

Department of Education

Line Item Information	Fund	FY 2017-18		FY 2018-19		FY 2019-20
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Kindergarten Funding	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

CF Letternote Text Revision Required?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	If Yes, see schedule 4 fund source detail.
RF Letternote Text Revision Required?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	
FF Letternote Text Revision Required?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	
Requires Legislation?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	
Type of Request?	Department of Education Prioritized Request				
Interagency Approval or Related Schedule 13s: None					



Cost and FTE

- The Department requests an increase of \$243.0 million total funds in FY 2018-19 for the *state share* portion of the Public School Finance Act and \$0.4 million for the Hold Harmless Full-Day Kindergarten Program. The request is a 5.8 percent increase to state share payments from current FY 2017-18 appropriations.

Current Program

- Currently, Colorado's 178 school districts are funded for 865,935 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 and the Governor's Office statewide budget balancing proposals, public schools in Colorado will receive an increase of \$273.4 million. This increase includes a \$100.5 million increase in local share and a \$243.0 million increase in state share.

Problem or Opportunity

- In FY 2018-19, the Department projects that total student enrollment will increase by 5,759 pupils (0.7 percent). The Department also projects at-risk students will increase by 1,626 pupils (0.5 percent). The FY 2018-19 inflationary factor is 3.0 percent based on the Office of State Planning and Budgeting (OSPB's) September 2017 Forecast.
- Based on the formulas and requirements contained in the School Finance Act and State Constitution, the state share increase for the School Finance Act is calculated at \$173.0 million. However, the Governor's Office proposes changing the budget stabilization factor from \$828.3 million to \$758.3 million, thereby increasing funding for K-12 education by an additional \$70 million. With the reduction to the budget stabilization factor included, the total increase to the state share for Total Program is \$243.0 million.
- The request maintains a \$106 million projected FY 2018-19 ending fund balance in the State Education Fund.

Consequences of Problem

- The \$243 million state share increase for public schools is financed as follows: (1) an increase of \$76.9 million from the General Fund, (2) an increase of \$15.3 million from the State Public School Fund, and (3) an increase of \$150.8 million from the State Education Fund.

Proposed Solution

- The request increases base funding for public schools by \$196.39 per pupil based on the Office of State Planning and Budgeting September 2017 inflation forecast of 3.0 percent. However, after all other adjustments from the Public School Finance Act and the Governor's proposal to reduce the budget stabilization factor by \$70 million are included, per pupil funding will actually increase by \$343.38 (4.48%). The additional funding proposed by the Governor will allow local districts and charter schools to decide how to best improve the education opportunities of their students.



COLORADO

Department of Education

John W. Hickenlooper
Governor

Katy Anthes, Ph.D.
Commissioner

FY 2018-19 Funding Request | November 1, 2017

Department Priority: R-01

Request Detail: Total Program Funding for FY 2018-19

Summary of Incremental Funding Change for FY 2018-19 Compared to Current FY 2017-18 Appropriation	Total <u>State</u> Funds	General Fund	Cash Funds*
Assistance to Public Schools (multiple line items)	\$243,362,157	\$76,934,590	\$166,427,567

Request Summary:

The Department's FY 2018-19 budget request includes an increase of \$243 million for the *state share* of the K-12 school finance formula and an increase of \$369,501 for the Hold Harmless Full-Day Kindergarten program. The Department's request represents a 5.8 percent increase to the state share amount for K-12 funding when compared to FY 2017-18 current 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 budget stabilization factor (formerly the negative factor). In FY 2017-18, the budget stabilization factor reduced Total Program by approximately \$828.3 million (11.1 percent) statewide.

In FY 2018-19, the Department requests Total Program increase by \$343.5 million total funds. This increase is comprised of a \$243.0 million increase to the state share and a \$100.5 million increase to local share. The Department's estimates assume total funded pupil count will increase by 5,759 pupils (0.67 percent) and an inflationary factor of 3.0 percent based on the Office of State Planning and Budgeting (OSPB) 2017 September Forecast. The Department's request also reflects the Department's projection that at-risk students will grow by 1,626 students (.5 percent) and the Department's request includes 600 students for the ASCENT program. The Department's Total Program request reduces the budget stabilization factor by \$70 million and maintains a projected ending fund balance in the State Education Fund of \$106 million.

In FY 2018-19, the Department also requests an increase of \$369,501 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:

For FY 2018-19, the state share appropriations for Total Program from these fund sources will change as follows:

- State Education Fund appropriations will increase from \$228.6 million in FY 2017-18 to \$379.4 million in FY 2018-19. The State Education Fund has sufficient revenues to accommodate this request. Based on the OSPB September 2017 Economic Forecast and the State Education Fund appropriations contained in the Department's FY 2018-19 budget request, the State Education Fund is forecasted to have a FY 2018-19 ending fund balance of approximately \$106 million.
- State Public School Fund appropriations will increase from \$73.2 million in FY 2017-18 to \$88.5 million in FY 2018-19. 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 2018-19 budget requests are deducted. The available revenues in the State Public School Fund includes a transfer of \$23.0 million from Marijuana sales tax revenues pursuant to Section 39-28.8-203 (1.5) (B) as forecasted by the OSPB September 2017 revenue forecast.
- General Fund appropriations will increase by \$76.9 million from \$3.923 billion in FY 2017-18 to \$4.0 billion in FY 2018-19. The increase in the General Fund appropriation is based on decreasing the budget stabilization factor by \$70 million and ensuring the State Education Fund maintains an ending fund balancing of \$106 million. Reducing the Budget Stabilization Factor by \$70 million provides additional funding for Colorado public schools above the requirements of the current School Finance Act and Amendment 23.
- The \$369,501 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 2018-19. As a percent of Total Program, the budget stabilization factor will decrease from 11.1 to 9.8 percent. Overall, the state share of Total Program funding will increase by 5.8 percent. Lastly, the request preserves a \$106 million fund balance in State Education Fund at the end of FY 2018-19. As a percentage of expenditures from the State Education Fund this represents a 15.1% reserve.

Assumptions and Calculations:

School Finance Total Program

In FY 2018-19, pupil enrollment growth and inflation results in a \$273.5 million increase to Total Program funding. Reducing the Budget Stabilization Factor by \$70 million, increases Total Program to a total request of \$343.4 million. Of this amount, \$243 million is state share (appropriated) and \$100.5 million is local share (non-appropriated) as shown in Table 1.

Table 1: Total Program Calculation of State and Local Share	FY 2017-18 Current Appropriation	FY 2018-19 Request*	Change (FY 2018-19 Request minus FY 2017-18)
State Share (<i>appropriated</i>)	\$4,225,007,024	\$4,467,999,680	\$242,992,656
Local Property Tax	2,237,199,786	2,332,474,523	95,274,737
Specific Ownership Tax	172,744,272	177,926,600	5,182,328
TOTAL	\$6,634,951,082	\$6,978,400,803	\$343,449,721

*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 \$369,501 (a 4.5 percent increase) in FY 2018-19. 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 2017-18 Appropriation	FY 2018-19 Request	Change
Hold Harmless Full-Day	\$8,183,726	\$8,553,227	\$369,501

At-Risk Supplemental Aid

The Department requests continuation funding of \$5,094,358 in FY 2018-19 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 2017-18 with these recommendations. Appendix D shows the impact by School District.

Proposed Statutory Changes:

The Department's request requires the following statutory changes.

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

(I) THAT, FOR THE 2018-19 BUDGET YEAR, THE SUM OF THE TOTAL PROGRAM FUNDING FOR ALL DISTRICTS, INCLUDING THE FUNDING FOR INSTITUTE CHARTER SCHOOLS, AFTER APPLICATION OF THE BUDGET STABILIZATION FACTOR, IS NOT LESS THAN SIX BILLION NINE HUNDRED SEVENTY-EIGHT MILLION FOUR HUNDRED THOUSAND EIGHT HUNDRED AND THREE DOLLARS (\$6,978,400,803); 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 SUBSECTION (5)(G)(I)(I).

Attachment A: K-12 Total Program FY 2018-19 Budget Request Summary

Colorado Department of Education Public School Finance Act of 1994 Projected Fiscal Year 2018-19 Funding Summary November 2017 Budget Request			
K-12 Total Program	FY 2017-18 Estimate	FY 2018-19 Request	Change
At-risk Funded Count	309,646	311,272	1,626
ASCENT Pupil Count	550	600	50
Funded Pupil Count	865,935	871,694	5,759
Average Per-pupil Funding Before Budget Stabilization Factor	\$8,618.70	\$8,875.46	\$256.76
Base Per-pupil Funding	\$6,546.20	\$6,742.59	\$196.39
Total Program Funding Before Application of Budget Stabilization Factor	\$7,463,231,556	\$7,736,681,277	\$273,449,721
Total Program Funding Before Application of Budget Stabilization Factor			
Budget Stabilization Factor (minus)	<u>(828,280,474)</u>	<u>(758,280,474)</u>	<u>70,000,000</u>
Total Revised Total Program Funding	\$6,634,951,082	\$6,978,400,803	\$343,449,721
Funding Sources of Local Share:			
Property Taxes	2,237,199,786	2,332,474,523	95,274,737
Specific Ownership Taxes	<u>172,744,262</u>	<u>177,926,600</u>	<u>5,182,328</u>
TOTAL LOCAL SHARE	\$2,409,944,058	\$2,510,401,123	\$100,457,065
Funding Sources of State Share			
State Education Fund	228,639,156	379,407,760	150,768,604
State Public School Fund	73,210,538	65,500,000	(7,710,538)
State Public School Fund (Marijuana Transfer)*	0	23,000,000	23,000,000
General Fund Exempt (Ref C)	923,068,333	923,068,333	0
General Fund	<u>3,000,088,997</u>	<u>3,077,023,587</u>	<u>76,934,590</u>
TOTAL STATE SHARE	\$4,225,007,024	\$4,467,999,680	\$242,992,656
Average Per Pupil Funding After Budget Stabilization Factor	\$7,662.18	\$8,005.56	\$343.38

*In FY 2017-18 there was a one-time transfer of \$30 million Marijuana taxes to the Public School Fund for distribution to Rural School Districts. However, because these funds were non-appropriated these funds are not included in this table.

