inflationary factor is 2.8 percent based on the Office of State Planning and Budgeting (OSPB's) September 2014 Economic Forecast.
- Based on the formulas and requirements contained in the School Finance Act and State Constitution, the growth in pupil enrollment and inflation and the desire to provide additional funding through decreasing the negative factor, results in an increase to the state share of funding for public schools of \$381 million in FY 2015-16.

Consequences of Problem

- In order to finance the \$381.1 million increase for public schools, the Department requests an increase of \$239.9 million General Fund, \$145.2 million from the State Education Fund, and a decrease of \$4.1 million from the State Public School Fund.

Proposed Solution

- The request funds pupil enrollment growth and inflation increases in FY 2015-16 for public schools. The request also proves \$200 million in increased funding to reduce the negative factor to \$694.2 million.
- The Department's request preserves a \$135.8 million fund balance in the State Education Fund.



COLORADO

Department of Education

John W. Hickenlooper
Governor

Robert K. Hammond
Commissioner

FY 2015-16 Funding Request | November 1, 2014

Department Priority: R-1
Request Detail: Increase State Spending for Total Program

Summary of Incremental Funding Change for FY 2015-16	Total Funds	General Fund	Cash Funds*
Assistance to Public Schools (multiple line items)	\$381,088,678	\$239,895,415	\$141,193,263

*Of this amount, \$145,260,807 is from the State Education Fund and the State Public School Fund is decreased by \$4,067,544.

Request Summary:

The Department requests FY 2015-16 increases of \$380.6 million for the state share of the K-12 school finance formula and \$513,859 for the Hold Harmless Full-Day Kindergarten program. These increases are comprised of \$239.9 million from the General Fund, \$145.3 million from the State Education Fund and a decrease of \$4.1 million to the State Public School Fund. The Department's request represents a 9.6 percent increase to the state share amount for K-12 funding when compared to FY 2014-15 appropriations.

Problem or Opportunity:

Colorado public schools receive funding from a variety of sources. However, most revenues to Colorado's 178 school districts and Charter School Institute schools (hereafter, both are referred to as districts) are provided through the Public School Finance Act of 1994 (as amended). The Public School Finance Act establishes a formula to determine the amount of state and local funding for each district. The term "Total Program" is used to describe the total amount of funding each district receives under the School Finance Act. Total Program for a district is calculated by the number of funded pupils in the district multiplied by a statewide base per-pupil amount. To account for different district characteristics, a district's base per-pupil amount of funding may be adjusted for various factors including: (a) cost of living, (b) personnel costs, and (c) enrollment size. The School Finance Act formula also adjusts a district's funding to compensate for the presence of at-risk pupils, online students, and pupils participating in the Accelerating Students Through Concurrent Enrollment (ASCENT) program.

Although the General Assembly sets the statewide base per-pupil amount annually, Article IX, Section 17, of the Colorado Constitution, commonly referred to as Amendment 23, requires that at a minimum, the General Assembly increases the base per-pupil amount each year by the rate of inflation. Beginning in FY 2010-11, the School Finance Act began reducing the Total Program amount proportionately across most districts by applying a new calculation called the negative factor (formerly the budget stabilization factor). In FY 2014-15, the negative factor reduced Total Program by approximately \$894 million (13.15 percent) statewide.

In FY 2015-16, the Department estimates Total Program will increase by \$480.3 million total funds. This increase is comprised of a \$380.6 million increase to the state share and a \$99.7 million increase to local share. The Department's estimates assume total funded pupil count will increase by 10,453 pupils (1.2 percent) and an inflationary factor of 2.8 percent based on the Office of State Planning and Budgeting (OSP) 2014 September Economic Forecast. The Department's request also reflects the Department's projection that at-risk students will grow by 5,838 students (1.9 percent) and the Department's request that ASCENT funded slots be decreased from 708 students to 592 students. Lastly, the Department's Total Program request reduces the negative factor dollar amount by \$200 million of approximately \$894.2 million that was included in the FY 2014-15 School Finance Act (H.B. 14-1298). This reduces the negative factor's calculated *statutory* percentage from 13.15 to 9.79 percent. However, as percent of Total Program, the negative factor is reduced from 13.1 percent in FY 2014-15 to 9.77 percent in FY 2015-16.¹

In FY 2015-16, the Department also requests an increase of \$513,859 cash funds from the State Education Fund for the Hold-Harmless Full Day Kindergarten program based on increase in per pupil funding in the districts with this program.

Proposed Solution:

In order to finance the \$380.6 million estimated increase in state share for Total Program, the Department requests an increase of \$239.9 million General Fund, \$144.7 million State Education Fund, and a decrease of \$4.1 million from the State Public School Fund. Specifically, the state share appropriations for Total Program from these fund sources will increase as follows:

- State Education Fund appropriations will increase from \$670.5 million in FY 2014-15 to \$815.2 million in FY 2015-16. The State Education Fund has sufficient revenues to accommodate this request. Based on the OSPB September 2014 Economic Revenue Forecast and the State Education Fund appropriations contained in the Department's FY 2015-16 budget request, the State Education Fund is forecasted to have a FY 2015-16 ending fund balance of approximately \$135.8 million.
- State Public School Fund appropriations will decrease from \$99 million in FY 2014-15 to \$94.9 million in FY 2015-16. The request reflects the available revenues in the State Public School Fund for Total Program after all other appropriations contained in the Department's FY 2015-16 budget requests are deducted.
- General Fund appropriations will increase from \$3.18 billion in FY 2014-15 to \$3.42 billion in FY 2015-16. The increase in the General Fund appropriation is the amount necessary to ensure that the State Education Fund has a FY 2015-16 ending fund balance of \$135.8 million.

The \$513,859 increase to the Hold Harmless Full-Day Kindergarten program will be financed from the State Education Fund.

Anticipated Outcomes:

The Department's request ensures districts will receive the funding necessary for increases in student growth and inflation in FY 2015-16. Furthermore, the request reduces the actual dollar amount of the negative factor as a percent of Total Program from 13.1 to 9.77 percent. Reducing the negative factor percentage adds \$200 million above inflation and student growth to be distributed to districts to enhance educational opportunities for the children of Colorado. Overall, the state share of Total Program funding

will increase by 9.6 percent. Lastly, the request preserves a \$135.8 million fund balance in State Education Fund at the end of FY 2015-16 and allows the General Fund to maintain a 6.5 percent reserve while funding other General Fund State priorities.

Assumptions and Calculations:

School Finance Total Program

In FY 2015-16, pupil enrollment growth, inflation, and maintaining the negative factor at the same dollar amount as in FY 2014-15, results in a \$480.3 million increase to Total Program funding. Of this amount, \$380.6 million is state share (appropriated) and \$99.7 million is local share (non-appropriated) as shown in Table 1.

TABLE 1: School Finance Total Program Costs			
	FY 2014-15 Appropriation*	FY 2015-16 Request*	Change
State Share (<i>appropriated</i>)	3,953,506,569	4,334,081,388	380,574,819
Local Property Tax	1,844,493,019	1,940,146,220	95,653,201
Specific Ownership Tax	135,444,801	139,508,145	4,063,344
TOTAL	\$5,933,444,389	\$6,413,735,753	\$480,291,364

*The table includes both state and local share but only the state share is appropriated by the General Assembly.

Hold-Harmless Full-day Kindergarten

Hold-Harmless Full-Day Kindergarten funding will be increased by \$513,859 (a 6.9 percent increase) in FY 2015-16. This increase reflects the increase in per pupil funding for the districts with Hold Harmless Full-day Kindergarten programs. The request assumes this increase is funded through the State Education Fund.

TABLE 2: Hold Harmless Full-day Kindergarten			
	FY 2014-15 Appropriation	FY 2015-16 Request	Change
Hold Harmless Full-Day	\$7,496,012	\$8,009,871	\$513,859

At-Risk Supplemental Aid

The Department requests continuation funding of \$5,094,358 in FY 2015-16 for the at-risk supplemental aid program that was established in H.B. 12-1345.

Detailed Assumptions and Calculations for Total Program:

The details for these calculations are summarized in Appendix A and B (attached). Appendix C show the Office of State Planning and Budgeting estimates for State Education Fund balance at the end of FY 2015-16 with these recommendations.

Proposed Statutory Changes:

The Department's request requires the following statutory changes.

Total Program Funding and the Negative Factor: Section 22-54-104 (5) (g) (I) be modified to add a new paragraph (F):

(F) That, for the 2015-16 budget year, the sum of the total program funding for all districts, including the funding for institute charter schools, after application of the negative factor, is not less than six billion four hundred twelve million four hundred thousand two hundred fourteen dollars (\$6,412,400,214); except that the department of education and the staff of the legislative council shall make mid-year revisions to replace projections with actual figures including, but not limited to, actual pupil enrollment, assessed valuations, and specific ownership tax revenue from the prior year, to determine any necessary changes in the amount of the reduction to maintain a total program funding amount for the applicable budget year that is consistent with this sub-subparagraph (F).

Attachment A: K-12 Total Program FY 2015-16 Budget Request Summary

Colorado Department of Education Public School Finance Act of 1994 Projected Fiscal Year 2015-16 Funding Summary November 2014 Budget Request			
K-12 Total Program	FY 2014-15 Estimate	FY 2015-16 Request	Change
At-risk Funded Count	309,537	315,375	5,838
ASCENT Pupil Count	708	592	(116)
Funded Pupil Count	845,136	855,589	10,453
Average Per-pupil Funding Before Negative Factor	8,078.75	8,307.65	228.90
Base Per-pupil Funding	6,121.00	6,292.39	171.39
Total Program Funding Before Application of Negative Factor	\$6,827,646,456	\$7,107,937,820	\$280,291,364
Total Program Funding Before Application of Negative Factor			
Negative Factor (minus)	<u>(894,202,067)</u>	<u>(694,202,067)</u>	<u>200,000,000</u>
Total Revised Total Program Funding	\$5,933,444,389	\$6,413,735,753	\$480,291,364
Funding Sources of Local Share:			
Property Taxes	1,844,493,019	1,940,146,220	95,653,201
Specific Ownership Taxes	<u>135,444,801</u>	<u>139,508,145</u>	<u>4,063,344</u>
TOTAL LOCAL SHARE	\$1,979,937,820	\$2,079,654,365	\$99,716,545
Funding Sources of State Share:			
State Education Fund	670,481,408	815,228,356	144,746,948
State Public School Fund	98,977,700	94,910,156	(4,067,544)
General Fund Exempt (Ref C)	710,835,957	710,835,957	0
General Fund	<u>2,473,211,504</u>	<u>2,713,106,919</u>	<u>239,895,415</u>
TOTAL STATE SHARE	\$3,953,506,569	\$4,334,081,388	\$380,574,819
Average Per Pupil Funding After Negative Factor	\$7,020.70	\$7,496.28	\$475.58

Increased Student Enrollment

- The Department estimates that funded pupils will increase from 845,136 pupils in FY 2014-15 to 855,589 pupils in FY 2015-16. This is an increase of 10,453 pupils or 1.2 percent.

Decreased ASCENT and At-Risk Pupil Counts

- The Department requests a decrease in the enrollment for the ASCENT programs from 708 students currently funded in FY 2014-15 to 592 students in FY 2015-16.
- The Department estimates at-risk students will increase from 309,537 students in FY 2014-15 to 315,375 students in FY 2015-16. This is an increase of 5,838 students or 1.9 percent.

Per Pupil Funding

- The request uses an inflation factor of 2.8 percent based on the Office of State Planning and Budgeting 2014 September Revenue Forecast.
- The inflation rate will increase *base* per pupil funding by \$171.39 from \$6,121.00 in FY 2014-15 to \$6,292.39 per pupil in FY 2015-16. This is an increase of 2.8 percent.
- After *all* school finance formula factors are calculated (including the negative factor), the statewide average per pupil spending will increase by \$475.58 from \$7,020.70 in FY 2014-15 to \$7,496.28 in FY 2015-16. This is an increase of 6.8 percent. This increase is higher than the inflation estimate due to the reduction in the negative factor as explained below.

Negative Factor

- The total negative factor dollar amount in FY 2015-16 will be reduced by \$200 million from the FY 2014-15 estimate of \$894,202,067. The *actual* negative factor amount as a percent of Total Program funding will decrease from 13.1 percent in FY 2014-15 to 9.77 percent in FY 2015-16.