Increased Student Enrollment

- The Department estimates that funded pupils will increase from 865,935 pupils in FY 2017-18 to 871,694 pupils in FY 2018-19. This is an increase of 5,759 pupils or .67 percent.

ASCENT and Increased At-Risk Pupil Counts

- The Department requests an increase of 50 ASCENT programs slots for a total of 600 funded students in FY 2018-19.
- The Department estimates at-risk students will increase from 309,646 students in FY 2016-17 to 311,272 students in FY 2018-19. This is an increase of 1,626 students or .53 percent. As a percent of total funded pupils, 35.7 percent of students are considered at-risk.

Per Pupil Funding

- The request uses an inflation factor of 3.0 percent based on the Office of State Planning and Budgeting 2017 September Revenue Forecast.
- The inflation rate will increase *base* per pupil funding by \$196.39 from \$6,546.20 in FY 2017-18 to \$6,742.59 per pupil in FY 2018-19. This is an increase of 3.0 percent.
- After *all* school finance formula factors are calculated (including the reduction to the budget stabilization factor), the statewide average per pupil revenue will increase by \$343.38 from \$7,662.18 in FY 2017-18 to \$8,005.56 in FY 2018-19. This is an increase of 4.5 percent.

Budget Stabilization Factor

- The total budget stabilization factor dollar amount in FY 2018-19 will be \$758.3 million compared to \$828.3 million in FY 2017-18. The *actual* budget stabilization factor amount as a percent of Total Program funding will decrease from 11.1 percent in FY 2017-18 to 9.8 percent in FY 2018-19.

Attachment B: Other School Finance Formula Line Items

Colorado Department of Education Public School Finance Act of 1994 Projected Fiscal Year 2018-19 Funding Summary November 2017 Budget Request			
Other K-12 Total Program Line Items	FY 2017-18 Appropriation	FY 2018-19 Request	Change
Hold-harmless Full-day Kindergarten	\$9,205,433	\$9,483,050	\$277,617
Less: Budget Stabilization Factor	<u>(1,021,707)</u>	<u>(929,823)</u>	<u>91,884</u>
Net Hold-Harmless Full-day Kindergarten	\$8,183,726	\$8,183,726	\$369,501
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 2017-18 Estimate	FY 2018-19 Request*	Change
Beginning Balance	\$102,131,095	\$169,811,534	\$67,680,439
<i>Estimated Revenues (OSPB Forecast)</i>			
Amendment 23 Revenues	578,400,000	607,400,000	29,000,000
Additional General Fund Revenue	<u>25,321,079</u>	<u>24,991,739</u>	<u>(329,340)</u>
Total General Fund Revenue transferred	\$603,721,079	\$632,391,739	\$28,670,660
Other revenue (interest earnings)	<u>6,000,000</u>	<u>6,000,000</u>	<u>0</u>
TOTAL Forecasted Available SEF Revenue	\$711,852,174	\$808,203,273	\$96,351,099
<i>Estimated Expenditures (Department Request)</i>			
Total Program SEF Expenditures	\$228,639,156	\$379,407,760	150,768,604
Categorical Program SEF Expenditures	155,856,771	164,785,439	8,928,668
Various Other Programs and Transfers	<u>157,544,713</u>	<u>158,081,892</u>	<u>537,179</u>
TOTAL Forecasted SEF Expenditures	\$542,040,640	\$702,275,091	\$160,234,451
Projected Ending Fund Balance	\$169,811,534	\$105,928,182	(\$63,883,352)

Attachment D

Attachment D: FY 2018-19 Total Program Request Impact by School District										
County	SCHOOL DISTRICT	FY 2017-18	FY 2018-19	Change	FY 2017-18	FY 2018-19	Change	FY 2017-18	FY 2018-19	Change
		Funded Pupils	Funded Pupils		Total Program	Total Program		Per Pupil Funding	Per Pupil Funding	
ADAMS	MAPLETON 1	8,430	8,507	77	64,254,287	67,759,096	3,504,809	\$7,622.01	\$7,965.19	\$343.18
ADAMS	ADAMS 12 FIVE STAR SCHOOLS	36,830	36,788	(42)	276,488,645	288,584,305	12,095,659	\$7,507.10	\$7,844.48	\$337.38
ADAMS	ADAMS COUNTY 14	7,200	7,179	(21)	57,666,199	60,106,120	2,439,921	\$8,009.31	\$8,372.26	\$362.95
ADAMS	SCHOOL DISTRICT 27J	16,678	16,838	160	123,233,625	130,021,119	6,787,494	\$7,389.13	\$7,721.98	\$332.85
ADAMS	BENNETT 29J	1,022	1,022	(1)	8,157,584	8,520,464	362,880	\$7,981.20	\$8,341.13	\$359.93
ADAMS	STRASBURG 31J	943	926	(17)	7,525,881	7,749,681	223,800	\$7,980.79	\$8,367.18	\$386.39
ADAMS	WESTMINSTER 50	9,392	9,331	(61)	74,247,982	77,003,535	2,755,553	\$7,905.62	\$8,252.80	\$347.18
ALAMOSA	ALAMOSA RE-11J	2,392	2,437	45	17,509,551	18,630,894	1,121,343	\$7,320.05	\$7,645.64	\$325.59
ALAMOSA	SANGRE DE CRISTO RE-22J	299	309	10	3,022,012	3,231,904	209,891	\$10,117.22	\$10,466.01	\$348.79
ARAPAHOE	ENGLEWOOD 1	2,666	2,709	43	21,223,481	22,527,137	1,303,656	\$7,959.60	\$8,315.67	\$356.06
ARAPAHOE	SHERIDAN 2	1,773	1,389	(384)	15,668,046	12,838,778	(2,829,268)	\$8,837.52	\$9,245.84	\$408.32
ARAPAHOE	CHERRY CREEK 5	51,853	51,825	(28)	395,599,339	413,169,741	17,570,402	\$7,629.31	\$7,972.40	\$343.10
ARAPAHOE	LITTLETON 6	14,702	14,831	129	108,522,130	114,402,899	5,880,770	\$7,381.35	\$7,713.82	\$332.47
ARAPAHOE	DEER TRAIL 26J	215	267	52	2,768,107	3,198,079	429,972	\$12,874.92	\$11,986.80	(\$888.12)
ARAPAHOE	ADAMS-ARAPAHOE 28J	39,033	38,906	(127)	310,418,954	323,230,796	12,811,842	\$7,952.77	\$8,307.95	\$355.18
ARAPAHOE	BYERS 32J	2,951	3,006	55	21,857,776	23,269,239	1,411,463	\$7,406.90	\$7,740.42	\$333.51
ARCHULETA	ARCHULETA COUNTY 50 JT	1,579	1,594	16	12,130,095	12,792,493	662,398	\$7,684.57	\$8,023.89	\$339.32
BACA	WALSH RE-1	140	139	(1)	1,892,144	1,968,483	76,339	\$13,534.65	\$14,171.94	\$637.29
BACA	PRITCHETT RE-3	50	50	0	776,769	809,860	33,091	\$15,535.37	\$16,197.20	\$661.82
BACA	SPRINGFIELD RE-4	278	275	(3)	2,839,945	2,951,644	111,699	\$10,222.98	\$10,729.35	\$506.37
BACA	VILAS RE-5	50	50	0	780,310	817,261	36,951	\$15,606.20	\$16,345.23	\$739.03
BACA	CAMPO RE-6	50	50	0	762,027	798,154	36,128	\$15,240.53	\$15,963.08	\$722.55
BENT	LAS ANIMAS RE-1	1,137	1,147	10	8,798,348	9,277,965	479,617	\$7,738.89	\$8,086.78	\$347.89
BENT	MC CLAVE RE-2	250	251	1	2,590,208	2,709,345	119,137	\$10,356.69	\$10,807.12	\$450.43
BOULDER	ST VRAIN VALLEY RE 1J	30,862	31,545	683	231,338,762	247,106,275	15,767,513	\$7,496.01	\$7,833.48	\$337.47
BOULDER	BOULDER VALLEY RE 2	29,910	29,930	20	227,082,100	237,457,395	10,375,295	\$7,592.08	\$7,933.68	\$341.60
CHAFFEE	BUENA VISTA R-31	903	901	(2)	7,125,418	7,434,162	308,744	\$7,892.58	\$8,250.10	\$357.52
CHAFFEE	SALIDA R-32	1,189	1,206	17	8,964,887	9,493,037	528,149	\$7,541.12	\$7,873.46	\$332.34
CHEYENNE	KIT CARSON R-1	113	112	(1)	1,563,120	1,622,447	59,326	\$13,894.40	\$14,551.09	\$656.69
CHEYENNE	CHEYENNE COUNTY RE-5	173	173	0	2,245,984	2,348,621	102,637	\$12,967.57	\$13,544.53	\$576.95
CLEAR	CLEAR CREEK RE-1	808	789	(18)	6,644,137	6,808,586	164,449	\$8,228.03	\$8,628.29	\$400.26
CONEJOS	NORTH CONEJOS RE-1J	978	958	(20)	7,401,834	7,606,277	204,442	\$7,568.34	\$7,937.26	\$368.92
CONEJOS	SANFORD 6J	379	379	(0)	3,463,201	3,618,235	155,034	\$9,128.10	\$9,541.76	\$413.66
CONEJOS	SOUTH CONEJOS RE-10	210	208	(2)	2,600,891	2,703,966	103,074	\$12,385.20	\$13,012.35	\$627.15
COSTILLA	CENTENNIAL R-1	220	219	(1)	2,606,654	2,718,658	112,004	\$11,870.01	\$12,430.99	\$560.98
COSTILLA	SIERRA GRANDE R-30	274	271	(3)	2,901,127	3,021,273	120,146	\$10,584.19	\$11,165.09	\$580.90
CROWLEY	CROWLEY COUNTY RE-1-J	451	448	(3)	3,868,298	4,031,934	163,636	\$8,582.87	\$9,009.91	\$427.04
CUSTER	CUSTER COUNTY SCHOOL DISTRICT	353	343	(10)	3,404,106	3,500,461	96,355	\$9,646.09	\$10,202.45	\$556.36