Attachment B: Other School Finance Formula Line Items

Colorado Department of Education Public School Finance Act of 1994 Projected Fiscal Year 2015-16 Funding Summary November 2014 Budget Request				
Other K-12 Items	Total Program Line	FY 2014-15 Appropriation	FY 2015-16 Request	Change
Hold-harmless Full-day Kindergarten		8,624,562	8,874,664	250,102
Less: Negative Factor		(1,128,550)	(864,793)	263,757
Net Hold-Harmless Full-day Kindergarten		\$7,496,012	\$8,009,871	\$513,859
At-Risk Supplemental Aid		\$5,094,358	\$5,094,358	0

Attachment C: Projected State Education Fund Balance

Office of State Planning and Budgeting – Estimated State Education Fund Balance			
	FY 2013-14 Estimate	FY 2014-15 Request*	Change
Beginning Balance	\$1,048,948,892	\$666,026,487	(\$382,922,405)
<i>Estimated Revenues (OSPB Forecast)</i>			
Amendment 23 Revenues	520,800,000	558,400,000	37,600,000
Additional General Fund Revenue	<u>59,700,000</u>	<u>25,321,079</u>	<u>(34,378,921)</u>
Total General Fund Revenue transferred	580,500,000	583,721,079	3,221,079
Other revenue (interest earnings)	<u>5,800,000</u>	<u>5,800,000</u>	<u>0</u>
TOTAL Forecasted Available SEF Revenue	\$1,635,248,892	\$1,255,547,566	(\$379,701,326)
<i>Estimated Expenditures (Department Request)</i>			
Total Program SEF Expenditures	670,481,408	815,228,356	144,746,948
Categorical Program SEF Expenditures	136,525,196	144,317,335	7,792,139
Various Other Programs and Transfers	<u>162,215,801</u>	<u>160,216,583</u>	<u>(1,999,218)</u>
TOTAL Forecasted SEF Expenditures	\$969,222,405	\$1,119,762,274	\$150,539,869
Projected Ending Fund Balance	\$666,026,487	\$135,785,292	(\$530,241,195)

ⁱ The negative factor is calculated against the district's total program funding. However, the reduction is only applied to the state share of total program funding. For some school districts their state share of funding is too low to apply the full statutory negative factor. Therefore, the actual negative factor is lower than the amount cited in statute. For FY 2015-16, the request reduces the negative factor dollar amount to \$694,202,067. This lowers the calculated statutory negative factor from 13.15 percent to 9.79 percent. However, as percentage of Total Program funding, the negative factor amount is lowered from 13.1 percent to 9.77 percent.

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Schedule 13

Funding Request for the FY 2015-16 Budget Cycle

Department of Education

PB Request Number R-02

Request Titles

R-02 Constitutionally Required Increase for Categorical Programs

Dept. Approval By:

JBB R. J. 10/31/14

 X

OSPB Approval By:

[Signature]

Supplemental FY 2014-15
Change Request FY 2015-16
Base Reduction FY 2015-16
Budget Amendment FY 2015-16

Line Item Information	Fund	FY 2014-15		FY 2015-16		FY 2016-17
		Appropriation	Request	Base Request	FY 2015-16	Continuation
Total of All Line Items	Total	\$436,018,019	\$0	\$436,292,079	\$7,792,138	\$0
	FTE	71.1	-	71.1	-	-
	GF	\$134,889,022	\$0	\$134,889,022	\$0	\$0
	CF	\$134,393,313	\$0	\$134,387,592	\$7,792,138	\$0
	RF	\$104,043	\$0	\$104,043	\$0	\$0
	FF	\$166,631,641	\$0	\$166,911,422	\$0	\$0

Line Item Information	Fund	FY 2014-15		FY 2015-16		FY 2016-17
		Appropriation	Request	Base Request	FY 2015-16	Continuation
	Total	\$316,473,313	\$0	\$316,743,886	\$4,360,818	\$0
	FTE	63.0	-	63.0	-	-
	CF	\$89,409,439	\$0	\$89,409,439	\$4,360,818	\$0
02. Assistance to Public Schools - Special Education - Children With Disabilities	FF	\$155,387,484	\$0	\$155,658,057	\$0	\$0
	GF	\$71,572,347	\$0	\$71,572,347	\$0	\$0
	RF	\$104,043	\$0	\$104,043	\$0	\$0
	Total	\$27,983,302	\$0	\$27,992,510	\$1,400,568	\$0
	FTE	4.6	-	4.6	-	-
	CF	\$13,637,547	\$0	\$13,637,547	\$1,400,568	\$0
02. Assistance to Public Schools - English Language Proficiency Program	FF	\$11,244,157	\$0	\$11,253,365	\$0	\$0
	GF	\$3,101,598	\$0	\$3,101,598	\$0	\$0
	Total	\$54,667,347	\$0	\$54,671,408	\$1,345,141	\$0
	FTE	2.0	-	2.0	-	-
	CF	\$17,745,120	\$0	\$17,749,181	\$1,345,141	\$0
02. Assistance to Public Schools - Public School Transportation	GF	\$36,922,227	\$0	\$36,922,227	\$0	\$0

	Total	\$24,983,788	\$0	\$24,983,788	\$501,238	\$0
02. Assistance to Public Schools -	CF	\$7,190,938	\$0	\$7,190,938	\$501,238	\$0
State Assistance Career and	GF	\$17,792,850	\$0	\$17,792,850	\$0	\$0
Technical Ed, Transfer to HED						

	Total	\$11,910,269	\$0	\$11,900,487	\$184,373	\$0
	FTE	1.5	-	1.5	-	-
02. Assistance to Public Schools -	CF	\$6,410,269	\$0	\$6,400,487	\$184,373	\$0
Special Education Programs for	GF	\$5,500,000	\$0	\$5,500,000	\$0	\$0
Gifted and Talented Children						

Letternote Text Revision Required?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	If Yes, describe the Letternote Text Revision:
<p>Of this amount, \$18,644,322 shall be from the State Education Fund created in Section 17 (4) (a) of Article IX of the State Constitution and \$450,000 (Fund 20E0) shall be from the Public School Transportation Fund created in Section 22-51-103 (1), C.R.S. Pursuant to Section 17 (3) of Article IX of the State Constitution, appropriations from the State Education Fund are not subject to the limitations on fiscal year spending set forth in Section 20 of Article X of the State Constitution.</p>		
Cash or Federal Fund Name and CORE Fund Number: Transportation Fund--20E0 and State Education Fund 4400		
Reappropriated Funds Source, by Department and Line Item Name:		
Approval by OIT?	Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required: <input checked="" type="checkbox"/>	
Schedule 13s from Affected Departments:		
Other Information:		



Cost and FTE

- The Department requests an inflationary increase of \$7,792,139 million from the State Education Fund in FY 2015-16 and beyond for education programs commonly referred to as “categorical programs”.

Current Program

- In addition to funding provided to public schools from the School Finance Act formula, Colorado school districts may also receive funding to pay for specific categorical programs designed to serve particular groups of students or particular student needs. Total funding appropriated for these programs in FY 2014-15 is \$445.5 million. Of this amount, \$141.8 million is General Fund, \$137 million is from the State Education Fund, \$104,100 are funds transferred from other state agencies, and \$166.6 million is from federal funds.
- The programs that receive this funding include special education programs for children with disabilities, English language proficiency education, public school transportation, career and technical education programs, special education for gifted and talented children, expelled and at-risk student grants, small attendance centers, and comprehensive health education.

Problem or Opportunity

- Section 17 of Article IX of the State Constitution requires that the General Assembly provide inflationary increases for categorical programs each year. The Office of State Planning and Budgeting’s September 2014 Economic Forecast indicates a 2.8 percent inflationary rate adjustment for FY 2015-16.

Consequences of Problem

- A 2.8 percent inflationary rate results in a \$7.8 million increase in the state funding for categorical programs. The State Education Fund has sufficient revenues to pay for this cost increase.

Proposed Solution

- The Department recommends the \$7.8 million funding increase be allocated to the categorical programs with the greatest needs. Specifically the Department requests an increase of \$4.4 million for special education for children with disabilities, \$1.4 million for English language proficiency programs, \$1.3 million for public school transportation, \$501,200 for career and technical education and \$184,300 for special education for gifted and talented students.



COLORADO

Department of Education

John W. Hickenlooper
Governor

Robert K. Hammond
Commissioner

FY 2015-16 Funding Request | November 1, 2014

Department Priority: R-2

Request Detail: Constitutionally Required Increase for Categorical Programs in FY 2015-16

Summary of Incremental Funding Change for FY 2015-16	Total Funds	Cash Fund*
Categorical Programs (multiple line items)	\$7,792,139	\$7,792,139

*Cash Funds – State Education Fund

Problem or Opportunity:

The Department requests approximately \$7.8 million from the State Education Fund in FY 2015-16 and subsequent fiscal years to fund a 2.8 percent inflationary increase for the education programs commonly referred to as “categorical programs”.

In addition to funding provided to public schools from the School Finance Act formula, Colorado school districts may also receive funding to pay for specific categorical programs designed to serve particular groups of students or particular student needs. The education programs that receive this funding include:

- special education programs for children with disabilities,
- English language proficiency education,
- public school transportation,
- career and technical education programs,
- special education programs for gifted and talented students,
- expelled and at-risk student grants,
- small attendance centers, and
- comprehensive health education.

Total appropriations for these programs in FY 2014-15 are \$445.5 million. Of this amount, \$141.8 million is General Fund, \$137 million is from the State Education Fund, \$104,100 is transferred from other state agencies, and \$166.6 million is federal funds.

Section 17 of Article IX of the State Constitution requires that the General Assembly provide inflationary increases for categorical programs each year. The Office of State Planning and Budgeting’s September 2014 Economic Forecast indicates a 2.8 percent inflationary rate adjustment for FY 2015-16. This results in an increase of approximately \$7.8 million over current State funding amounts.

Proposed Solution:

The Department requests that the \$7.8 million in increased funding be allocated among the programs based on the “gap” in funding between the actual reported revenue received by the programs versus the actual reported expenditures as reported to the Department by individual districts. If no gap exists, as is the case for three of the categorical programs, no funding increase is requested for those programs in FY 2015-16.

Appendix A (attached) shows the Department’s calculation of the funding gaps and the requested allocation of the \$7.8 million increase amongst the categorical programs.

Anticipated Outcomes:

If the request is approved, the State will meet the constitutional requirement to provide inflationary funding for categorical programs. In addition, those programs with the largest funding gaps will receive the majority of the funding increase.

Assumptions and Calculations:

The calculation for the requested increase is based on adjusting the FY 2014-15 appropriations subject to Section 17 of Article IX of the State Constitution by an inflation rate of 2.8 percent. The inflationary rate used the applicable rate for FY 2015-16 projected in the Office of Strategic Planning and Budgeting’s September 2014 Economic Forecast.

Table 1: Requested Increase for Categorical Programs					
	FY 2014-15 Total Fund Appropriation	Deduct Federal Funds	Deduct Reappropriated Funds	Deduct Public School Transportation Fund	Total
All Categorical Programs	\$445,476,354	(\$166,631,641)	(\$104,043)	(\$450,000)	\$278,290,670
Applicable OSPB Inflation Factor (September 2013 Economic Forecast)					0.028
Total amount of inflation for categorical programs					\$7,792,139

The inflationary increase is not required to be distributed to every categorical program. The Department requests that the \$7.8 million inflationary adjustment be allocated to specific categorical programs based on their proportional percentage of “gap funding” between the revenues the programs receive from state and federal sources and the funding the school districts actually spend to support those programs. As stated earlier, if no gap exists in a particular program, that program is not allocated any of the \$7.8 million inflationary increase for categorical programs in FY 2015-16. Appendix A shows the Department’s requested allocation of the inflationary increase amongst the different categorical programs.

Appendix A:

Appendix A: Requested Increase for Categorical Programs						
	Special Education Program for Children with Disabilities /1	English Language Proficiency Programs	Public School Transportation	Career and Technical Education Programs	Gifted and Talented Programs	Total
A. FY 2012-13 Total District Expenditures	\$826,872,872	\$186,774,796	\$209,550,189	\$88,100,940	\$30,659,347	\$1,341,958,144
B. Minus FY 12-13 Total State / Federal Revenues	<u>-321,219,801</u>	<u>-24,373,728</u>	<u>-53,576,096</u>	<u>-29,980,550</u>	<u>-9,280,600</u>	<u>-438,430,775</u>
C. FY 2012-13 Funding Gap Between District Expenditures and State/Federal Revenues	\$505,653,071	\$162,401,068	\$155,974,093	\$58,120,390	\$21,378,747	\$903,527,369
D. Proportional Percentage of Total Excess Expenditures	55.96%	17.97%	17.26%	6.43%	2.37%	100.00%
E. FY 2014-15 State Appropriations subject to inflation increase	\$160,981,786	\$16,739,145	\$54,217,347	\$24,983,788	\$11,910,269	\$268,832,335
F. R-2 Allocation of the inflation adjustment (see notes)	4,360,819	1,400,568	1,345,141	501,238	184,373	7,792,139
G. Base & Other Requests	0	429,345	4,741	0	3,329	437,415
H. State funds transferred from other Departments/ Programs	104,043	0	450,000	0	0	554,043
I. FY 2015-16 Est. Federal Funds	<u>155,387,484</u>	<u>11,244,157</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>166,631,641</u>
J. FY 2015-16 Subtotal for the Categorical Programs adjusted by Inflation	\$320,834,132	\$29,813,215	\$56,017,229	\$25,485,026	\$12,097,971	\$444,247,573
Requested Funding for Categorical Programs without Funding Gaps (i.e. revenues equal expenditures)						
K. Expelled and At-risk Student Services Grant Program						\$7,493,560
L. Small Attendance Center Aid						959,379
M. Comprehensive Health Education						<u>1,005,396</u>
N. FY 2015-16 Subtotal for Categorical Programs not adjusted by inflation						\$9,458,335
FY 2015-16 Total Request for Categorical Programs (All Funds and Request Items Included)						\$453,705,908
<i>GF - General Fund</i>						<i>\$142,194,819</i>
<i>CF - State Education Fund</i>						<i>\$144,325,405</i>
<i>CF - Public School Transportation Fund</i>						<i>\$450,000</i>
<i>RF - Transferred from Department of Human Services</i>						<i>\$104,043</i>
<i>FF - Federal Funds</i>						<i>\$166,631,641</i>

1/ State funding includes the Public School Finance Act funding for preschool children with disabilities.