Attachment D: FY 2018-19 Total Program Request Impact by School District

County	SCHOOL DISTRICT	FY 2017-18	FY 2018-19	Change	FY 2017-18	FY 2018-19	Change	FY 2017-18	FY 2018-19	Change
		Funded Pupils	Funded Pupils		Total Program	Total Program		Per Pupil Funding	Per Pupil Funding	
DELTA	DELTA COUNTY 50(J)	4,691	4,644	(47)	34,901,657	36,099,490	1,197,833	\$7,440.61	\$7,773.19	\$332.59
DENVER	DENVER COUNTY 1	86,957	87,586	628	690,378,511	726,692,439	36,313,928	\$7,939.27	\$8,296.94	\$357.67
DOLORES	DOLORES COUNTY RE NO.2	253	261	8	2,895,810	3,066,666	170,856	\$11,464.02	\$11,758.69	\$294.67
DOUGLAS	DOUGLAS COUNTY RE 1	64,462	65,057	595	476,277,972	502,294,255	26,016,284	\$7,388.56	\$7,720.87	\$332.30
EAGLE	EAGLE COUNTY RE 50	6,714	6,822	107	53,448,308	56,749,209	3,300,902	\$7,960.37	\$8,318.80	\$358.43
ELBERT	ELIZABETH C-1	2,420	2,505	85	18,248,809	19,718,074	1,469,265	\$7,539.90	\$7,870.86	\$330.96
ELBERT	KIOWA C-2	267	256	(10)	2,980,113	3,070,534	90,421	\$11,174.03	\$11,980.24	\$806.21
ELBERT	BIG SANDY 100J	282	281	(1)	3,057,249	3,185,217	127,968	\$10,825.95	\$11,323.20	\$497.25
ELBERT	ELBERT 200	207	208	1	2,580,994	2,703,628	122,635	\$12,492.71	\$13,029.53	\$536.82
ELBERT	AGATE 300	50	50	0	801,358	837,406	36,048	\$16,027.17	\$16,748.12	\$720.95
EL PASO	CALHAN RJ-1	435	428	(7)	3,803,349	3,911,955	108,606	\$8,739.31	\$9,137.95	\$398.63
EL PASO	HARRISON 2	11,588	11,643	54	90,881,673	95,438,773	4,557,100	\$7,842.60	\$8,197.45	\$354.84
EL PASO	WIDEFIELD 3	9,112	9,144	32	66,326,115	69,538,350	3,212,234	\$7,278.91	\$7,604.89	\$325.98
EL PASO	FOUNTAIN 8	7,800	7,887	86	56,778,765	59,977,249	3,198,484	\$7,279.05	\$7,605.05	\$326.00
EL PASO	COLORADO SPRINGS 11	26,745	26,560	(185)	202,763,890	210,434,855	7,670,965	\$7,581.29	\$7,923.00	\$341.71
EL PASO	CHEYENNE MOUNTAIN 12	5,053	5,150	97	36,782,490	39,169,064	2,386,574	\$7,279.05	\$7,605.05	\$326.00
EL PASO	MANITOU SPRINGS 14	1,435	1,443	8	11,120,181	11,679,056	558,875	\$7,747.10	\$8,093.03	\$345.94
EL PASO	ACADEMY 20	24,540	24,784	244	178,447,183	188,288,340	9,841,158	\$7,271.57	\$7,597.20	\$325.64
EL PASO	ELLCOTT 22	977	976	(1)	7,967,449	8,323,718	356,269	\$8,153.35	\$8,524.91	\$371.56
EL PASO	PEYTON 23 JT	643	644	0	5,362,766	5,608,536	245,770	\$8,336.34	\$8,712.97	\$376.63
EL PASO	HANOVER 28	251	253	2	2,938,430	3,080,533	142,103	\$11,720.90	\$12,190.48	\$469.57
EL PASO	LEWIS-PALMER 38	6,392	6,668	276	46,525,497	50,710,492	4,184,995	\$7,279.05	\$7,605.05	\$326.00
EL PASO	FALCON 49	22,211	22,655	444	161,787,055	172,463,294	10,676,238	\$7,284.06	\$7,612.56	\$328.50
EL PASO	EDISON 54 JT	191	195	4	2,455,158	2,595,760	140,602	\$12,887.97	\$13,332.10	\$444.13
EL PASO	MIAMIYODER 60 JT	270	270	1	2,931,629	3,065,682	134,054	\$10,865.93	\$11,337.58	\$471.65
FREMONT	CANON CITY RE-1	3,684	3,677	(7)	26,817,472	27,963,018	1,145,547	\$7,279.05	\$7,605.05	\$326.00
FREMONT	FREMONT RE-2	1,350	1,319	(31)	10,278,131	10,520,849	242,718	\$7,611.74	\$7,975.17	\$363.43
FREMONT	COTOPAXI RE-3	197	195	(2)	2,424,179	2,519,420	95,242	\$12,305.48	\$12,913.48	\$608.01
GARFIELD	ROARING FORK RE-1	5,519	5,548	29	43,611,360	45,815,140	2,203,781	\$7,901.90	\$8,257.81	\$355.91
GARFIELD	GARFIELD RE-2	4,812	4,863	51	35,792,680	37,793,397	2,000,716	\$7,438.37	\$7,771.62	\$333.25
GARFIELD	GARFIELD 16	1,115	1,127	12	9,065,342	9,570,231	504,889	\$8,127.44	\$8,488.76	\$361.33
GILPIN	GILPIN COUNTY RE-1	399	397	(2)	3,811,315	3,972,896	161,581	\$9,559.35	\$10,009.82	\$450.46
GRAND	WEST GRAND 1-JT	434	433	(1)	4,015,219	4,193,250	178,031	\$9,262.33	\$9,688.65	\$426.33
GRAND	EAST GRAND 2	1,158	1,120	(38)	8,964,663	9,060,658	95,994	\$7,740.17	\$8,086.98	\$346.82
GUNNISON	GUNNISON WATERSHED RE1J	1,980	2,009	29	15,045,908	15,931,392	885,484	\$7,599.71	\$7,930.01	\$330.30
HINSDALE	HINSDALE COUNTY RE 1	109	113	4	1,688,822	1,818,642	129,820	\$15,493.78	\$16,065.74	\$571.96
HUERFANO	HUERFANO RE-1	521	516	(5)	4,382,534	4,531,514	148,981	\$8,411.77	\$8,783.71	\$371.93
HUERFANO	LA VETA RE-2	213	213	(0)	2,472,702	2,582,100	109,398	\$11,603.48	\$12,133.93	\$530.44
JACKSON	NORTH PARK R-1	175	170	(6)	2,313,536	2,368,093	54,557	\$13,205.12	\$13,971.05	\$765.93
JEFFERSON	JEFFERSON COUNTY R-1	81,167	81,135	(32)	607,342,098	634,433,980	27,091,882	\$7,482.64	\$7,819.53	\$336.89

Attachment D: FY 2018-19 Total Program Request Impact by School District

County	SCHOOL DISTRICT	FY 2017-18	FY 2018-19	Change	FY 2017-18	FY 2018-19	Change	FY 2017-18	FY 2018-19	Change
		Funded Pupils	Funded Pupils		Total Program	Total Program		Per Pupil Funding	Per Pupil Funding	
KIOWA	EADS RE-1	178	181	3	2,163,259	2,286,799	123,541	\$12,159.97	\$12,627.27	\$467.30
KIOWA	PLAINVIEW RE-2	62	64	2	926,438	994,985	68,547	\$14,894.50	\$15,522.38	\$627.88
KIT CARSON	ARRIBA-FLAGLER C-20	175	174	(1)	2,181,588	2,274,068	92,480	\$12,501.94	\$13,084.40	\$582.46
KIT CARSON	HI-PLAINS R-23	100	95	(4)	1,375,191	1,387,159	11,967	\$13,821.02	\$14,555.71	\$734.69
KIT CARSON	STRATTON R-4	186	184	(2)	2,251,813	2,339,596	87,783	\$12,126.08	\$12,708.29	\$582.21
KIT CARSON	BETHUNE R-5	112	108	(4)	1,598,588	1,628,696	30,108	\$14,273.11	\$15,024.87	\$751.76
KIT CARSON	BURLINGTON RE-6J	722	733	11	5,666,206	5,998,763	332,557	\$7,850.11	\$8,189.44	\$339.33
LAKE	LAKE COUNTY R-1	969	950	(18)	7,853,324	8,080,788	227,465	\$8,107.91	\$8,504.30	\$396.39
LA PLATA	DURANGO 9-R	4,910	4,998	88	37,059,406	39,427,274	2,367,868	\$7,548.05	\$7,888.77	\$340.72
LA PLATA	BAYFIELD 10 JT-R	1,341	1,360	19	10,588,161	11,209,763	621,601	\$7,898.08	\$8,245.50	\$347.43
LA PLATA	IGNACIO 11 JT	846	856	11	7,182,226	7,586,547	404,321	\$8,493.64	\$8,858.65	\$365.00
LARIMER	POUDRE R-1	28,446	28,768	321	207,005,202	218,719,434	11,714,232	\$7,277.03	\$7,602.93	\$325.90
LARIMER	THOMPSON R2-J	15,365	15,508	143	111,837,679	117,930,743	6,093,064	\$7,278.78	\$7,604.76	\$325.98
LARIMER	ESTES PARK R-3	1,078	1,084	6	8,688,889	9,127,313	438,423	\$8,057.95	\$8,418.48	\$360.53
LAS ANIMAS	TRINIDAD 1	1,069	1,069	(0)	8,827,684	9,220,000	392,316	\$8,255.57	\$8,625.69	\$370.12
LAS ANIMAS	PRIMERO REORGANIZED 2	189	189	(0)	2,356,008	2,455,440	99,432	\$12,452.47	\$12,991.75	\$539.27
LAS ANIMAS	HOEHNE REORGANIZED 3	350	348	(2)	3,301,974	3,440,593	138,619	\$9,442.31	\$9,889.60	\$447.30
LAS ANIMAS	AGUILAR REORGANIZED 6	114	114	0	1,644,282	1,718,248	73,965	\$14,423.53	\$15,072.35	\$648.82
LAS ANIMAS	BRANSON REORGANIZED 82	462	467	5	3,326,650	3,514,874	188,224	\$7,206.78	\$7,528.11	\$321.33
LAS ANIMAS	KIM REORGANIZED 88	50	50	0	727,474	760,198	32,724	\$14,549.48	\$15,203.97	\$654.48
LINCOLN	GENOA-HUGO C113	170	176	6	2,154,486	2,304,256	149,770	\$12,680.91	\$13,092.36	\$411.46
LINCOLN	LIMON RE-4J	484	484	0	4,041,421	4,225,235	183,814	\$8,351.77	\$8,731.63	\$379.86
LINCOLN	KARVAL RE-23	50	50	0	774,335	809,168	34,832	\$15,486.71	\$16,183.35	\$696.64
LOGAN	VALLEY RE-1	2,129	2,122	(7)	15,739,554	16,402,685	663,131	\$7,392.59	\$7,729.46	\$336.87
LOGAN	FRENCHMAN RE-3	185	184	(1)	2,295,681	2,394,293	98,612	\$12,429.24	\$13,005.39	\$576.15
LOGAN	BUFFALO RE-4J	309	307	(2)	3,099,671	3,224,030	124,359	\$10,021.57	\$10,501.73	\$480.16
LOGAN	PLATEAU RE-5	160	153	(7)	2,095,843	2,122,650	26,807	\$13,082.67	\$13,873.53	\$790.86
MESA	DE BEQUE 49JT	181	184	3	2,297,965	2,428,188	130,223	\$12,695.94	\$13,182.35	\$486.41
MESA	PLATEAU VALLEY 50	433	429	(4)	3,767,982	3,922,631	154,650	\$8,708.07	\$9,139.40	\$431.33
MESA	MESA COUNTY VALLEY 51	21,221	21,427	207	154,464,366	162,952,494	8,488,127	\$7,278.91	\$7,604.90	\$325.99
MINERAL	CREEDE SCHOOL DISTRICT	82	82	(0)	1,269,949	1,324,433	54,484	\$15,525.05	\$16,230.80	\$705.75
MOFFAT	MOFFAT COUNTY RE:NO 1	2,068	2,055	(14)	15,054,996	15,624,174	569,178	\$7,278.92	\$7,604.85	\$325.93
MONTEZUMA	MONTEZUMA-CORTEZ RE-1	2,790	2,841	51	20,793,931	22,114,819	1,320,889	\$7,453.02	\$7,785.26	\$332.24
MONTEZUMA	DOLORES RE-4A	698	697	(2)	5,668,011	5,915,059	247,048	\$8,116.87	\$8,488.89	\$372.02
MONTEZUMA	MANCOS RE-6	480	493	13	4,110,239	4,405,934	295,695	\$8,570.14	\$8,936.99	\$366.85
MONTROSE	MONTROSE COUNTY RE-1J	6,000	6,127	127	45,384,345	48,433,560	3,049,216	\$7,563.68	\$7,904.94	\$341.26
MONTROSE	WEST END RE-2	271	275	4	3,330,922	3,500,869	169,947	\$12,277.63	\$12,711.94	\$434.31
MORGAN	BRUSH RE-2(J)	1,511	1,540	29	11,872,670	12,628,471	755,801	\$7,857.49	\$8,201.37	\$343.88
MORGAN	FORT MORGAN RE-3	3,044	3,060	16	23,448,414	24,629,716	1,181,302	\$7,702.65	\$8,048.66	\$346.01
MORGAN	WELDON VALLEY RE-20(J)	213	212	(1)	2,635,213	2,752,846	117,633	\$12,389.34	\$12,979.00	\$589.66

Attachment D: FY 2018-19 Total Program Request Impact by School District

County	SCHOOL DISTRICT	FY 2017-18	FY 2018-19	Change	FY 2017-18	FY 2018-19	Change	FY 2017-18	FY 2018-19	Change
		Funded Pupils	Funded Pupils		Total Program	Total Program		Per Pupil Funding	Per Pupil Funding	
MORGAN	WIGGINS RE-50(J)	580	606	27	4,848,199	5,274,968	426,770	\$8,360.40	\$8,698.83	\$338.42
OTERO	EAST OTERO R-1	1,370	1,378	8	10,986,482	11,545,356	558,874	\$8,021.67	\$8,380.78	\$359.10
OTERO	ROCKY FORD R-2	798	804	6	6,730,885	7,077,355	346,470	\$8,435.75	\$8,807.06	\$371.31
OTERO	MANZANOLA 3J	131	130	(1)	1,865,150	1,937,348	72,199	\$14,259.55	\$14,937.15	\$677.60
OTERO	FOWLER R-4J	397	394	(3)	3,599,326	3,748,450	149,124	\$9,059.47	\$9,504.18	\$444.72
OTERO	CHERAW 31	204	203	(1)	2,486,873	2,591,178	104,305	\$12,196.53	\$12,764.42	\$567.89
OTERO	SWINK 33	358	358	(1)	3,376,325	3,526,396	150,071	\$9,423.18	\$9,864.04	\$440.87
OURAY	OURAY R-1	174	171	(2)	2,511,603	2,601,446	89,843	\$14,467.76	\$15,195.36	\$727.60
OURAY	RIDGWAY R-2	321	317	(4)	3,483,724	3,612,482	128,759	\$10,869.65	\$11,413.85	\$544.19
PARK	PLATTE CANYON 1	939	925	(14)	7,656,450	7,904,061	247,611	\$8,157.31	\$8,544.01	\$386.70
PARK	PARK COUNTY RE-2	622	622	(1)	5,334,459	5,568,913	234,454	\$8,572.17	\$8,959.00	\$386.83
PHILLIPS	HOLYOKE RE-1J	592	595	3	4,755,768	4,988,775	233,007	\$8,033.39	\$8,391.55	\$358.16
PHILLIPS	HAXTUN RE-2J	294	292	(2)	2,824,786	2,940,054	115,268	\$9,624.49	\$10,079.03	\$454.55
PITKIN	ASPEN 1	1,660	1,659	(1)	16,445,894	17,176,955	731,061	\$9,908.96	\$10,355.67	\$446.72
PROWERS	GRANADA RE-1	195	194	(1)	2,357,818	2,454,528	96,710	\$12,110.01	\$12,658.73	\$548.72
PROWERS	LAMAR RE-2	1,493	1,484	(9)	11,563,682	12,013,969	450,287	\$7,744.75	\$8,097.30	\$352.56
PROWERS	HOLLY RE-3	286	285	(0)	2,790,038	2,912,824	122,787	\$9,772.46	\$10,216.85	\$444.39
PROWERS	WILEY RE-13 JT	252	254	2	2,639,769	2,764,599	124,829	\$10,462.82	\$10,879.96	\$417.14
PUEBLO	PUEBLO CITY 60	16,826	16,758	(68)	131,299,439	136,666,700	5,367,261	\$7,803.51	\$8,155.41	\$351.90
PUEBLO	PUEBLO COUNTY 70	9,372	9,477	106	68,213,984	72,071,132	3,857,149	\$7,278.80	\$7,604.77	\$325.97
RIO BLANCO	MEEKER RE1	672	672	1	5,342,987	5,590,565	247,577	\$7,956.79	\$8,318.05	\$361.26
RIO BLANCO	RANGELY RE-4	493	492	(1)	3,961,634	4,132,373	170,739	\$8,039.03	\$8,402.55	\$363.52
RIO GRANDE	DEL NORTE C-7	450	450	(1)	3,823,960	3,993,537	169,577	\$8,495.80	\$8,884.40	\$388.60
RIO GRANDE	MONTE VISTA C-8	1,125	1,124	(1)	8,855,070	9,247,277	392,206	\$7,871.87	\$8,228.58	\$356.71
RIO GRANDE	SARGENT RE-33J	409	393	(16)	3,537,193	3,626,669	89,476	\$8,652.62	\$9,230.51	\$577.89
ROUTT	HAYDEN RE-1	372	372	(1)	3,738,589	3,901,839	163,249	\$10,041.87	\$10,500.10	\$458.23
ROUTT	STEAMBOAT SPRINGS RE-2	2,525	2,577	53	19,306,812	20,583,197	1,276,385	\$7,647.78	\$7,986.03	\$338.25
ROUTT	SOUTH ROUTT RE 3	342	334	(8)	3,547,189	3,655,158	107,969	\$10,359.78	\$10,943.59	\$583.81
SAGUACHE	MOUNTAIN VALLEY RE 1	126	125	(0)	1,776,365	1,854,238	77,873	\$14,154.30	\$14,798.39	\$644.09
SAGUACHE	MOFFAT 2	262	274	12	3,226,967	3,429,699	202,732	\$12,326.08	\$12,526.29	\$200.22
SAGUACHE	CENTER 26 JT	648	648	(1)	5,689,704	5,945,502	255,798	\$8,776.34	\$9,177.99	\$401.65
SAN JUAN	SILVERTON 1	75	76	1	1,230,006	1,295,561	65,555	\$16,334.74	\$17,069.32	\$734.58
SAN MIGUEL	TELLURIDE R-1	894	891	(3)	9,136,757	9,524,100	387,343	\$10,221.23	\$10,684.43	\$463.20
SAN MIGUEL	NORWOOD R-2J	246	242	(4)	2,924,728	3,035,307	110,578	\$11,884.31	\$12,552.96	\$668.66
SEDGWICK	JULESBURG RE-1	595	599	4	4,523,140	4,755,045	231,906	\$7,596.81	\$7,935.66	\$338.85
SEDGWICK	REVERE SCHOOL DISTRICT	130	129	(1)	1,805,936	1,877,780	71,844	\$13,934.69	\$14,590.37	\$655.68
SUMMIT	SUMMIT RE-1	3,458	3,559	101	27,366,766	29,409,407	2,042,641	\$7,914.04	\$8,264.09	\$350.04
TELLER	CRIPPLE CREEK-VICTOR RE-1	343	344	1	3,413,701	3,630,489	216,788	\$9,958.29	\$10,556.81	\$598.53
TELLER	WOODLAND PARK RE-2	2,352	2,322	(30)	17,313,287	17,868,221	554,935	\$7,361.40	\$7,695.52	\$334.11
WASHINGTON	AKRON R-1	362	364	2	3,453,572	3,622,179	168,607	\$9,540.25	\$9,942.85	\$402.59