Notes for Table A:

Row A: Total expenditures related to state and federal funding provided to school districts, the Charter School Institute, and Boards of Cooperative Educational Services by the Department. Source of information is School District Data Pipeline Financial Reporting.

Row B: Total state and federal revenue reported by school districts, the Charter School Institute and Boards of Cooperative Educational Services by the Department. Source is School District Data Pipeline Financial Reporting.

Row C: Row A minus Row B equals the estimated gap in unfunded expenditures covered by the school districts, the Charter School Institutes, and the Boards of Cooperative Educational Services.

Row D: The proportional percentage of each categorical programs unfunded expenditures in relation to the total categorical programs unfunded expenditures.

Row E: The FY 2014-15 state funds appropriation excluding federal funds and state funds appropriated from other programs.

Row F: Shows the Department's recommended distribution of the inflationary increase. This amount equals the total inflationary increase of \$7,792,139 for all categorical programs multiplied by Row D to allocate the increase to specific categorical programs. Only those categorical programs with "gap funding" are requested to receive a FY 2015-16 funding increase. See table 1 on page 2 for how the \$7,792,139 was calculated.

Row G: Shows the FY 2015-16 base adjustments and other request items that impact a categorical program.

Row H: Represents state fund appropriations that are not subject to the inflationary increase, including funds reappropriated from the Department of Human Services and appropriations from the Public School Transportation Fund.

Row I: Shows the anticipated federal funds available in FY 2015-16 for each categorical program.

Row J: Represents the total FY 2015-16 appropriation request for each categorical programs (matches the Department's Schedule 3).

Rows K through M: The FY 2015-16 request for categorical programs that are not requested to receive an inflationary adjustment. These amounts are the FY 2014-15 appropriation increased for any base adjustments (these amounts match the Department's Schedule 3s).

Row L: Subtotal of the state funding requested for all categorical programs not receiving an increase in FY 2015-16.

Totals: The FY 2015-16 total request for all categorical programs. This amount matches the total fund request shown on the Schedule 3s.

Additional Information

	Yes	No	Additional Information
Is the request driven by a new statutory mandate?		X	The inflationary increase has existed since Amendment 23 to the Colorado Constitution passed in 2000.
Will the request require a statutory change?		X	
Is this a one-time request?		X	
Will this request involve IT components?		X	
If yes, has OIT reviewed the request and submitted a		N/A	
Does this request impact other state agencies?		X	
If yes, has the other impacted state agencies reviewed the		N/A	
Is there sufficient revenue to support the requested cash fund expenditures?	X		The \$7,792,139 increase is requested from the State Education Fund. The State Education Fund will have sufficient funding in FY 2015-16 to support this request.
Does the request link to the Department's Performance Plan?	X		

Schedule 13

Funding Request for the FY 2015-16 Budget Cycle

Department of Education

PB Request Number R-03

Request Titles

R-03 Field Impl. Support for Educator Effct. and Inst. Sup.

Dept. Approval By:

[Signature] 10/31/14

Supplemental FY 2014-15
Change Request FY 2015-16

OSPB Approval By:

[Signature]

Base Reduction FY 2015-16
Budget Amendment FY 2015-16

Line Item Information

	Fund	FY 2014-15		FY 2015-16		FY 2016-17
		Appropriation	Request	Base Request	FY 2015-16	Continuation
Total of All Line Items	Total	\$548,108	\$0	\$584,475	\$1,266,535	\$1,795,532
	FTE	4.0	-	4.0	7.3	10.5
	GF	\$432,718	\$0	\$453,182	\$1,266,535	\$1,795,532
	CF	\$115,390	\$0	\$131,293	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information

	Fund	FY 2014-15		FY 2015-16		FY 2016-17
		Appropriation	Request	Base Request	FY 2015-16	Continuation
	Total	\$548,108	\$0	\$584,475	\$1,266,535	\$1,795,532
	FTE	4.0	-	4.0	7.3	10.5
01. Management and Administration - Educator Effectiveness Unit Administration	CF	\$115,390	\$0	\$131,293	\$0	\$0
	GF	\$432,718	\$0	\$453,182	\$1,266,535	\$1,795,532

Letternote Text Revision Required?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	If Yes, describe the Letternote Text
Cash or Federal Fund Name and CORE Fund Number: Fund 4400--State Education Fund		
Reappropriated Funds Source, by Department and Line Item Name:		
Approval by OIT?	Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required: <input checked="" type="checkbox"/>	
Schedule 13s from Affected Departments:		
Other Information:		

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Cost and FTE

- The Department requests an increase of \$1,266,535 General Fund and 7.3 FTE in FY 2015-16 to continue to provide field support for recent education reforms. This amount annualizes to \$1,795,532 and 10.5 FTE in FY 2016-17 and beyond.

Current Program

- Through FY 2014-15, the Department has used temporary state appropriations and federal grants to provide technical assistance and support to school districts implementing the state required educator evaluation system and Colorado Academic Standards. During the most recent two fiscal years, the average funding needed by the Department to support these activities has been \$3.5 million and 15.5 FTE (includes both state and federal funds). The state appropriation supporting these FTE and activities expires in June 2015 and the federal grant expires in December 2015.

Problem or Opportunity

- As the Department enters the second year of full implementation of the educator evaluation system and the new academic standards, it has become apparent that school districts will continue to need ongoing support and assistance from the Department.
- Currently, 160 of the 178 districts have opted to use the State Model Educator Evaluation System created and maintained by the Department. This means the Department provides direct support to these districts, ensuring ongoing validity of the evaluation rubrics and tools, maintaining the online performance management system, and providing training and technical assistance.
- In addition, the Department has provided assistance and engaged over 100 school districts to provide instructional resources to ensure alignment with the Colorado Academic Standards.
- School districts have requested the Department provide support in providing clear, reliable, and accurate information to parents, community members, and school staff about the new educator evaluation systems, Colorado Academic Standards, and new assessments. As the vast majority of school districts do not have communications staff, they rely on assistance from the Department to support their local communication efforts.

Consequences of Problem

- Without continued funding for these education reforms, the Department will not be able to meet its statutory obligations to maintain a state model educator evaluation system that is fair and reliable. Without the state system, 160 districts would need to develop their own systems -- duplicating staff time and funding across the state.
- Similarly, many districts rely on the state's communication resources and technical assistance on the Colorado Academic Standards and do not have the funds to support this work on their own.

Proposed Solution

- This request will allow the Department to provide ongoing support and assistance to school districts implementing these required state educational reforms.



COLORADO

Department of Education

John W. Hickenlooper
Governor

Robert K. Hammond
Commissioner

FY 2015-16 Funding Request | November 1, 2014

Department Priority: R-3

Request Detail: Field Implementation Support for Educator Instruction and Evaluation

Summary of Incremental Funding Change for FY 2015-16	Total Funds	General Fund
Field Implementation Support for Educator Instruction and Evaluation	\$1,266,535	\$1,266,535

Problem or Opportunity:

During the last two fiscal years, the Department has needed on average a total of \$3.5 million and 15.5 FTE to provide assistance to school districts implementing new educator evaluation systems and the new Colorado Academic Standards. This level of funding allowed the Department to develop and maintain the State Model Educator Evaluation System (including evaluation rubrics, training manuals, resource guides), procure and launch an online performance management system (allowing districts to manage their evaluation process electronically), fund researchers to ensure validity and reliability of the tool, and provide technical assistance and training to all school districts regarding the system. The funding has also supported training on the new academic standards as well as provided a wide range of communication resources and tools to support school districts in communicating to educators, parents, and community members about the new standards and educator effectiveness systems and how they impact classrooms, schools and districts.

The Department's funding to support the activities mentioned above was provided through temporary state appropriations and federal grants. The Department's state appropriations for these activities will expire on June 30, 2015 and the federal grant will expire in December 2015. The Department requests approximately \$1.3 million and 7.3 FTE in FY 2015-16 to continue a portion of the funding provided in previous fiscal years in order to continue to provide the necessary technical assistance and support for the educator evaluation system and the Colorado Academic Standards. This amount annualizes to \$1.8 million and 10.5 FTE in FY 2016-17 and beyond.

As state moves into the second year of full implementation of educator evaluation systems and new academic standards, the Department knows more about the supports school districts will continue to need in order to successfully implement quality educator evaluation and instructional systems. The vast majority of the state's districts, 160 out of 178, have opted to use the State Model Educator Evaluation System. This means that the state provides direct support to these districts, ensuring ongoing validity of the evaluation rubrics and tools, supporting inter-rater agreement on the use of the tools, developing and maintaining an online performance management system, providing training and resources, and responding to daily requests for information and technical assistance. The Department also supports the other 18 districts in the implementation of their unique systems. In addition, the Department is charged with ongoing monitoring,

data collection/review, and basic compliance functions. The Department also has an obligation to approve all evaluation trainers and update guidance, tools and instruments on a yearly basis.

In addition to assistance with educator evaluation, districts have requested training on quality instructional design related to implementing the Colorado Academic Standards. While the Department has engaged educators across the state in training and awareness on the standards, districts have requested more support, specifically with deepening educators' understanding of the instructional changes required in the standards. They also want increased support with instructional design. The training and resources to date have been well-received, with the demand outpacing the department's ability to provide services.

Finally, school districts have requested support in providing clear, reliable and accurate information to parents, community members, and staff about the new educator evaluation systems, Colorado Academic Standards, and new assessments. The communications team has developed tools to help educators understand the new evaluation system and explain the new system to parents and community members. The team provides training and guidance on how to deploy these resources which include public engagement strategies, communication tool kits, customizable district newsletter articles, comparisons of old systems and new systems, handouts, key messages, and presentations that districts can download and tailor for their specific needs. Electronic newsletters on the new evaluation system and the new assessment system provide educators with the latest information on the system changes which promotes a more effective and efficient implementation. A full 81 percent of school districts do not have communication staff and these resources have been essential to cultivating understanding among educators and communities. The tools and support systems are frequently cited during regional superintendent council meetings as highly valued resources and essential to smooth local implementation. Districts trust that the information from the Department is accurate, reliable and accessible to a wide range of audiences.

Proposed Solution:

As stated above, current state and federal support has provided funding for 15.5 FTE and a range of contracted services. The Department has reviewed the core functions needed to sustain this work over time and meet the ongoing needs of school districts. Based on this review, as outlined below, the Department is requesting \$1.3 million and 7.3 FTE in 2015-16 and \$1.8 million in ongoing funds to sustain 10.5 FTE (a decrease of 5 FTE from current resources funding in FY 2014-15) and core contractual services to support ongoing field implementation needs in the areas of educator evaluation, educator instructional support, and communication and outreach.

Educator Evaluation

- 6.0 FTE to provide the research, training, and support for the evaluation system;
- Training and travel for staff to support districts across the state;
- License fees and related costs for the following two online support systems that school districts are using to implement the state model system:
 - Online Performance Management System - this system allows districts to manage all aspects of their evaluation system online including goal setting meetings, observations, rubrics, evidence gathering, growth calculations, final ratings, etc.
 - Elevate Colorado – this system is an online training system for evaluators using the State Model Evaluation System and allows for evaluators to watch and score videos of teacher practice to achieve inter-rater agreement with master scorers (inter-rater agreement is a requirement of educator evaluation systems); and

- Related operating expenses.

Educator Instructional Support

- 2.0 FTE to provide leadership and training to districts in implementing the Colorado Academic Standards;
- Training and travel for staff to support school districts across the state; and
- Related operating expenses.

Field Educator Effectiveness and Instruction Communications and Outreach -

- 2.5 FTE who create and deliver online and print materials, resources, and toolkits to support school district and public communication; and
- Related operating expenses and some minimal travel.

In FY 2015-16, the new funding requested is \$1.3 million and 7.3 FTE. In FY 2016-17 and beyond the funding needed is estima. - \$1,266,535 in 2015-16; \$1,795,532 ongoing. See Assumptions and Calculations for cost detail.

This proposal realizes savings and economies of scale for school districts and the state as a whole. By creating and sustaining a state model evaluation system that school districts can use, the state is saving districts hundreds of thousands of dollars by supporting technology, training, tool development and research validation of the evaluation system. If the Department was not doing this, 160 districts would have to do all of this for themselves—finding the people, staff time, and money to support it. Similarly, many school districts rely on the state’s training and technical assistance on the Colorado Academic Standards as well as the communications resources and do not have the funds or staff to support this work on their own.

There are consequences if the proposal is not funded. The Department must meet the SB10-191 statutory requirement to implement educator evaluation systems throughout the state and *provide a state model system to districts*. Not funding the state model system and the staff to support it would impact the Department’s ability to comply with the law and dramatically reduce the capacity of school districts to implement the statute statewide. The Department is also required to meet the statutory requirements of the preschool through postsecondary alignment act which has specific duties related to standards implementation. School districts have the obligation to develop standards-based curriculum and teach to the standards, yet many small school districts do not have the capacity to develop curriculum or support their teachers with implementation. They have looked to the Department to support them in this work; removing funding now would leave school districts without support at a critical time of implementation. Similarly not funding communications support would further limit the Department’s ability to meet school district requests for these services.

Anticipated Outcomes:

By funding this request, the Department will be able to serve the 160 school districts that have opted to use the State Model Educator Evaluation System and meet the needs of school districts requesting instructional and related communications support.

The request is critical to the Department implementing its performance plan. It specifically enables our ability to meet our foundational goal of ensuring that every student has an effective leader and teacher and our strategic goal of helping all students meet or exceed the Colorado Academic Standards.

The Department monitors success of this work in the following ways:

Educator Evaluation:

- Statewide educator effectiveness metrics which include analyzing evaluation ratings for all educators and reviewing those ratings connected to a series of variable (including student growth) to ensure fidelity of implementation and identify districts needed more support;
- Number of school districts using the State Model Evaluation System and user statistics from its supporting online systems, satisfaction of districts with these systems, and feedback from users for ongoing improvement;
- Annual analyses of data from original pilot school districts for the State Model Evaluation System, including educator effectiveness ratings by each educator quality standard and element, perception data, and training sessions;
- Annual research plan that reviews and synthesizes all data gathered throughout the year to make refinements to the educator evaluation rubrics to ensure ongoing validity and reliability of the State Model Evaluation System; and
- Annual assurance data from school districts on compliance with the law.

Educator Instructional Support:

- Requests for support and training evaluation data;
- Teacher engagement statistics; and
- Usage statistics and user feedback on instructional resources.

Field Educator Effectiveness and Instruction Communications and Outreach:

- Increase in users as measured by Google analytics;
- User feedback; and
- Tool development and deployment.

Assumptions and Calculations:

Table 1 below reflects the costs over and above personnel that the Department estimates will be necessary to continue the ongoing work related to the three areas of Field Implementation described above. The total request is \$1,266,535 in FY 2015-16 and \$1,795,532 in FY 2016-17 and thereafter.

Table 1

Field Implementation: Non-Personnel Cost Assumptions by Area	FY 2015-16	FY 2016-17
Educator Evaluation		
Systems--Licensing and Development		
Licensing Fees	338,500	323,500
Contracts for coding	30,000	30,000
Video Development Work	0	50,000
Subtotal Licensing and Development	368,500	403,500
Training & Technical Assistance		
Regional Trainings (4 per year \$20,000 per training)	40,000	80,000
Staff Travel for Trainings (est. \$1,500/day 2 staff)	12,000	16,500
Subtotal Training & Tech Asst.	52,000	96,500
Total Educator Evaluation:	420,500	500,000
Educator Instructional Support		
Training/Tech. Asst.		
Regional Trainings (4 per year \$20,000 per Training)	0	80,000
Staff Travel (est. \$5,000/staff person/2 staff)	0	10,000
Total Educator Instructional Support:	0	90,000
Field Communication/Outreach		
Training/Tech. Asst.(various throughout year, as needed)	1,500	3,000
Printing	6,000	12,000
Digital Communications (primarily web-based)	6,500	13,000
Video	4,000	8,000
Total Communication Outreach:	18,000	36,000
Total -- Non-Personnel Related Costs:	438,500	626,000

Table 2 includes the assumptions for FTE. Contrary to JBC and OSPB Common Policy the Department must request the following costs because the FTE requested are already employed with the Department:

- Rent costs. 8.5 FTE are included here, since 2.0 are located in Capitol Complex. Other staff are located in non-state buildings.
- Benefits, HLD, AED, and PERA.
- Mobile device costs have also been included. The staff within this request travel a great deal to provide training and technical support, so mobile devices are standard equipment.

Conversely, furniture and computer outlays are not necessary as they have already been incurred.

FTE Position Calculation Details

Calculation Assumptions:

Personal Services -- Based on the Department of Personnel and Administration's August 2011 Annual Compensation Survey Report, the 10.5 positions will require a monthly salary of between \$6,374 and \$7,722

Operating Expenses -- Base operating expenses are included per FTE for \$500 per year. In addition, for regular FTE, annual telephone costs assume base charges of \$450 per year.

Standard Capital Purchases -- These are existing staff--no equipment or office furniture purchases are required.

General Fund FTE-- While these are existing staff, the paydate shift calculation of 0.9166 FTE has been accounted for in the calculations.

		FY 2015-16		FY 2016-17	
<i>Personal Services:</i>		FTE	\$	FTE	
	Monthly Salary				
Educator Evaluation	\$ 6,600	4.1	324,720	6.0	475,200
PERA			32,959		48,233
AED			14,288		22,810
SAED			13,801		22,572
Medicare			4,708		6,890
STD			714		1,045
Health-Life-Dental			39,636		47,563
Subtotal Position 1, 4.1 FTE		4.1	\$ 430,826	6.0	\$ 624,313
	Monthly Salary				
Standards Implementation	\$ 7,650	2.0	183,600	2.0	183,600
PERA			18,635		18,635
AED			8,078		8,813
SAED			7,803		8,721
Medicare			2,662		2,662
STD			404		404
Health-Life-Dental			15,854		15,854
Subtotal Position 2, 2.0 FTE		2.0	\$ 237,036	2.0	\$ 238,689
	Monthly Salary				
Communciations	\$ 6,374	1.2	90,557	2.5	191,220
PERA			9,192		19,409
AED			3,985		9,179
SAED			3,849		9,083
Medicare			1,313		2,773
STD			199		421
Health-Life-Dental			15,854		23,782
Subtotal Position 3, 1.2 FTE		1.2	\$ 124,950	2.5	\$ 255,867
Subtotal Personal Services		7.3	\$ 792,812	10.5	\$ 1,118,869
Operating Expenses					
Regular FTE Operating	500	7.3	3,650	10.5	5,250
Telephone Expenses	450	7.3	3,285	10.5	4,725
Mobile Device Expenses	625	7.3	4,563	10.5	6,563
Office Furniture, One-Time	3,473	-	-		-
Leased Space*	3,250	7.3	23,725	10.5	34,125
Other			-		
Other			-		
Other			-		
Subtotal Operating Expenses			\$ 35,223		\$ 50,663
TOTAL REQUEST		7.3	\$ 828,035	10.5	\$ 1,169,532

Finally, Table 3 provides the changes and reductions in cost and FTE from the combined state and federal funding to the amount in this request. Because the FY 2014-15 state and federal funding was temporary, the Department's FY 2015-16 continuation base budget eliminated the state funding (see technical adjustments in the Department's Schedule 3 and Reconciliation Report). Therefore, this decision item reflects the full amount of appropriated funding necessary to continue the Department's level of service for these education reforms.

Table 3

	A	B	C	B - A	C - A
Description	2 yr Avg Exps	Proj 15-16	Proj 16-17	2015-16 Change	2016-17 Change
Personal Services	1,508,639	792,812	1,118,869	(715,827)	(389,770)
Purchased Service-Personal Srv	1,460,755	379,000	424,500	(1,081,755)	(1,036,255)
Operating Expenses	275,471	82,723	225,663	(192,748)	(49,808)
Travel Expenses	119,786	12,000	26,500	(107,786)	(93,286)
Transfers	167,626	0	0	(167,626)	(167,626)
Total:	3,532,277	1,266,535	1,795,532	(2,265,742)	(1,736,745)
Fund Sources:					
General Fund		1,266,535	1,795,532		
Cash (State Ed. Fund)	1,339,657				
Federal (Race to the Top)	2,024,995				
Total FTE	15.5	7.3	10.5	(8.2)	(5.0)
Federal (Race to the Top)	11.5	5.8	0.0	(5.8)	(11.5)
Cash (State Ed. Fund)	4.0	7.3	10.5	3.3	6.5

Additional Information

	Yes	No	Additional Information
Is the request driven by a new statutory mandate?		X	
Will the request require a statutory change?		X	
Is this a one-time request?		X	
Will this request involve IT components?	X		This involves sustaining two online systems that CDE manages and operates internally.
If yes, has OIT reviewed the request and submitted a corresponding Schedule 13?	Not applicable		
Does this request impact other state agencies?		X	
If yes, has the other impacted state agencies reviewed the	Not		

	Yes	No	Additional Information
request and submitted a corresponding Schedule 13?	applicable		
Is there sufficient revenue to support the requested cash fund expenditures?	Not applicable		This change request is for General Fund.
Does the request link to the Department's Performance Plan?	X		Foundational goal: Great teachers and leaders Strategic goal: Ensure all students meet or exceed standards

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Schedule 13

Funding Request for the FY 2015-16 Budget Cycle

Department of Education

PB Request Number R-04

Request Titles

R-04 State Review Panel Online Portal

Dept. Approval By:

988 B-95 10/31/14

**Supplemental FY 2014-15
Change Request FY 2015-16**

OSPB Approval By:

[Signature]

**Base Reduction FY 2015-16
Budget Amendment FY 2015-16**

Line Item Information	Fund	FY 2014-15		FY 2015-16		FY 2016-17
		Appropriation	Request	Base Request	FY 2015-16	Continuation
Total of All Line Items	Total	\$1,678,364	\$0	\$1,690,938	\$77,375	\$35,200
	FTE	11.4	-	11.4	-	-
	GF	\$1,128,032	\$0	\$1,140,606	\$77,375	\$35,200
	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$550,332	\$0	\$550,332	\$0	\$0

Line Item Information	Fund	FY 2014-15		FY 2015-16		FY 2016-17
		Appropriation	Request	Base Request	FY 2015-16	Continuation
	Total	\$1,678,364	\$0	\$1,690,938	\$77,375	\$35,200
	FTE	11.4	-	11.4	-	-
01. Management and Administration - Accountability and Improvement Planning	FF	\$550,332	\$0	\$550,332	\$0	\$0
	GF	\$1,128,032	\$0	\$1,140,606	\$77,375	\$35,200

Letternote Text Revision Required?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	If Yes, describe the Letternote Text
Cash or Federal Fund Name and CORE Fund Number:		
Reappropriated Funds Source, by Department and Line Item Name:		
Approval by OIT?	Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required: <input checked="" type="checkbox"/>	
Schedule 13s from Affected Departments:		
Other Information:		

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Cost and FTE

- The Department requests an increase of \$77,375 General Fund in FY 2015-16 to enhance and maintain an online Unified Improvement Plan template to assist review of school districts or schools with improvement plans. The ongoing cost to maintain this online tool will be \$35,200 General Fund in FY 2016-17 and beyond.

Current Program

- The Education Accountability Act of 2009 (SB 09-163) established the State Review Panel, a body of field experts, to advise the Commissioner of Education and State Board of Education on the appropriate actions to take for schools or school districts that have five-year improvement plans.
- Currently, the State Review Panel conducts 50 site visits and document reviews per year. The process for tracking, sharing, securing and organizing the documentation necessary for the reviews is done primarily through e-mail.

Problem or Opportunity

- The Department is in the process of developing an online planning template, which will streamline and improve the school district and school reviews and technical assistance provided to school districts. However, additional funding is needed to complete this system.
- There is no way for State Review Panelists to securely share documents amongst themselves, track changes, or efficiently organize the to ensure accuracy and consistency during the review.

Consequences of Problem

- Without enhancements to the Unified Improvement Plan (UIP) online tool, State Review Panelists will not be able to efficiently and effectively organize the review materials to ensure fair and reasonable recommendations to the Commissioner of Education and State Board of Education on appropriate actions to take with schools needing improvement plans.