Attachment D: FY 2018-19 Total Program Request Impact by School District

County	SCHOOL DISTRICT	FY 2017-18	FY 2018-19	Change	FY 2017-18	FY 2018-19	Change	FY 2017-18	FY 2018-19	Change
		Funded Pupils	Funded Pupils		Total Program	Total Program		Per Pupil Funding	Per Pupil Funding	
WASHINGTON	ARICKAREE R-2	102	101	(1)	1,473,092	1,532,702	59,609	\$14,442.08	\$15,130.32	\$688.24
WASHINGTON	OTIS R-3	236	239	3	2,697,781	2,837,376	139,594	\$11,436.12	\$11,861.94	\$425.82
WASHINGTON	LONE STAR 101	111	112	1	1,623,112	1,704,376	81,264	\$14,596.33	\$15,231.24	\$634.91
WASHINGTON	WOODLIN R-104	94	94	0	1,385,681	1,449,225	63,544	\$14,804.28	\$15,466.65	\$662.37
WELD	WELD COUNTY RE-1	1,879	1,883	4	14,336,325	15,013,344	677,019	\$7,629.36	\$7,971.40	\$342.05
WELD	EATON RE-2	1,881	1,878	(3)	13,845,901	14,446,771	600,870	\$7,359.36	\$7,692.23	\$332.87
WELD	WELD COUNTY SCHOOL DISTRICT	2,239	2,272	33	16,616,131	17,590,108	973,977	\$7,420.90	\$7,741.44	\$320.55
WELD	WINDSOR RE-4	6,133	6,550	417	44,641,679	49,810,814	5,169,135	\$7,279.05	\$7,605.05	\$326.00
WELD	JOHNSTOWN-MILLIKEN RE-5J	3,570	3,562	(8)	25,986,204	27,091,479	1,105,275	\$7,279.05	\$7,605.05	\$326.00
WELD	GREELEY 6	21,851	22,276	425	165,421,653	176,254,887	10,833,234	\$7,570.33	\$7,912.18	\$341.85
WELD	PLATTE VALLEY RE-7	1,140	1,140	0	8,839,667	9,239,778	400,111	\$7,754.09	\$8,102.94	\$348.84
WELD	WELD COUNTY S/D RE-8	2,249	2,269	20	17,434,868	18,363,633	928,765	\$7,752.97	\$8,094.70	\$341.73
WELD	AULT-HIGHLAND RE-9	862	869	6	6,889,277	7,244,352	355,076	\$7,990.35	\$8,340.26	\$349.92
WELD	BRIGGSDALE RE-10	170	172	2	2,216,698	2,588,164	371,466	\$13,070.15	\$15,091.33	\$2,021.18
WELD	PRAIRIE RE-11	203	208	5	2,447,211	2,590,892	143,681	\$12,061.17	\$12,486.23	\$425.06
WELD	PAWNEE RE-12	77	76	(1)	1,202,828	1,242,041	39,214	\$15,540.41	\$16,278.39	\$737.98
YUMA	YUMA 1	765	764	(1)	6,543,591	6,834,907	291,316	\$8,555.95	\$8,946.21	\$390.26
YUMA	WRAY RD-2	637	628	(8)	5,269,847	5,444,978	175,131	\$8,278.11	\$8,667.59	\$389.47
YUMA	IDALIA RJ-3	207	209	2	2,554,958	2,685,384	130,425	\$12,354.73	\$12,854.88	\$500.15
YUMA	LIBERTY J-4	68	69	1	1,085,666	1,143,227	57,561	\$15,942.23	\$16,640.86	\$698.63
	CHARTER SCHOOL INSTITUTE	16,009	16,728	719	121,419,517	133,102,460	11,682,942	\$7,584.50	\$7,956.96	\$372.46
TOTALS		865,935	871,694	5,759	6,634,951,082	6,978,400,803	343,449,721	\$7,662.18	\$8,005.56	\$343.38

Schedule 13

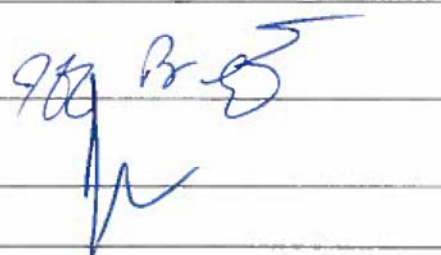
Funding Request for the FY 2018-19 Budget Cycle

Department of Education

Request Title

R-02 Categorical Programs Inflation Funding

Dept. Approval By:



Supplemental FY 2017-18

Change Request FY 2018-19

OSPB Approval By:



Budget Amendment FY 2018-19

Summary Information	Fund	FY 2017-18		FY 2018-19		FY 2019-20
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Total		\$464,923,755	\$0	\$465,154,887	\$8,928,668	\$8,928,668
FTE		73.1	0.0	73.1	0.0	0.0
GF		\$141,765,474	\$0	\$141,765,474	\$0	\$0
CF		\$156,306,771	\$0	\$156,320,728	\$8,928,668	\$8,928,668
RF		\$191,090	\$0	\$191,090	\$0	\$0
FF		\$166,660,420	\$0	\$166,877,595	\$0	\$0
Total of All Line Items Impacted by Change Request						

Line Item Information	Fund	FY 2017-18		FY 2018-19		FY 2019-20
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Total		\$327,205,053	\$0	\$327,415,453	\$3,861,527	\$3,861,527
FTE		63.0	0.0	63.0	0.0	0.0
GF		\$71,572,347	\$0	\$71,572,347	\$0	\$0
CF		\$100,019,617	\$0	\$100,019,617	\$3,861,527	\$3,861,527
RF		\$191,090	\$0	\$191,090	\$0	\$0
FF		\$155,421,999	\$0	\$155,632,399	\$0	\$0
02. Assistance to Public Schools, (B) Categorical Programs, (1) District Programs Required by Statute - Special Education - Children With Disabilities						

Total		\$31,521,469	\$0	\$31,528,244	\$1,127,633	\$1,127,633
FTE		4.6	0.0	4.6	0.0	0.0
GF		\$3,101,598	\$0	\$3,101,598	\$0	\$0
Programs, (1) District Programs Required by Statute						

Department of Education

Line Item Information	Fund	FY 2017-18		FY 2018-19		FY 2019-20
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
District Programs Required by Statute	CF	\$17,181,450	\$0	\$17,181,450	\$1,127,633	\$1,127,633
– English Language Proficiency Program	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$11,238,421	\$0	\$11,245,196	\$0	\$0
	Total	\$58,101,722	\$0	\$58,105,683	\$1,231,866	\$1,231,866
02. Assistance to Public Schools, (B) Categorical Programs, (2) Other Categorical Programs – Public School Transportation	FTE	2.0	0.0	2.0	0.0	0.0
	GF	\$36,922,227	\$0	\$36,922,227	\$0	\$0
	CF	\$21,179,495	\$0	\$21,183,456	\$1,231,866	\$1,231,866
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0
	Total	\$26,164,481	\$0	\$26,164,481	\$434,726	\$434,726
02. Assistance to Public Schools, (B) Categorical Programs, (2) Other Categorical Programs – State Assistance Career and Technical Ed, Transfer to HED	FTE	0.0	0.0	0.0	0.0	0.0
	GF	\$17,792,850	\$0	\$17,792,850	\$0	\$0
	CF	\$8,371,631	\$0	\$8,371,631	\$434,726	\$434,726
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0
	Total	\$12,355,524	\$0	\$12,360,572	\$146,916	\$146,916
02. Assistance to Public Schools, (B) Categorical Programs, (2) Other Categorical Programs -- Special Education Programs for Gifted and Talented Children	FTE	1.5	0.0	1.5	0.0	0.0
	GF	\$5,500,000	\$0	\$5,500,000	\$0	\$0
	CF	\$6,855,524	\$0	\$6,860,572	\$146,916	\$146,916
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0
	Total	\$7,493,560	\$0	\$7,497,338	\$2,000,000	\$2,000,000
02. Assistance to Public Schools, (B)	FTE	1.0	0.0	1.0	0.0	0.0

Department of Education

Line Item Information	Fund	FY 2017-18		FY 2018-19		FY 2019-20
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Categorical Programs, (2) Other	GF	\$5,788,807	\$0	\$5,788,807	\$0	\$0
Categorical Programs – Expelled and At-Risk Student Services Grant Program	CF	\$1,704,753	\$0	\$1,708,531	\$2,000,000	\$2,000,000
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0
Total		\$1,076,550	\$0	\$1,076,550	\$0	\$0
02. Assistance to Public Schools, (B)	FTE	0.0	0.0	0.0	0.0	0.0
Categorical Programs, (2) Other	GF	\$787,645	\$0	\$787,645	\$0	\$0
Categorical Programs – Small Attendance Center Aid	CF	\$288,905	\$0	\$288,905	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0
Total		\$1,005,396	\$0	\$1,006,566	\$126,000	\$126,000
02. Assistance to Public Schools, (B)	FTE	1.0	0.0	1.0	0.0	0.0
Categorical Programs, (2) Other	GF	\$300,000	\$0	\$300,000	\$0	\$0
Categorical Programs – Comprehensive Health Education	CF	\$705,396	\$0	\$706,566	\$126,000	\$126,000
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

CF Letternote Text Revision Required?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	If Yes, see schedule 4 fund source detail.
RF Letternote Text Revision Required?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	
FF Letternote Text Revision Required?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	
Requires Legislation?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>	
Type of Request?	Department of Education Prioritized Request				
Interagency Approval or Related Schedule 13s:	None				



Cost and FTE

- The Department requests an inflationary increase of \$8.9 million from the State Education Fund in FY 2018-19 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 2017-18 is \$464.9 million. Of this amount, \$141.8 million is General Fund, \$156.3 million is cash funds (\$155.8 million from the State Education Fund and \$450,000 from Public School Transportation Fund), \$191,090 are funds transferred from other state agencies, and \$166.7 million are 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 2017 Economic Forecast indicates a 3.0% inflationary rate for FY 2018-19.