Proposed Solution

- Enhancements to the online UIP tool will enable State Review Panelists to track the high volume of information associated with each school and school district over the entire course of the state improvement plan period.
- It will enable the Department and SR panelists to securely share information and control versions, so that all documentation is synchronized and consistent for everyone who is using it to make recommendations to the State Board of Education.



COLORADO

Department of Education

John W. Hickenlooper
Governor

Robert K. Hammond
Commissioner

FY 2015-16 Funding Request | November 1, 2014

Department Priority: R-4
Request Detail: State Review Panel Online Portal

Summary of Incremental Funding Change for FY 2015-16	Total Funds	General Fund
State Review Panel Online Portal	\$77,375	\$77,375

Problem or Opportunity:

Background: Established through the Education Accountability Act of 2009 (SB 09-163), the State Review Panel is a body of field experts who advise the Commissioner of Education and State Board of Education on actions to take with schools and districts on the Accountability Clock (five-year turnaround improvement plans) as defined in the Act. The Panelists gather evidence on the identified schools and districts by conducting document reviews (e.g., Unified Improvement Plans, School/District Performance Frameworks) and through a site visit to determine the school/district's capacity to carry out the actions to exit the Accountability Clock. Based on the findings in their review, the Panel makes recommends to the Commissioner and State Board of Education.

Description of Problem: Currently, there are over 200 schools and school districts on the accountability clock. The Panelists conduct document review and site visits to about 50 sites per year. The volume of documents (e.g., body of evidence, reports from Panelists) to track for each school and school district is getting complex. Furthermore, the Department does not have an efficient system for securely sharing documents with non-CDE employees, or a way for Panelists to store, manage, and share their information with the Department. Currently, the Panelists receive up to 10 documents (e.g., UIP, School/District Performance Frameworks, previous Panel reports on the school/district) through an email for each school/district that they are reviewing. Organizing documents and maintaining version control of Panel reports is becoming a concern. Given the sensitive nature of the Panel's work (e.g., recommendations on required actions at the end of the accountability clock), a more secure way to organize information and exchange of information is needed.

Proposed Solution:

The Department is in the final phase of developing an online UIP to support school and district efforts to strengthen their improvement planning work. The selected platform is Salesforce. With some customization to the online UIP system, a portal for the Panel can be created to streamline and improve the

Panel’s document reviews and recommendation process to track the high volume of documents. They would be able to enter the online UIP system to access documents that already live in the online UIP system (e.g., school/district UIP, the Department’s feedback to school districts); other data and supporting evidence could be uploaded by the Department (rather than emailed); Panelists could work virtually with their teams to document observations and reports. Concerns about version control would be eliminated. As Panelists are making high stakes recommendations to the Commissioner and State Board of Education, they need an organized station to prepare their work.

The majority of the request is aimed at contracting with one of the state-approved implementation partners to create the State Review Panel portal. This request is modeled on the process being used to build the online UIP system. Currently, the Department is working with Vertiba to configure Salesforce for the online UIP system; these improvements are managed through the Statewide Internet Portal Authority (SIPA). The Department has worked on fixed fee contracts with Vertiba. The data is housed within the Department on a secure server. Finally, Salesforce is password protected. This request would provide each Panelist with a license to access the system. The Department staff already have access to the system, so that additional cost has been eliminated.

Anticipated Outcomes:

This system will provide a standardized structure for panelists to record and report their work, and a single place for the state and Panelists to log in and manage all documentation.

Assumptions and Calculations:

UIP Online System Enhancements: Following are the one-time development cost to supplement features in the current UIP Online System to meet the needs of State Review Panelists.

High Level Project Deliverables (Year 1 costs)	Estimated # of hours	Hourly Rate	Total
Project planning and requirements documentation	80	\$175.00	\$14,000
System development <ul style="list-style-type: none"> • Communication portal • Document storage • Feedback portal • Reports 	210	\$175.00	\$36,750
Testing, quality assurance and remediation	80	\$175.00	\$14,000
Training and documentation	15	\$175.00	\$2,625
Licenses: 40 licenses @ \$250.00 each (annual cost)	n/a	n/a	\$10,000
FY 2015-16 Total			\$77,375

Annual Costs: Once the system is built (beginning Year 2), these are the on-going costs for maintenance, licenses and functionality to support the State Review Panelists' portal to the UIP system.

On-going costs	Estimated # of hours	Hourly Rate	Total
OnDemand post implementation support (basic support for out of the box functionality and platform specific questions)	35	\$95.00	\$3,325
UIP System post implementation support (supports issues and questions related to the custom developed UIP system functionality)	25	\$175.00	\$4,375
Future enhancements to address changing business needs and process improvement	100	\$175.00	\$17,500
Licenses: 40 licenses @ \$250.00 each (annual cost)	n/a	n/a	\$10,000
FY 2016-17 (and beyond) Total			\$35,200

Additional Information

	Yes	No	Additional Information
Is the request driven by a new statutory mandate?		X	
Will the request require a statutory change?		X	
Is this a one-time request?		X	
Will this request involve IT components?	X		
If yes, has OIT reviewed the request and submitted a corresponding Schedule 13?	Not Applicable		
Does this request impact other state agencies?		X	
If yes, has the other impacted state agencies reviewed the request and submitted a corresponding Schedule 13?	Not Applicable		
Is there sufficient revenue to support the requested cash fund expenditures?	Not Applicable		The request is for General Fund.
Does the request link to the Department's Performance Plan?	X		

Schedule 13

Funding Request for the FY 2015-16 Budget Cycle

Department of Education

PB Request Number R-05

Request Titles

R-05 Resources to Implement CSDB Strategic Plan

Dept. Approval By:

[Handwritten Signature] 10/31/14

Supplemental FY 2014-15

Change Request FY 2015-16

Base Reduction FY 2015-16

Budget Amendment FY 2015-16

OSPB Approval By:

[Handwritten Signature]

Line Item Information	Fund	FY 2014-15		FY 2015-16		FY 2016-17
		Appropriation	Request	Base	FY 2015-16	Continuation
Total of All Line Items	Total	\$9,808,668	\$0	\$9,905,675	\$1,087,179	\$1,205,831
	FTE	141.3	-	141.3	11.5	12.6
	GF	\$8,303,013	\$0	\$8,400,020	\$1,087,179	\$1,205,831
	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$1,505,655	\$0	\$1,505,655	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2014-15		FY 2015-16		FY 2016-17
		Appropriation	Request	Base	FY 2015-16	Continuation
	Total	\$9,391,391	\$0	\$9,488,398	\$779,469	\$954,817
	FTE	141.3	-	141.3	11.5	12.6
04. School for the Deaf and the Blind - Personal Services	GF	\$7,885,736	\$0	\$7,982,743	\$779,469	\$954,817
	RF	\$1,505,655	\$0	\$1,505,655	\$0	\$0
	Total	\$417,277	\$0	\$417,277	\$307,710	\$251,014
04. School for the Deaf and the Blind - Operating Expenses	GF	\$417,277	\$0	\$417,277	\$307,710	\$251,014

Letternote Text Revision Required?	Yes ___ No <u>X</u>	If Yes, describe the Letternote Text
Cash or Federal Fund Name and CORE Fund Number:		
Reappropriated Funds Source, by Department and Line Item Name:		
Approval by OIT?	Yes ___ No ___ Not Required <u>X</u>	
Schedule 13s from Affected Departments:		
Other Information:		

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Cost and FTE

- The Colorado School for the Deaf and the Blind requests \$1,087,179 General Fund and 11.5 FTE in FY 2015-16 to enhance school services in accordance with the School's strategic planning directives. This request annualizes to \$1,205,831 General Fund and 12.2 FTE in FY 2016-17 and beyond.

Current Program

- The Colorado School for the Deaf and the Blind (School) is a state school that provides educational services for children who are deaf, hearing impaired, blind, or visually impaired, and under 21 years of age.
- The School has total enrollment of approximately 463 children, including 263 infants and toddlers and approximately 200 students who receive services on campuses. The school's students currently attend 174 days each school year.

Problem or Opportunity

- The School's strategic plan is developed by a broad group of stakeholders and identifies goals and priorities on how to best serve the students attending its programs.
- Based on the priorities established in the School's strategic plan, the School is requesting additional funding to increase the number of school days attended by students from 174 to 184. All of the School's students have identified disabilities and Individual Education Programs. Increased instructional time will directly benefit the students and will minimize educational regression that occurs with extended breaks.
- Additionally, the School has identified other resource needs to meet their goals and mission including: (1) the need for additional interpreters, (2) additional outreach teachers to support school and BOCES with students with hearing and vision disabilities, (3) additional support for operating expenses; and (4) replacement and enhancements to technology equipment used by the student and staff.

Consequences of Problem

- Without the increased funding in the request, the School will not be able to increase instructional support for their students, provide assistance to school districts and BOCES requesting assistance, or maintain buildings and programs at an appropriate level.

Proposed Solution

- The School requests funding to increase student days from 174 to 184 (and total staff days to 195).
- The School also requests additional funding to provide additional assistances to school districts and BOCES, to replace and update technology equipment, and additional operating for maintenance costs at the School.



COLORADO

Department of Education

John W. Hickenlooper
Governor

Robert K. Hammond
Commissioner

FY 2015-16 Funding Request | November 1, 2014

Department Priority: R-5
Request Detail: Resources to Implement CSDB Strategic Plan

Summary of Incremental Funding Change for FY 2015-16	Total Funds	General Fund
Resources to Implement Strategic Plan	\$1,087,179	\$1,087,179

Problem or Opportunity:

The Strategic Plan for the Colorado School for the Deaf and Blind (School) has established targets for the school's operations and programs to expand service delivery and achieve the goals outlined in the plan. Several issues and changes have been identified:

- All students at the Colorado School for the Deaf and the Blind have identified disabilities and Individual Education Programs (IEPs). Students often experience regression in their learning during extended breaks from school, such as the summer break.
- Need for additional staff to provide distance learning opportunities, both on and off campus. Without this additional support, the school will not be able to meet the needs of all of its students in preparing them for college or transition into the workforce.
- Additional interpreters to provide staff and students who are deaf with access to information, communications, and activities. Currently there are not enough interpreters to fulfill these requirements.
- A need to improve the recruitment and retention of quality, talented staff.
- An Educational Liaison who will identify gaps in services and supports and address the gaps to better meet student needs statewide.
- The School has not received an increase in its operating line for over 7 years, but costs have increased to the point additional funding is necessary. It is becoming necessary to replace outdated equipment and purchase sufficient supplies and materials for students and teachers.
- Improvements to the technology infrastructure campus-wide.
- Due to insufficient staffing, the School is not currently able to meet all of the requests for services made by school districts, Boards of Cooperative Educational Services (BOCES), and charter schools.

The Colorado School for the Deaf and Blind has identified these items as critical to the school's ongoing success in educating its students at the highest level.

Proposed Solution:

The School would convert from a 174 student contact day calendar to a 184 student contact day calendar, in an effort to minimize the regression that often occurs with extended breaks. Additionally, this would include a total of 195 staff days. Eleven staff days would be devoted to professional development. Regression can affect the academic growth of students. A goal of the Strategic Plan is to increase growth in academic areas.

Distance learning support will allow the School to meet the objective in the Outreach section of the Strategic Plan for the families, professionals, students and community members to easily access accurate information for programs, resources, and supports offered by the School. It will also support the goal of offering a minimum of five new trainings or resources annually with feedback collected on participation and impact of the trainings.

Additional funding to support the adoption of and transition to eCurriculum will allow the School to provide our students with more engaging curriculum that supports 21st Century learning aligned with the Colorado State Standards.

Appropriate and full access to communication supports individuals who are deaf in developing connections with community centers/agencies that offer workshops and activities which support the Strategic Plan goal of “students will acquire skills beyond the academic core to succeed in all aspects of life”. It is important to have interpreters available in all workshops and classes where there may be a mixed group of students who sign and those who do not.

Additional FTE will allow the School to hire qualified staff to “respond to the needs of consumers within the mission of the School’s Outreach” which is a goal within the Outreach section of the Strategic Plan.

Through the strategic plan process and data collection, a gap has been identified in the Schools’s ability to respond to the needs of consumers related to the need for sign language instruction. Requests for School assistance in offering American Sign Language (ASL) throughout the State have been unmet due to a lack of qualified teachers to assist those districts/BOCES in developing classes in their locations. A limited number of ASL classes are offered currently, but the School is unable to meet the requests of individuals for advanced level classes.

An “Educational Liaison” would provide the requested support for training for general education and special education “generalists”, staff who serve children who are deaf/hard of hearing in the State. Currently staff members, on the School’s campus, are taken from their teaching assignments on campus to provide some of the requested support/training leaving students on campus with substitute teachers.