Consequences of Problem

- A 3.0 percent inflationary rate results in an \$8.9 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 \$8.9 million funding increase in FY 2018-19 be allocated to the categorical programs with the greatest needs and programs that have not received increases in recent years. Specifically the Department requests \$3.9 million for special education for children with disabilities, \$2.0 million for expelled and at-risk student services, \$1.1 million for English language proficiency programs, \$1.2 million for public school transportation, \$434,726 for career and technical education, \$146,916 for special education for gifted and talented students, and \$126,000 for comprehensive health education.



COLORADO

Department of Education

John W. Hickenlooper
Governor

Katy Anthes, Ph.D.
Commissioner

FY 2018-19 Funding Request | November 1, 2017

Department Priority: R-02
Request Detail: Categorical Programs Inflation Funding

Summary of Incremental Funding Change for FY 2018-19	Total Funds	State Education Fund
Categorical Programs (multiple line items)	\$8,928,668	\$8,928,668

Request Summary:

The Department requests approximately \$8.9 million from the State Education Fund in FY 2018-19 and subsequent fiscal years to fund a 3.0 percent inflationary increase for the education programs commonly referred to as “categorical programs”.

Problem or Opportunity:

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 funding appropriated for these programs in FY 2017-18 is \$464.9 million. Of this amount, \$141.8 million is General Fund, \$148.2 million is from the State Education Fund, \$191,000 are funds transferred from other state agencies, and \$166.7 million is from 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 2017 Economic Forecast indicates a 3.0 percent inflationary rate adjustment for FY 2018-19. This results in an increase of approximately \$8.9 million over current State funding amounts.

Proposed Solution:

The Department requests that \$6.8 million of the \$8.9 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.

Additionally, the Department requests that \$2.0 million in increased funding be allocated to the Expelled and At-Risk Student Services (EARSS) Grant Program. The EARSS state categorical has not received an increase since 2011 despite a rise in the number of habitual truants and school suspensions. Based on a cost of \$1,350 per student, it is estimated that this additional funding will provide 20 more grants and serve 1,400 more expelled, suspended and habitually truant students.

The Department also requests that \$126,000 in increased funding be allocated to Comprehensive Health Education. The Comprehensive Health funding has not received a funding increase in 10 years. During that time, Colorado’s education system has served approximately 10% more students.

Appendix A (attached) shows the Department’s calculation of the funding gaps and the requested allocation of the \$8.9 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 2017-18 appropriations subject to Section 17 of Article IX of the State Constitution by an inflation rate of 3.0 percent. The inflationary rate used the applicable rate for FY 2018-19 projected in the Office of Strategic Planning and Budgeting’s September 2017 Economic Forecast.

Table 1: Requested Increase for Categorical Programs					
	FY 2017-18 Total Fund Appropriation	Deduct Federal Funds	Deduct Reappropriated Funds	Deduct Public School Transportation Fund	Total
All Categorical Programs	\$464,923,755	(\$166,660,420)	(\$191,090)	(\$450,000)	\$297,622,245
Applicable OSPB Inflation Factor (September 2017 Economic Forecast)					0.030
Total amount of inflation for categorical programs					\$8,928,668

The inflationary increase is not required to be distributed to every categorical program. The Department requests that \$6.8 million of the \$8.9 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. Additionally, that \$2.0 million in increased funding be allocated to the Expelled and At-Risk Student Services Grant Program and \$126,000 to Comprehensive Health Education. Appendix A shows the Department's requested allocation of the inflationary increase amongst the different categorical programs.

Appendix A: Requested Increase for Categorical Programs									
	Special Education Programs for Children with Disabilities /1	English Language Proficiency Programs	Public School Transportation	Career and Technical Education Programs	Gifted and Talented Programs	At-risk Student Services Grant Program	Small Attendance Center Aid	Comprehensive Health Education	Total
A. FY 2015-16 Total District Expenditures	\$929,663,419	\$221,301,068	\$242,083,532	\$97,237,273	\$33,416,544	\$6,608,799	\$959,379	\$725,672	\$1,531,995,686
B. FY 2015-16 Total State/ Federal Revenues	(\$352,784,114)	(\$52,842,333)	(\$58,053,299)	(\$32,292,951)	(\$11,468,525)	(\$6,608,799)	(\$959,379)	(\$725,672)	(\$515,735,072)
C. FY 2014-15 Funding Gap Between District Expenditures and State / Federal Revenues	\$576,879,305	\$168,458,735	\$184,030,233	\$64,944,322	\$21,948,019	\$0	\$0	\$0	\$1,016,260,614
D. Proportional Percentage of Total Excess Expenditures	56.76%	16.58%	18.11%	6.39%	2.16%	0.00%	0.00%	0.00%	100.00%
E. FY 2017-18 State Appropriations subject to inflation increase	\$171,591,964	\$20,283,048	\$57,651,722	\$26,164,481	\$12,355,524	\$7,493,560	\$1,076,550	\$1,005,396	\$297,622,245
F. R-02 Allocation of the inflationary adjustment (see notes)	\$3,861,527	\$1,127,633	\$1,231,866	\$434,726	\$146,916	\$2,000,000	\$0	\$126,000	\$8,928,668
G. Base & Other Requests	\$0	\$0	\$3,961	\$0	\$5,048	\$3,778	\$0	\$1,170	\$13,957
H. State funds transferred from other Departments / Programs	\$191,090	\$0	\$450,000	\$0	\$0	\$0	\$0	\$0	\$641,090
I. FY 2018-19 Estimated Federal Funds	\$155,632,399	\$11,245,196	\$0	\$0	\$0	\$0	\$0	\$0	\$166,877,595
J. FY 2018-19 Subtotal for Categorical Programs adjusted by inflation	\$331,276,980	\$32,655,877	\$59,337,549	\$26,599,207	\$12,507,488	\$9,497,338	\$1,076,550	\$1,132,566	\$474,083,555
<i>General Fund</i>									\$141,765,474
<i>Cash Funds (State Education Fund and Public School Transportation Fund)</i>									\$165,249,396
<i>Reappropriated (transferred) Funds</i>									\$191,090
<i>Federal Funds</i>									\$166,877,595

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

Notes for Table 1:

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 2017-18 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.

Row G: Shows the FY 2018-19 base adjustments and other request items that impact a categorical program.

Totals: The FY 2018-19 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	
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?			
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?			
Is there sufficient revenue to support the requested cash fund expenditures?	X		
Does the request link to the Department's Performance Plan?	X		

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Schedule 13

Funding Request for the FY 2018-19 Budget Cycle

Department of Education

Request Title

R-03: Staffing Information Management Systems

Dept. Approval By: _____



X

Supplemental FY 2017-18

Change Request FY 2018-19

OSPB Approval By: _____



Budget Amendment FY 2018-19

Summary Information	Fund	FY 2017-18		FY 2018-19		FY 2019-20
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Total		\$4,051,818	\$0	\$4,155,642	\$462,865	\$493,364
FTE		28.2	0.0	28.2	3.0	3.0
Total of All Line Items Impacted by Change Request	GF	\$3,425,355	\$0	\$3,528,799	\$462,865	\$493,364
	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$626,463	\$0	\$626,843	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2017-18		FY 2018-19		FY 2019-20
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Total		\$4,051,818	\$0	\$4,155,642	\$462,865	\$493,364
01. Management and Administration, (B) Information Technology – Information Technology Services	FTE	28.2	0.0	28.2	3.0	3.0
	GF	\$3,425,355	\$0	\$3,528,799	\$462,865	\$493,364
	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$626,463	\$0	\$626,843	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

CF Letternote Text Revision Required?	Yes	_____	No	_____	If Yes, see schedule 4 fund source detail.
RF Letternote Text Revision Required?	Yes	_____	No	_____	
FF Letternote Text Revision Required?	Yes	_____	No	_____	

Department of Education

Requires Legislation?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Type of Request?	Department of Education Prioritized Request
Interagency Approval or Related Schedule 13s:	None



Cost and FTE

- The Department requests \$462,865 General Fund and 3.0 FTE to provide additional staff and operating support to the Department's existing information management systems. This budget request includes the operating funding associated with the capital IT request that was submitted to the Joint Technology Committee (JTC) on October 2, 2017 for \$2.3 million General Fund. The total cost (capital and operating) for this request is \$2.8 million General Fund.

Current Program

- The Information Management Systems Unit (IMS) at the Department provides support to 400 state employees and 178 school districts across the state.
- Student data submissions for assessments, annual October 1 student count, and all other reporting are supported by IMS systems and staff. The unit also provides all networking, security, and IT support to Department staff.

Problem or Opportunity

- Significant upgrades to Department legacy systems, hardware and software are needed. The majority of the Department's applications and systems are over 6 years old with some legacy systems being as much as 15 years old.
- As threats to privacy and system security become more sophisticated, so too must the Department's systems and response to those threats.
- District data reporting and other system upgrades are needed to provide districts, parents, and other stakeholders with user-friendly reporting and tools.

Consequences of Problem

- With the age of CDE systems being between 6 to 15 years old, there is a significant need to upgrade and maintain them. The level of service to Department employees and school districts around the state will suffer without the upgrades and enhancements requested.

Proposed Solution

- The Department submitted an October 2, 2017 request to the JTC requesting \$2.3 million General Fund to upgrade the Department's information infrastructure. This request for \$462,865 and 3.0 FTE provides the operating funding and FTE positions to successfully implement the capital request. The FTE are on-going operating costs and therefore are requested separate from the one-time costs that were included in the capital request.