The School is requesting additional funds for our Operating line to allow us to purchase additional supplies, materials, and equipment. By receiving an increase in our Operating line, the School could continue to supply students and staff with the materials to operate while replacing older equipment as its life span ends.

The School’s Strategic Plan calls for students at the School to demonstrate the core content knowledge and 21st century skills required to be college and/or career ready. By providing and maintaining a solid technical infrastructure and keeping current technology available for students and staff, the School can achieve this goal.

Anticipated Outcomes:

Ten additional student contact days will benefit the School's students, all of whom have identified disabilities and Individual Education Programs, through the provision of increased instructional time minimizing regression which often occurs during extended breaks.

The addition of a staff member to assist with distance learning support will enable the School to be more responsive to the needs of parents/students/educators throughout the State by creating more opportunities for participation in School activities and professional development events through distance/on-line technology use.

The goal of purchasing and transitioning to eCurriculum will be to provide curriculum that is more engaging to students and allows teachers to easily differentiate instruction based upon current student levels of performance and needs. If students are more engaged and interested in learning, increased academic achievement is more likely to occur.

Having additional interpreters will increase student participation in various community activities and the individual's sense of ownership in the decision-making process. In the Employability Center, additional interpreters will provide services to students at each appropriate on- or off-campus activity or workshop. These interpreters will support student understanding and achievement in attaining hard skills specific to a chosen career included on their resume; improving daily living skills of all students living on-campus; consistent use of public transportation appropriate to student's skill level in order to travel to work, apartments etc.

The addition of FTE will increase the number of individuals who become fluent in ASL as well as the communication in the homes of children who are primary ASL users. Fewer children in school districts/BOCES/charter schools will be without qualified personnel to support their needs and increased training can be offered in the State to increase the knowledge and awareness of educational staff who work with children who are deaf/hard of hearing in inclusive environments. The quality of deaf education practices in the State, particularly rural areas of the State, will improve.

With an increase to our operating funding, we would be able to maintain buildings and programs at an appropriate level and continue to supply the School's students and staff with the materials to operate while replacing older equipment as its life span ends.

The School believes that students should be gaining additional education and/or productive employment after graduation. The technology environment provided for our students is a critical element in achieving this outcome. Campus initiatives such as an electronic-based curriculum and one-to-one technology for students cannot be achieved without the funding identified in this request. The School needs a solid network infrastructure supporting wired and wireless connections. Like all schools, we need to be able to maintain a safe environment. This extends beyond the obvious physical security to a technical security, which limits access to dangerous components of technology while allowing the positive educational materials to be accessed. This requires updated filter systems, firewalls, and software. The campus is unique in the population served and has a residential component. Systems and equipment must be selected to meet these special needs.

The additional FTE will allow the School to hire, train and monitor staff who provide the unique services offered by the ELDI projects; will shorten the response time in serving families who desire the support; allow the School to maintain a well-trained group of service providers who will provide consistency in programming and responsiveness to consumers.

Assumptions and Calculations:

Table 1 Support FTE with No Operating/Equipment Costs

Calculation Assumptions:					
Personal Services -- Based on the Department of Personnel and Administration's August 2011 Annual Compensation Survey Report, the following positions at approximately the middle of the pay range and will require a monthly salary of between \$1,625 and \$8,025 depending on the position.					
Operating Expenses -- These positions do not require operating.					
Standard Capital Purchases -- These positions do not require standard capital costs.\					
General Fund FTE -- Staff in the Health Care Technicians, Nursing, Dining Services, and Teacher Aides Categories are bi-weekly staff, and therefore not subject to the paydate shift and 0.9166 FTE adjustment for General Funded positions, the 0.9166 has been applied to all other positions.					
Expenditure Detail		FY2015-16		FY2016-17	
<i>Personal Services:</i>		FTE	\$	FTE	
	Monthly Salary				
Interpreters	\$ 4,881	0.1	5,369	0.1	5,857
PERA			545		595
AED			236		281
SAED			228		278
Medicare			78		85
STD			12		13
Health-Life-Dental					7,927
Subtotal Position 1, 0.1 FTE		0.1	\$ 6,468	0.1	\$ 15,036
	Monthly Salary				
Program Coordinators	\$ 5,600	0.4	24,638	0.4	26,880
PERA			2,501		2,728
AED			1,084		1,290
SAED			1,047		1,277
Medicare			357		390
STD			54		59
Health-Life-Dental					7,927
Subtotal Position 2, 0.4 FTE		0.4	\$ 29,681	0.4	\$ 40,551
	Monthly Salary				
Health Care Technicians	\$ 3,028	1.4	49,958	1.5	54,504
PERA			5,071		5,532
AED			2,198		2,616
SAED			2,123		2,589
Medicare			724		790
STD			110		120
Health-Life-Dental					15,854
Subtotal Position 3, 1.4 FTE		1.4	\$ 60,184	1.5	\$ 82,005

Table 1 continued

Expenditure Detail		FY2015-16		FY2016-17	
<i>Personal Services:</i>		FTE	\$	FTE	
	Monthly Salary				
Nursing	\$ 8,025	0.1	9,630	0.1	9,630
PERA			977		977
AED			424		462
SAED			409		457
Medicare			140		140
STD			21		21
Health-Life-Dental					7,927
Subtotal Position 4, 0.1 FTE		0.1	\$ 11,601	0.1	\$ 19,614
	Monthly Salary				
Dining Services	\$ 2,145	0.3	7,722	0.3	7,722
PERA			784		784
AED			340		371
SAED			328		367
Medicare			112		112
STD			17		17
Health-Life-Dental					7,927
Subtotal Position 5, 0.3 FTE		0.3	\$ 9,303	0.3	\$ 17,300
	Monthly Salary				
Teacher Aides	\$ 2,822	0.5	16,932	0.5	16,932
PERA			1,719		1,719
AED			745		813
SAED			720		804
Medicare			246		246
STD			37		37
Health-Life-Dental			-		7,927
Subtotal Position 6, 0.5 FTE		0.5	\$ 20,399	0.5	\$ 28,478
Subtotal Personal Services		0.9	\$ 41,303	0.9	\$ 65,393

Table 1 Concluded

Expenditure Detail		FY2015-16		FY2016-17	
<i>Personal Services:</i>		FTE	\$	FTE	
	Monthly Salary				
Administrative Assistant	\$ 3,790	0.1	4,169	0.1	4,548
PERA			423		462
AED			183		218
SAED			177		216
Medicare			60		66
STD			9		10
Health-Life-Dental					7,927
Subtotal Position 7, 0.1 FTE		0.1	\$ 5,021	0.1	\$ 13,447
	Monthly Salary				
Teachers	\$ 3,766	3.0	136,696	3.3	149,134
PERA			13,875		15,137
AED			6,015		7,158
SAED			5,810		7,084
Medicare			1,982		2,162
STD			301		328
Health-Life-Dental					31,709
Subtotal Position 8, 3.0 FTE		3.0	\$ 164,679	3.3	\$ 212,711
	Monthly Salary				
Police Officer	\$ 1,625	0.1	1,787	0.1	1,950
PERA			181		198
AED			79		94
SAED			76		93
Medicare			26		28
STD			4		4
Health-Life-Dental					7,927
Subtotal Position 9, 0.1 FTE		0.1	\$ 2,153	0.1	\$ 10,294
TOTAL REQUEST		5.9	\$ 309,489	6.4	\$ 439,438
Operating Expenses					
Regular FTE Operating	500		-		-
Telephone Expenses	450		-		-
PC, One-Time	1,230		-		
Office Furniture, One-Time	3,473		-		
Other			-		
Other			-		
Other			-		
Other			-		
Subtotal Operating Expenses			\$ -		\$ -
TOTAL REQUEST		5.9	\$ 309,489	6.4	\$ 439,438

The table above reflects the personal services costs of staff which do not require operating and equipment costs, as they will provide classroom or other support. (*--Note: the table totals to 6.0 FTE in FY15-16—that is due to rounding when the 0.9166 General Fund Paydate Shift multiple is applied to appropriate staff).

Table 2 Staff w/Operating and Equipment Costs

Calculation Assumptions:						
Personal Services -- Based on the Department of Personnel and Administration's August 2011 Annual Compensation Survey Report, the following positions are at approximately the middle of the pay range will require a monthly salary between \$4,295 and \$7,000						
Operating Expenses -- Base operating expenses are included per FTE for \$500 per year. In addition, for regular FTE, annual telephone costs assume base charges of \$450 per year.						
Standard Capital Purchases -- Each additional employee necessitates the purchase of a Personal Computer (\$900), Office Suite Software (\$330), and office furniture (\$3,473).						
General Fund FTE -- New full-time General Fund positions are reflected in FY 2012-13 as 0.9166 FTE to account for the pay-date shift.						
Expenditure Detail		FY2015-16		FY2016-17		
<i>Personal Services:</i>		FTE	\$	FTE		
	Monthly Salary					
Distance Learning Teachers	\$ 4,295	2.3	118,104	2.5	128,850	
PERA			11,988		13,078	
AED			5,197		6,185	
SAED			5,019		6,120	
Medicare			1,713		1,868	
STD			260		283	
Health-Life-Dental			23,782		23,782	
Subtotal Position 1, 2.3 FTE		2.3	\$ 166,062	2.5	\$ 180,166	
	Monthly Salary					
Interpreter	\$ 7,000	0.7	57,746	0.8	67,200	
PERA			5,861		6,821	
AED			2,541		3,226	
SAED			2,454		3,192	
Medicare			837		974	
STD			127		148	
Health-Life-Dental			7,927		7,927	
Subtotal Position 2, 0.7 FTE		0.7	\$ 77,493	0.8	\$ 89,488	
	Monthly Salary					
Teacher of the Deaf	\$ 4,419	0.7	38,884	0.8	42,422	
PERA			3,947		4,306	
AED			1,711		2,036	
SAED			1,653		2,015	
Medicare			564		615	
STD			86		93	
Health-Life-Dental			7,927		7,927	
Subtotal Position 3, 0.7 FTE		0.7	\$ 54,773	0.8	\$ 59,415	
Subtotal Personal Services		3.7	\$ 298,328	4.1	\$ 329,068	

Table 2 Concluded

Expenditure Detail		FY 2015-16		FY 2016-17	
<i>Personal Services:</i>		FTE	\$	FTE	
	Monthly Salary				
Teacher of the Visually Impaired	\$ 4,419	0.7	38,884	0.8	42,422
PERA			3,947		4,306
AED			1,711		2,036
SAED			1,653		2,015
Medicare			564		615
STD			86		93
Health-Life-Dental			7,927		7,927
Subtotal Position 4, 0.7 FTE		0.7	\$ 54,773	0.8	\$ 59,415
	Monthly Salary				
Sign Language Instructor	\$ 5,125	0.5	28,185	0.5	30,750
PERA			2,861		3,121
AED			1,240		1,476
SAED			1,198		1,461
Medicare			409		446
STD			62		68
Health-Life-Dental			7,927		7,927
Subtotal Position 5, 0.5 FTE		0.5	\$ 41,883	0.5	\$ 45,249
	Monthly Salary				
Educational Liason for D/H/H	\$ 6,327	0.7	55,674	0.8	60,739
PERA			5,651		6,165
AED			2,450		2,915
SAED			2,366		2,885
Medicare			807		881
STD			122		134
Health-Life-Dental			7,927		7,927
Subtotal Position 6, 0.7 FTE		0.7	\$ 74,997	0.8	\$ 81,646
Subtotal Personal Services		5.6	\$ 469,980	6.2	\$ 515,379
Operating Expenses					
Regular FTE Operating Expenses	500	5.6	2,819	6.2	3,100
Telephone Expenses	450	5.6	2,537	6.2	2,790
PC, One-Time	1,230	5.6	6,934	-	
Office Furniture, One-Time	3,473	5.6	19,578	-	
Subtotal Operating Expenses			\$ 31,866		\$ 5,890
TOTAL REQUEST		5.6	\$ 501,846	6.2	\$ 521,269

Table 3 IT Lifecycle Ongoing Request

Item	A	B	A x B	Estimated Costs by Year						Average Cost
	Count	Est. Cost	Total Cost	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	
Desktop Computers	156	900	140,400	23,400	23,400	23,400	23,400	23,400	23,400	23,400
Laptop Computers	191	1,450	415,425	69,238	69,238	69,238	69,238	69,238	69,238	69,238
Tablet Computers	57	600	68,400	22,800		22,800		22,800		22,800
Monitor	243	140	34,020	11,340	0	11,340	0	11,340		
Network Switches	33	4,000	132,000	92,000	40,000					
Servers	13	7,500	97,500				48,750			48,750
Firewall	2	5,000	10,000							10,000
Email filter	1	6,000	6,000				6,000			
Webfilter	3	5,000	15,000				15,000			
TV's - display monitor	32	1,400	44,800			22,400		22,400		
Mimio's and other writeboards	55	750	61,875				31,000			30,875
Cameras	9	3,000	27,000					27,000		
Wireless Access Points	70	900	63,000		63,000					
Wireless controllers	2	3,500	7,000	7,000						
Multipoint servers	10	2,300	34,500			17,250		17,250		
ThinClients	40	200	12,000			6,000				6,000
Printers	15	250	3,750			3,750				
Tape Backup tape drive	2	4,000	8,000			8,000				
Tapes - For backups	34	300	20,400			10,200				10,200
TOTAL			1,201,070	225,778	195,638	194,378	193,388	193,428	198,460	195,058

Please note the average in the far right column. CSDB is requesting \$225,778 in year 1 and an ongoing amount of \$195,058. This will enable the School to replace equipment each year, maintaining the refresh cycle for hardware and software.