COLORADO

Department of Education

FY 2018-19 Funding
Request | November 1,
2017

John W. Hickenlooper
Governor

Katy Anthes

Department Priority: R-03
Request Detail: Staffing Information Management Systems *

Summary of Incremental Funding Change for FY 2018-19	Total Funds	General Fund
Information Technology Services	\$462,865	\$462,865

***This request has a corresponding capital request that was submitted to the Joint Technology Committee on October 2, 2017. The corresponding capital request is for \$2,331,000.**

Problem or Opportunity:

As the Department faces security threats of increasing frequency and sophistication to its systems and data it is necessary to respond with equal or greater sophistication. Equipment and software must be updated to ensure effective service to stakeholders and constituents and support from vendors if there are problems with software and hardware. The Department has an opportunity to address these issues with this request.

Significant upgrades to hardware, legacy systems and software are needed, so the Department can continue to provide the same level of district and staff support. The majority of the Department's applications are over six years old, and some key systems, such as the Record Integration Tracking System (RITS), which is the system that assigns and tracks unique student identifiers, are as much as 15 years old. In comparison, most IT obsolescence replacement programs for PCs and laptops is between 3 and 5 years at most, and operating systems such as Microsoft Windows are replaced or upgraded even more often.

Moreover, the number of students and therefore amount of data collected continues to increase. System upgrades are also required to keep pace with the increasing storage and processing requirements driven by the growth around the state. In the same hand, it is necessary to ensure the Department can maintain the same level of service to districts ensuring they can submit and access data as efficiently, quickly, and painlessly as possible.

Finally, as the result of an Office of Civil Rights review of the Department's website, additional investments and activities are required to ensure all residents and stakeholders have access to district reporting and services in a manner that is secure, accurate and actionable.

Proposed Solution:

This request seeks to bring critical systems up to date and establish an ongoing maintenance cycle which will allow the Department to stay abreast of ever-evolving threats, and phase out and replace or update aging systems. The total request is summarized as follows:

Total Request:	\$2,793,865	
Hardware/Software/Systems	\$2,331,000	Capital Request Submitted to JTC
3.0 FTE	\$462,865	Operating Request

Please see the Assumptions and Calculations section for detail on FTE and hardware/software. The Department proposes the following solution:

- **“Catch-up” Maintenance of Infrastructure.** To date, the Department has prioritized investment in upgrades by identifying the highest risk systems and areas to do so. A decision item two years ago, and federal State Longitudinal Data Systems (SLDS) grants in 2007 and 2009 allowed for upgrades in the most important areas. This request will assist with shoring up the remaining systems, and will initiate an ongoing plan to maintain them going forward.
- **Security Infrastructure and Data Privacy Improvements.** Two positions (2.0 FTE) to keep up with the latest developments in threat management, privacy, and security. Every month bad actors get more sophisticated as evidenced by news reports of ransomware attacks, social engineering, and other methods of hacking into systems. These FTE will shorten response time to threats and incidents and provide additional capacity to take proactive measures to improve the security of student data. These roles will assist school districts and BOCES by providing services to ensure only the authorized personnel access sensitive data. They will also provide up-to-date training of district staff on privacy and security threats and challenges.
- **Improved Public and District Data Reporting and Other System Enhancements.** One position (1.0 FTE) is necessary to modernize and re-design our public and private data reporting processes and systems. Data is a cornerstone of CDE’s work, and a critical lever for department success. Without accurate and timely data, CDE’s education-supporting programs cannot operate. The requested one-time and ongoing funds are required to update this systemic process with contract services and software. The reauthorization of No Child Left Behind (NCLB), is the Every Student Succeeds Act (ESSA). A new requirement under ESSA is a parent-friendly report card. This requirement is beyond a static report card. It is a new way of collecting, storing, and providing data back to the public to achieve the best outcomes for students, parents and other stakeholders. Also included in this component of the budget request is funding to support a feasibility study to examine the pros/cons of a statewide student data system that would potentially assist rural districts and BOCES to reduce their IT burden. This feasibility study will help to determine potential costs of such a system, and together with district stakeholders help CDE to determine the return on investment if such a system is implemented in the near future.

Anticipated Outcomes:

This request links directly to every goal within the Department's Performance Plan. The information that is collected, compiled, and reported is essential to all other Departmental goals. The data systems at the Department contain the raw assessment and other results that are provided to the districts and public via the School View Growth Model and other reports. This information provides critical insight to legislators, the public, school districts and Department personnel, which informs education policy statewide. Although there are many legislative demands on CDE as it pertains to data, a key goal of CDE is to collect that data in such a way that it minimizes effort and workload on the part of the school districts. And obviously it is critical that IMS provides the security controls and practices protect student data. This budget request directly supports those goals.

The bulk of this request is about risk mitigation. It is very difficult to state conclusively when an IT system will fail, but the likelihood of failure goes up exponentially with every year that the system is no longer supported (or its component h/w and/or s/w is aging beyond recommended life). The catch-up maintenance request is directed specifically at preventing catastrophic failures that might occur if key systems are allowed to degrade due to insufficient funding to pay increasing yearly maintenance fees. If maintenance is not kept up on our hardware and software, then key security patches will not be available to CDE, nor will vendor expertise be available to assist with critical incidents. As an example, Data Pipeline could go offline and the result would be that districts would no longer be able to submit their student count information necessary to determine their yearly funding allocations. The Data Pipeline collects student count information which provides the information for calculating the distribution of over \$4 billion of state and federal funds to school districts and BOCES every year. If the system were to go offline, the ensuing costs to re-establish those vendor contracts and/or to support the districts in manual efforts to submit their data would be staggering.

The second part of this request provides additional capacity for the Department's security infrastructure to prevent and address threats, and safeguard the data that decision-makers and stakeholders around the state rely upon. As the threats get more sophisticated, CDE security controls and staff must do the same. Without re-investing in the security of student data, the risk of a data breach goes up. It's much more cost efficient to prevent the incident in the first place than it is to remediate it after a breach has occurred. The results of the last "Cost of Data Breach Study" conducted by Ponemon Institute, indicates that the average cost of a public sector breach is \$80/record. Assuming 2016 student count of approximately 900,000 students, a data breach would cost \$73 million. Understanding that this takes in to account the size of the breach, the time it takes to identify and contain a breach, the detection and escalation of the incident, and other factors, it obviously varies. But the findings indicate that preventing the breach in the first place is considerably cheaper than remediating the effects afterwards. It also tells us that the faster the breach can be identified, and the sooner the vulnerability is removed, the less expensive it will be. The summary takeaway is that regularly investing a relatively small amount in an organization's security infrastructure and personnel will pay dividends in the long run. And of course, this approach will help to keep Colorado students' data safe.

Lastly, the third part of the budget request is about "how" to provide accurate and timely data to stakeholders. Data required for policy and practice decisions must be timely and accurate, and the systems in use at CDE now are lacking in timeliness. Although CDE takes great pains to only release accurate data, that sometimes takes more time than classroom teachers and other district leaders have. Without accurate data, policy and other critical decisions can be delayed and even worse, potentially be in error without the right data at the right time. This systemic upgrade will reduce the risk of that occurring.

Assumptions and Calculations:

The primary component of the request is hardware and software to update department systems: \$2,331,000. The table below provides detail about what will be purchased, and the out-year maintenance costs associated with them.

Item Description	Year 1 Cost	Yr. 2 and Ongoing Maint.
Identity Verification	187,000	
Student Identity Protection	360,000	
Firewall Hardware	350,000	35,000
E-Fort, H/W and support	280,000	
TOTAL for Security/Infrastructure	1,177,000	
Secure Interactive Data Reporting for Districts	590,000	22,500
Rural Relief (Data System Feasibility Study)	120,000	
TOTAL for Reporting and System Improvements	710,000	
System Maintenance Increases (annual/ongoing)	80,000	80,000
Student/Educator ID Assignment	364,000	
TOTAL for Catch-up Maintenance	444,000	
	2,331,000	137,500

FTE Calculation Assumptions:

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 Year 1 as 0.9166 FTE to account for the pay-date shift. This applies to personal services costs only; operating costs are not subject to the pay-date shift.

Expenditure Detail		FY 2018-19		FY 2019-20	
<i>Personal Services:</i>					
Classification Title	Monthly	FTE		FTE	
IT Security Specialist	\$9,750	1.8	\$214,484	2.0	\$234,000
PERA			\$21,770		\$23,751
AED			\$10,724		\$11,700
SAED			\$10,724		\$11,700
Medicare			\$3,110		\$3,393
STD			\$408		\$445
Health-Life-Dental			\$10,724		\$15,854
Subtotal Position 1, #.FTE		1.8	\$271,944	2.0	\$300,843
Classification Title	Monthly	FTE		FTE	
IT System Specialist	\$12,500	0.9	\$137,490	1.0	\$150,000
PERA			\$13,955		\$15,225
AED			\$6,875		\$7,500
SAED			\$6,875		\$7,500
Medicare			\$1,994		\$2,175
STD			\$261		\$285
Health-Life-Dental			\$7,927		\$7,927
Subtotal Position 2, #.FTE		0.9	\$175,377	1.0	\$190,612
<i>Subtotal Personal Services</i>		2.7	\$447,321	3.0	\$491,455
<i>Operating Expenses:</i>					
		FTE		FTE	
Regular FTE Operating	\$500	2.7	\$1,375	3.0	\$1,500
Telephone Expenses	\$450	2.7	\$1,237	3.0	\$1,350
PC, One-Time	\$1,230	2.7	\$3,382	3.0	
Office Furniture, One-Time	\$3,473	2.7	\$9,550	3.0	
<i>Subtotal Operating Expenses</i>			\$15,544		\$2,850
TOTAL REQUEST		2.7	\$462,865	3.0	\$494,305
<i>General Fund:</i>			\$462,865	\$494,305	
<i>Cash funds:</i>					
<i>Reappropriated Funds:</i>					
<i>Federal Funds:</i>					

Schedule 13

Funding Request for the FY 2018-19 Budget Cycle

Department of Education

Request Title

R-04: State Board Meeting Transcription

Dept. Approval By:			Supplemental FY 2017-18
		X	Change Request FY 2018-19
OSPB Approval By:			Budget Amendment FY 2018-19