Table 4 Adjustment to Maintenance for Inflationary increases

Year	Inflation	ESTIMATED INCREASE
2009	2.70%	\$11,265.00
2010	1.50%	\$6,258.00
2011	3.00%	\$12,517.00
2012	1.70%	\$7,093.00
2013	1.50%	\$6,258.00
2014	1.60%	\$6,675.00
		\$50,066.00

The final calculation for the request is contained in Table 4. CSDB is requesting \$50,066 to address the additional need for maintenance.

Additional Information

	Yes	No	Additional Information
Is the request driven by a new statutory mandate?		x	
Will the request require a statutory change?		x	
Is this a one-time request?		x	
Will this request involve IT components?	x		The request involves IT components, but not statewide components. All items are local to the School's campus and network.
If yes, has OIT reviewed the request and submitted a corresponding Schedule 13?		x	
Does this request impact other state agencies?		x	
If yes, has the other impacted state agencies reviewed the request and submitted a corresponding Schedule 13?	Not applicable		
Is there sufficient revenue to support the requested cash fund expenditures?	Not applicable		The request is for General Fund.
Does the request link to the Department's Performance Plan?	See comment.		The request is related to the School's (not the Department's) strategic plan.

Schedule 13

Funding Request for the FY 2015-16 Budget Cycle

Department of Education

PB Request Number R-06

Request Titles

R-06 CSDB FY 2015-16 Teacher Salary Adjustment

Dept. Approval By:

JBB B-25 10/31/14

Supplemental FY 2014-15
 Change Request FY 2015-16
 Base Reduction FY 2015-16
 Budget Amendment FY 2015-16

OSPB Approval By:

[Signature]

Line Item Information	Fund	FY 2014-15		FY 2015-16	FY 2016-17
		Appropriation	Request	Base	FY 2015-16 Continuation
Total of All Line Items	Total	\$9,391,391	\$0	\$9,488,398	\$102,391
	FTE	141.3	-	141.3	-
	GF	\$7,885,736	\$0	\$7,982,743	\$102,391
	CF	\$0	\$0	\$0	\$0
	RF	\$1,505,655	\$0	\$1,505,655	\$0
	FF	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2014-15		FY 2015-16	FY 2016-17
		Appropriation	Request	Base	FY 2015-16 Continuation
	Total	\$9,391,391	\$0	\$9,488,398	\$102,391
	FTE	141.3	-	141.3	-
04. School for the Deaf and the Blind - Personal Services	GF	\$7,885,736	\$0	\$7,982,743	\$102,391
	RF	\$1,505,655	\$0	\$1,505,655	\$0

Letternote Text Revision Required?	Yes ___ No <u>X</u>	If Yes, describe the Letternote Text
Cash or Federal Fund Name and CORE Fund Number:		
Reappropriated Funds Source, by Department and Line Item Name:		
Approval by OIT?	Yes ___ No ___ Not Required <u>X</u>	
Schedule 13s from Affected Departments:		
Other Information:		

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Cost and FTE

- The Colorado School for the Deaf and the Blind requests an increase of \$102,391 General Fund in FY 2015-16 for salary increases for the teachers employed at the school.

Current Program

- The Colorado School for the Deaf and the Blind (School) teachers are statutorily (Section 22-80-106.5, Colorado Revised Statutes) required to be paid the equivalent of employees in El Paso District 11 based upon the previous school year's teacher salary schedule and the established School's procedures adopted to implement the salary schedule.

Problem or Opportunity

- The School's teachers, who follow the District 11 scale, will not receive any State of Colorado across-the-board or merit salary increases, as they are compensated in accordance with the provisions of the salary schedule adopted by the Colorado Springs District 11 Board of Education as of January 1 of the previous fiscal year. The School's teachers did receive a four percent (4%) one-time, non-recurring across-the-board compensation and educational increases for FY 2014-15, based upon the El Paso District 11 FY 2013-14 pay scale.
- As a result, it is necessary to request a separate appropriation for salary increases for the School's teachers.

Consequences of Problem

- If not funded, the School will still be required to compensate the teachers based upon statute but will be forced to reduce services in other areas to fund the increases.

Proposed Solution

- The School proposes funding the on-percent (1%) across-the-board recurring compensation, experience steps for eligible teachers, and educational increments for eligible teachers based upon the El Paso District 11 pay scale.
- The table below summarizes the components of the El Paso District 11 increases that will be given to School staff, per statute.

Description	Amount
Across the Board 1% increase	\$26,800
Experience Increase	61,961
Educational Increments	<u>13,630</u>
TOTAL	\$102,391



COLORADO
Department of Education

John W. Hickenlooper
Governor

Robert K. Hammond
Commissioner

FY 2015-16 Funding Request | November 1, 2014

Department Priority: R-6
Request Detail: CSDB FY 2015-16 Teacher Salary Adjustment

Summary of Incremental Funding Change for FY 2015-16	Total Funds	General Fund
CSDB Teacher Salary Adjustment	\$102,391	\$102,391

Problem or Opportunity:

The School for the Deaf and the Blind is statutorily (Section 22-80-106.5, Colorado Revised Statutes) required to pay their teachers the equivalent of the previous school year's teacher salary schedule for El Paso District 11.

Proposed Solution:

The School requests \$102,391 General Fund in FY 2015-16 to meet their statutory requirement to compensate their teachers the equivalent of the El Paso District 11 previous school year's teacher salary as established by the School's procedures and policies.

Anticipated Outcomes:

If the School receives this funding, the School will comply with Section 22-80-106.5, C.R.S., without having to reduce other program funding at the school.

Assumptions and Calculations:

The table below summarizes the components for the El Paso District 11 increases that will be given to School staff.

Description	Amount
Across the Board 1% increase	\$26,800
Experience Increase	61,961
Educational Increments	<u>13,630</u>
TOTAL	\$102,391

Additional Information

	Yes	No	Additional Information
Is the request driven by a new statutory mandate?		x	
Will the request require a statutory change?		x	
Is this a one-time request?		x	
Will this request involve IT components?		x	
If yes, has OIT reviewed the request and submitted a corresponding Schedule 13?	Not applicable		
Does this request impact other state agencies?		x	
If yes, has the other impacted state agencies reviewed the request and submitted a corresponding Schedule 13?	Not applicable		
Is there sufficient revenue to support the requested cash fund expenditures?	Not applicable		The request is for General Fund.
Does the request link to the Department's Performance Plan?	See comment.		The request is related to the School's statutory requirements.

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Schedule 13

Funding Request for the FY 2015-16 Budget Cycle

Department of Education

PB Request Number R-07

Request Titles

R-07 BEST Statewide Financial Assistance Priority Assessment

Dept. Approval By:

[Handwritten Signature] 10/31/14

Supplemental FY 2014-15

Change Request FY 2015-16

Base Reduction FY 2015-16

Budget Amendment FY 2015-16

OSPB Approval By:

[Handwritten Signature]

Line Item Information

	Fund	FY 2014-15		FY 2015-16		FY 2016-17
		Appropriation	Request	Base	FY 2015-16	Continuation
Total of All Line Items	Total	\$896,141	\$0	\$916,829	\$3,472,914	\$648,206
	FTE	9.0	-	9.0	6.0	6.0
	GF	\$0	\$0	\$0	\$0	\$0
	CF	\$896,141	\$0	\$916,829	\$3,472,914	\$648,206
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information

	Fund	FY 2014-15		FY 2015-16		FY 2016-17
		Appropriation	Request	Base	FY 2015-16	Continuation
	Total	\$896,141	\$0	\$916,829	\$3,472,914	\$648,206
02. Assistance to Public Schools	CF	\$896,141	\$0	\$916,829	\$3,472,914	\$648,206
- Division of Public School	FTE	9.0	-	9.0	6.0	6.0
Capital Construction Assistance						

Letternote Text Revision Required?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	If Yes, describe the Letternote Text
Cash or Federal Fund Name and CORE Fund Number:	Public School Capital Constuction Fund 22A0	
Reappropriated Funds Source, by Department and Line Item Name:		
Approval by OIT?	Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required <input checked="" type="checkbox"/>	
Schedule 13s from Affected Departments:		
Other Information:		

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Cost and FTE

- The Department requests \$3,472,914 cash funds and 6.0 FTE in FY 2015-16 and \$648,206 and 6.0 FTE in on-going expenses in FY 2016-17 to reconfigure the Build Excellent Schools Today (BEST) assessment database and provide additional assistance to schools and school districts applying for grants through the BEST program.

Current Program

- In 2008 when the BEST Act was enacted, the Capital Construction Assistance Board was tasked with conducting a financial assistance priority assessment (referred to as the statewide facility assessment) of all public school facilities in Colorado. The statewide facility assessment created a statewide inventory of all public school facilities conditions and suitability.

Problem or Opportunity

- The BEST program recently underwent a performance audit conducted by the Office of the State Auditor. One of the recommendations from that audit stated the Capital Construction Assistance Board, with the assistance of the Division of Capital Construction, should take steps to identify, in a prioritized manner, the critical public school capital construction needs in the state, taking into account all factors required by statute, and use the results as a primary basis for providing financial assistance to school districts in priority order to the extent possible.

Consequences of Problem

- Without funding for the scope of work to reconfigure and adjust the current assessment database, the Capital Construction Assistance Board will be unable to make the necessary adjustments to the assessment database to align it with the statutory criteria used to make informed funding decisions regarding health and safety facility needs.

Proposed Solution

- The Capital Construction Assistance Board and the Department propose modifying the current assessment database to reconfigure / consolidate the school facility data in order to better assess school facility grant needs.
- The Capital Construction Assistance Board and Department have determined that the most cost-effective and sustainable approach to keeping the statewide assessment data continuously updated is to employ an in-house assessment team. The overall cost to the Department would be significantly less than then contracting for a reassessment. The Division would increase its personnel by employing in-house assessors to provide year-round assessment updates on existing facilities and full assessments on new facilities. The assessors would also work with school districts currently performing their own assessments to incorporate their data into the statewide assessment database.
- The proposed solutions are supported by the Capital Construction Assistance Board and on June 3, 2014, were presented to and reviewed by the Legislative Audit Committee. The Legislative Audit Committee had no objections to the proposed direction of this request.



COLORADO

Department of Education

John W. Hickenlooper
Governor

Robert K. Hammond
Commissioner

FY 2015-16 Funding Request | November 1, 2014

Department Priority: R-7
Request Detail: BEST Statewide Financial Assistance Priority Assessment

Summary of Incremental Funding Change for FY 2015-16	Total Funds	Cash Funds*
Best Statewide Financial Assistance Priority Assessment	\$3,472,914	\$3,472,914

*Cash Funds -- Public School Capital Construction Assistance Fund

Problem or Opportunity:

In 2008 when the BEST Act was enacted, the Capital Construction Assistance Board was tasked with conducting a financial assistance priority assessment (referred to as the statewide facility assessment) of all public school facilities in Colorado. The statewide facility assessment gathered condition and suitability data for each public school facility and created a statewide inventory of all public school facilities.

The statewide facility assessment assessed 8,419 facilities throughout Colorado's 178 school districts. The facilities were comprised of main buildings, leased buildings, temporary classroom facilities, mini-buildings, school sites, athletic fields, athletic facilities and other support buildings. The public school facility construction guidelines were used to determine the health and safety considerations, education technology requirements, site requirements, energy performance requirements, functionality or suitability considerations, capacity requirements, accessibility and historic significance considerations. The statewide assessment data is used to evaluate BEST grant applications and will be used to provide targeted outreach for prospective applicants. As the assessment was only performed once, the data has since become outdated and less accurate therefore it is ineffective in identifying current health and safety facility needs in the State.

The BEST program recently underwent a performance audit by the Office of State Auditor. One of the recommendations from the audit stated the Capital Construction Assistance Board, with the assistance of the Division of Capital Construction (Division), should take steps to identify, in a prioritized manner, the critical public school capital construction needs in the state, taking into account all factors required by statute, and use the results as a primary basis for providing financial assistance to school districts in priority order to the extent possible. This should include working with the existing assessment contractor to determine if adjustments can be made to the statewide financial assistance priority assessment data to prioritize capital construction needs and add health and safety data across the State in accordance with statutory requirements as well as working with school districts to identify a means of maintaining updated information in the priority assessment database to provide targeted outreach.

Upon completion of the audit, the Department met with the original assessment contractor to evaluate scopes of work to update and reconfigure the assessment and met with the Capital Construction Assistance Board to evaluate and determine the best options. The Division then presented the approach to the Legislative Audit Committee and the State Board of Education for review and input.

Proposed Solution:

Reconfiguring, adjusting and updating the statewide facility assessment is a priority for the Division since grant funding decisions are evaluated against the facility assessment data. Furthermore, the Division needs to provide targeted outreach to school districts with the highest needs and this information is derived from the statewide facility assessment. To effectively use this data the statewide assessment data needs to be current and streamlined to easily identify health and safety needs across the State.

This proposal will benefit all BEST grant applicants and all school districts in the State which access their facility assessment data for use at the district level. This proposal also affects the department's performance plan goals of "ensuring timely and accurate allocations of resources, reports, and reviews" and "providing exceptional customer service, support, and consistent communications to districts". Implementing this proposal will ensure the Division is providing justified targeted outreach to our stakeholders and providing exceptional customer service and support, in addition to timely and accurate allocations of resources.

For the scope of work to reconfigure and adjust the current assessment database, the Capital Construction Assistance Board, with the support of the Division, suggests continued use of the current assessment database after going through a process to reconfigure/consolidate data points as well as making adjustments to the data to easily identify criteria related to health/safety/security, overcrowding, technology and other items as outlined in statute. Doing so will allow the Capital Construction Assistance Board to validate their funding decisions with data points that closely align with statutory criteria used regarding urgent health and safety facility needs.

For the scope of work to reconfigure and adjust the current assessment database which will further align the data points with 22-43.7-107 C.R.S. and 22-43.7-108 C.R.S., it is estimated there will be a one-time cost of \$2.7 million funded by the program's assistance fund.

Without funding, the Capital Construction Assistance Board will not be able to make the necessary adjustments to the assessment database which will align it more closely with statutory criteria used to make informed funding decisions regarding urgent health and safety facility needs. This in turn will impact the Capital Construction Assistance Board and Division's ability to implement the audit recommendation related to this request.

For the scope of work to update the statewide assessment and keep the data current, the Capital Construction Assistance Board, with the support of the Division, has determined that employing an in-house assessment team would be the most cost effective, efficient and sustainable approach to keeping the statewide assessment data continuously updated. The overall costs to the department would be significantly less than contracting for a one-time reassessment. The Division would increase its personnel by employing in-house assessors to provide year-round assessment updates on existing facilities and full assessments on new facilities. The assessors would also work with school districts currently performing their own assessments to incorporate their data into the statewide assessment database. The assessors would only be required to assess tier 1 facilities. Tier 1 facilities account for roughly 88% of total gross square feet in the state which equates to approximately 3,500 facilities. Tier 1 facilities include academic facilities: school grounds, classrooms, libraries, and other teaching-learning spaces. Tier 1 facilities do NOT include ancillary facilities such as: storage, temporary modular classrooms, administration, maintenance, transportation and other support facilities. Doing so will allow the Division to provide targeted outreach to school districts and keep the statewide assessment continually updated.

For the scope of work to update the statewide assessment and keep the data current, the Division shall establish an in-house assessment team which necessitates an increase of 6 FTE. It is estimated there will be a one-time cost of \$100,000 to train the assessors and an annual ongoing increase of \$580,000 for staffing costs. Additionally, the assessors will provide technical assistance to school districts and charter schools on facility needs.

Without funding, the Capital Construction Assistance Board will be unable to effectively provide targeted outreach to prospective applicants due to the age and validity of the current assessment data. Additionally, the Capital Construction Assistance Board will continue to make funding decisions based on dated data. Both funding requests are reliant on each other and without funding, the Capital Construction Assistance Board will be unable to implement one of the audit recommendations.

The Capital Construction Assistance Board, with the support of the Division, evaluated five different approaches to reconfiguring and updating the statewide facility assessment. These ranged from a complete reassessment of every public school in the state, to a phased approach, to relying solely on self-reported data. The final solutions being presented are supported by the Capital Construction Assistance Board and on June 3, 2014, were presented to and reviewed by the Legislative Audit Committee. The Legislative Audit Committee had no objections to the proposed direction for the revisions and reconfigurations to the priority assessment database or the use of an in-house team to update and keep the priority assessment current.

Anticipated Outcomes:

If this proposal is approved, the Division will be able to effectively implement an audit recommendation outlined in their completed performance audit. Furthermore, the Division will be able to effectively use the statewide facility assessment data to identify prospective applicants for BEST grants, forecast statewide facility needs, and provide current validated data to the Capital Construction Assistance Board for use when reviewing BEST grant applications for funding. Lastly, updated statewide facility assessment data can be utilized by all public schools for determining their own capital improvement needs and establishing facility management practices.

As indicated earlier in this proposal, reconfiguring and updating the assessment affects the department’s performance plan goals of “ensuring timely and accurate allocations of resources, reports, and reviews” and “providing exceptional customer service, support, and consistent communications to districts”. Implementing this proposal will ensure the Division is providing justified targeted outreach to our stakeholders, providing exceptional customer service and support in addition to timely and accurate allocations of resources.

Assumptions and Calculations:

Description	Amount
One-Time Reconfiguration/Design of Assessment Database (one year only)	\$2,700,000
Personnel Costs (ongoing)	\$572,914
Travel to facilities (ongoing)	\$100,000
First Year Staff Training (one year only)	\$100,000

To effectively implement the reclassification and adjustment of the facility assessment data, including the addition of health and safety data which would allow the Capital Construction Assistance Board to develop a prioritized list of the critical public school capital construction needs statewide, based on statutory criteria, the following steps will be required:

- Holding workshops to define current assessment terms and criteria to be used in the statewide facility assessment; set goals and objectives for the new assessment structure. Further refine criteria with definitions for health/safety/security, overcrowding, technology;
- Developing/issuing a RFP to hire a contractor to complete the work;
- Reclassify existing condition and suitability deficiencies and criteria to clarify health, safety and security issues;
- Reclassify existing suitability deficiencies and criteria and add capacity and utilization deficiencies to clarify overcrowding issues;
- Reclassify existing condition and suitability deficiencies and criteria to clarify technology needs;
- Revise SchoolHouse software and database to include suitability and technology calculation, scoring and prioritization algorithms.

To effectively implement a means to update the data within the statewide facility assessment and keeping it current year over year, the Capital Construction Assistance Board, with the support of the Division, would employ an in-house assessment team to perform year-round assessments at school districts.

To demonstrate the scope and time requirements for an assessor to perform an update and a full assessment, the Division has provided the following data:

Scenario 1: Assessment update for a school with no/minor changes.

Time requirement per school excluding travel time: Approximately 5-6 hours

1. Arrive, check-in, and find a place to work;
2. Meet with Principal and Custodian and review agenda;
 - a. Review and discuss scope of changes to facility, equipment, or critical systems;
 - b. Review suitability questionnaire for any material changes;
3. Assess interior spaces of school, equipment, interior systems, and suitability;
4. Assess roof, roof top equipment and other roof mounted systems;
5. Assess exterior of building and exterior building systems;
6. Assess site, site systems, and site suitability;
7. Document tier-2 facilities for inventory but not for assessment update;
8. Return to work area and update Schoolhouse database with all changes;
9. Upload photographs and run reports for quality control checks;
10. Check-out with Principal and Custodian.

Scenario 2: School with significant changes or new school.

Time requirement per school excluding travel time: Approximately 1.5 days

Day 1 (5-7 hours)

1. Arrive, check-in, and find a place to work;
2. Meet with Principal and review agenda;
 - a. Review and discuss scope of changes to facility, equipment, or critical systems;
 - b. Conduct suitability interview and questionnaire;
 - c. Collect documentation;
3. Suitability focused tour of school;

4. Input new data into suitability database;
5. Upload information collected and photographs;
6. Prepare Schoolhouse assessment database for Day 2.

Day 2 (3-5 hours)

1. Arrive, check in, and find a place to work;
2. Meet with Principal and Custodian and review agenda;
3. Assess interior spaces of school, equipment, interior systems, and suitability;
4. Assess roof, roof top equipment, and other roof mounted systems;
5. Assess exterior of building and exterior building systems;
6. Assess site, site systems, and site suitability;
7. Document tier-2 facilities;
8. Return to work area and update Schoolhouse database with all changes;
9. Upload photographs and run reports for quality control checks.

The Division has worked with their existing contractor to arrive at the stated scopes and realistic time requirements to perform the scope of work listed above. The assessors would receive professional training from the assessment contractor which has been quoted to cost \$100,000.

The estimated annual breakdown of administrative costs is as follows:

Assessment breakdown by type

3,500	Total Tier 1 Facilities
3,150	Estimated % Requiring Updates (90%)
350	Estimated % Requiring full assessment (10%)

Time requirement from Division in-house assessment team

255	Estimated working days each year
6	Proposed FTE of CDE Assessors
<hr/>	
1,530	Combined working days per year
3,150	Number of days required to complete assessment update
700	Number of days required to complete full assessment
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3,850 **Total days required to update statewide tier 1 facilities**

2.5	Number of years required to update the entire assessment
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Estimated administrative costs

\$ 572,914 Personnel Cost (annually)

\$ 100,000 Travel Budget Increase (annually)

\$ 672,914 **Estimated annual Division operational increase**

To demonstrate the efficiency of the proposed solution, it would take approximately 20 years in the listed increased administrative costs to reach the \$12 million dollar proposed cost to redo the assessment once. With an in-house assessment team, the assessment will be updated 8 times for the price of a single reassessment.

The table on the next page shows the calculations for the 6.0 FTE requested.

Calculation Assumptions:

Personal Services -- Based on the Department of Personnel and Administration's August 2011 Annual Compensation Survey Report, a Senior Consultant at the middle of the pay range will require a monthly salary of \$5,416.67

Operating Expenses -- Base operating expenses are included per FTE for \$500 per year. In addition, for regular FTE, annual telephone costs assume base charges of \$450 per year.

Standard Capital Purchases -- Each additional employee necessitates the purchase of a Personal Computer (\$900), Office Suite Software (\$330), and office furniture (\$3,473).

General Fund FTE -- New full-time General Fund positions are reflected in FY 2012-13 as 0.9166 FTE to account for the pay-date shift.

Expenditure Detail		FY 2015-16		FY 2016-17	
Personal Services:		FTE	\$	FTE	
	Monthly Salary				
Senior Consultant	\$ 5,417	6.0	390,000	6.0	390,000
PERA			39,585		39,585
AED			17,160		18,720
SAED			16,575		18,525
Medicare			5,655		5,655
STD			858		858
Health-Life-Dental			47,563		47,563
Subtotal Position 1, ## FTE		6.0	\$ 517,396	6.0	\$ 520,906
Subtotal Position 3, ## FTE		-	\$ -	-	\$ -
Subtotal Personal Services		6.0	\$ 517,396	6.0	\$ 520,906
Operating Expenses					
Regular FTE Operating	500	6.0	3,000	6.0	3,000
Telephone Expenses	450	6.0	2,700	6.0	2,700
PC, One-Time	1,230	6.0	7,380	6.0	
Office Furniture, One-Time	3,473	6.0	20,838	6.0	
Rent	3,600	6.0	21,600	6.0	21,600
Subtotal Operating Expenses			\$ 55,518		\$ 27,300
TOTAL REQUEST		6.0	\$ 572,914	6.0	\$ 548,206
<i>General Fund:</i>					
	<i>Cash funds:</i>		\$ 572,914		548,206
<i>Reappropriated Funds:</i>					
<i>Federal Funds:</i>					

Note: Although leased space is generally not allowed under JBC/Legislative Council Common Policy, these staff are located outside of Capitol Complex, so it is necessary to request those costs as well.

Additional Information

	Yes	No	Additional Information
Is the request driven by a new statutory mandate?		X	
Will the request require a statutory change?		X	
Is this a one-time request?	X		There are some on-going costs, the majority of this request is one-time.
Will this request involve IT components?		X	
If yes, has OIT reviewed the request and submitted a corresponding Schedule 13?	Not Applicable		
Does this request impact other state agencies?		X	
If yes, has the other impacted state agencies reviewed the request and submitted a corresponding Schedule 13?	Not Applicable		
Is there sufficient revenue to support the requested cash fund expenditures?	X		The source of the cash fund is the Public School Capital Construction Assistance Fund. Funding this request will make less funding available in this fund for capital projects requested by the school districts but will ensure that grants awarded reflect safety standard priorities.
Does the request link to the Department's Performance Plan?	X		

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