Summary Information	Fund	FY 2017-18		FY 2018-19	FY 2019-20
		Initial Appropriation	Supplemental Request	Base Request	Change Request Continuation
	Total	\$311,194	\$0	\$318,780	\$140,408 \$25,580
	FTE	2.0	0.0	2.0	0.0 0.0
Total of All Line Items Impacted by Change Request	GF	\$311,194	\$0	\$318,780	\$140,408 \$25,580
	CF	\$0	\$0	\$0	\$0 \$0
	RF	\$0	\$0	\$0	\$0 \$0
	FF	\$0	\$0	\$0	\$0 \$0

Line Item Information	Fund	FY 2017-18		FY 2018-19	FY 2019-20
		Initial Appropriation	Supplemental Request	Base Request	Change Request Continuation
	Total	\$311,194	\$0	\$318,780	\$140,408 \$25,580
01. Management and Administration, (A) Administration and Centrally-Appropriated Line Items – State Board of Education	FTE	2.0	0.0	2.0	0.0 0.0
	GF	\$311,194	\$0	\$318,780	\$140,408 \$25,580
	CF	\$0	\$0	\$0	\$0 \$0
	RF	\$0	\$0	\$0	\$0 \$0
	FF	\$0	\$0	\$0	\$0 \$0

CF Letternote Text Revision Required?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	If Yes, see schedule 4 fund source detail.
RF Letternote Text Revision Required?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
FF Letternote Text Revision Required?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	

Department of Education

Requires Legislation?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Type of Request?	Department of Education Prioritized Request
Interagency Approval or Related Schedule 13s:	None



Cost and FTE

- The Department requests \$140,408 General Fund in FY 2018-19 and \$25,580 in ongoing costs to transcribe Colorado State Board of Education meetings. There is no FTE associated with this request.

Current Program

- The State Board of Education is scheduled to meet at least once a month to review and vote on various aspects of Department of Education business.
- During the meetings, audio is broadcast live on the internet, and audio recordings of the meetings are posted to the Colorado Department of Education's website.
- Currently, audio recordings for meetings from FY 2013-14 to present are posted on the Department's website.

Problem or Opportunity

- During the summer of 2016, the U.S. Department of Education's Office of Civil Rights (OCR) reviewed CDE's website for compliance with accessibility requirements for individuals with disabilities.
- As a result of the review, the OCR found State Board meetings must be transcribed to provide access to the meetings for individuals who are deaf or hard of hearing.
- The Department has entered into an agreement with the OCR to transcribe the board meetings currently posted to its website, and all meetings going forward.

Consequences of Problem

- The Department must correct the issue to improve accessibility of its website to individuals with disabilities.
- Failure to comply with OCR agreements can result in enforcement actions such as withholding federal financial support for grant programs and other sanctions.

Proposed Solution

- The Department will secure services to transcribe State Board of Education meetings posted to the website, and all meetings prospectively.
- Based on research, the estimated cost is \$140,408 one-time to transcribe meeting from FY 2012-13 through FY 2018-19. Ongoing costs are anticipated to be \$25,580 for FY 2019-20 and beyond.



COLORADO

Department of Education

FY 2018-19 Funding
Request | November 1,
2017

John W. Hickenlooper
Governor

Katy Anthes

Department Priority: R-04
Request Detail: State Board Meeting Transcription

Summary of Incremental Funding Change for FY 2018-19	Total Funds	General Fund
State Board Meeting Transcription	\$140,408	\$140,408

Problem or Opportunity:

During FY2015-16 the U.S. Department of Education's Office of Civil Rights performed a review of the Department's website. In the summer of 2016 the Department signed an agreement with the Office of Civil Rights (OCR) to correct accessibility issues with the Department's public website to improve access for individuals with disabilities. This request is to specifically address the transcription of the audio files of State Board of Education meetings posted to the Department's website.

The State Board of Education (SBE) meets monthly, and often has special meetings to hold study sessions for specific topics or to address specific issues. Audio of the monthly meetings is broadcast live over the internet and a copy of each broadcast is posted to the Department's website for anyone wishing to listen to the meetings at a later time. The OCR found that these audio recordings must also be transcribed and the transcripts posted to the Department's website to provide access for individuals who may be deaf or hard of hearing.

Proposed Solution:

For FY2018-19 the Department is requesting \$140,408 to transcribe all SBE meetings posted to the Department's website. Currently the meetings posted on the website are from January 2014 through the present. Please see the Calculations and Assumptions section for details.

The Department is also requesting an ongoing amount of \$25,580 per year to transcribe monthly SBE meetings each fiscal year starting with FY2019-20.

Anticipated Outcomes:

Transcription of SBE meetings will provide access to individuals who may be deaf or hard of hearing, allowing them access to any State Board meetings. While the Department is only transcribing meetings from 2013-14 through present, because those are the meetings posted to the website, the Department will also transcribe any available meetings prior to 2013-14 by request.

This item ties to the Department’s performance plan in that one of the guiding principles upon which the Performance Plan rests is Equity and Access. By providing access to SBE meetings to a broader group of constituents, it provides an opportunity for those groups or individuals to participate in the processes that shape Colorado’s education system.

Assumptions and Calculations:

No FTE are associated with this request. The Department will issue an RFP for the transcription services to identify a vendor. The table below summarizes the estimated number of minutes to be transcribed, the cost per minute, and the total estimated cost.

Colorado State Board of Education Audio Meeting Transcription Costs by Year			
Periods Posted to Dept. Website	Total Minutes	Estimated Cost (\$4/min)	Avg. Mins. Per Month
Jan-14 thru June-14	3,154	\$12,616	526
Jul-14 thru June-15	5,988	\$23,952	499
Jul-15 thru June-16	5,896	\$23,584	491
Jul-16 thru June-17	7,300	\$29,200	608
Jul-17 thru June-18*	6,382	\$25,528	532
Jul-18 thru June-19*	6,382	\$25,528	532
Total:	35,102	\$140,408	531
*--Estimated			

The table above contains the following assumptions:

- A \$4 per minute cost. The Department consulted with vendors, including a vendor used before. The estimated cost provided was \$5 per minute; however, this work will require a competitive bid, so the per minute cost in these assumptions was reduced to the \$4/minute.
- Total of 35,103 minutes will be transcribed for a total estimated cost of \$140,412. (\$4/min x 35,103)
- The Department must obtain bids from vendors through a competitive process, so all amounts are estimates based on similar services obtained in the past. As a result, it is likely the amounts in the item will change slightly once a vendor is selected.

In addition to transcribing meetings already posted to the website, it will be necessary to transcribe all meetings going forward. The Department anticipates ongoing annual transcription costs of \$25,580. This amount was calculated by taking the annual actual average minutes for July 2014 through June 2017: 6,395 multiplied by \$4 per minute.

Schedule 13

Funding Request for the FY 2018-19 Budget Cycle

Department of Education

Request Title

R-05: CSDB Teacher Increases

Dept. Approval By: _____

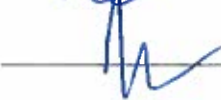


Supplemental FY 2017-18

X

Change Request FY 2018-19

OSPB Approval By: _____



Budget Amendment FY 2018-19

Summary Information	Fund	FY 2017-18		FY 2018-19		FY 2019-20
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$10,523,084	\$0	\$10,615,852	\$87,666	\$0
	FTE	153.1	0.0	153.1	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	\$8,868,984	\$0	\$8,961,752	\$87,666	\$0
	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$1,654,100	\$0	\$1,654,100	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2017-18		FY 2018-19		FY 2019-20
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$10,523,084	\$0	\$10,615,852	\$87,666	\$0
	FTE	153.1	0.0	153.1	0.0	0.0
04. School for the Deaf and the Blind, (A) School Operations -- Personal Services	GF	\$8,868,984	\$0	\$8,961,752	\$87,666	\$0
	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$1,654,100	\$0	\$1,654,100	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

CF Letternote Text Revision Required?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	If Yes, see schedule 4 fund source detail.
RF Letternote Text Revision Required?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	
FF Letternote Text Revision Required?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	

Department of Education

Requires Legislation?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Type of Request?	Department of Education Prioritized Request
Interagency Approval or Related Schedule 13s:	None



Cost and FTE

- The Colorado School for the Deaf and the Blind (CSDB) requests an increase of \$87,666 General Fund in FY 2018-19 for salary experience step increases and a one percent (1%) one-time, non-recurring across the board compensation for the teachers employed at the school.

Current Program

- CSDB teachers are statutorily 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 CSDB procedures adopted to implement the salary schedule.

Problem or Opportunity

- CSDB teachers, who follow the District 11 scale, do not receive any State of Colorado across-the-board or merit salary increases. Rather, CSDB teachers 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 and the established CSDB procedures adopted to implement the salary schedule. It is important that CSDB aligns with the District 11 scale, and supports teachers in very difficult-to-fill positions. The Colorado Springs District 11 Board of Education and the Colorado Springs Education Association agreed upon experience step increases and a 1% one-time, non-recurring across the board compensation for teachers for school calendar year 2017-18.

Consequences of Problem

- If not funded, CSDB 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

- CSDB proposes funding the experience step increase and the 1% one-time, non-recurring across the board compensation as adopted by the El Paso District 11 pay schedule.



COLORADO

Department of Education

FY 2018-19 Funding
Request | November 1,
2017

John W. Hickenlooper
Governor

Katy Anthes

Department Priority: R-05

Request Detail: Colorado School for the Deaf and the Blind Teacher Salaries

Summary of Incremental Funding Change for FY 2017-18	Total Funds	General Fund
Teacher Salaries	\$87,666	\$87,666

Problem or Opportunity:

- CSDB teachers, who follow the District 11 scale, do 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 and the established CSDB procedures adopted to implement the salary schedule. It is important that CSDB aligns with the District 11 scale, and supports teachers in very difficult-to-fill positions. The Colorado Springs District 11 Board of Education and the Colorado Springs Education Association agreed upon salary experience step increases and a one percent (1%) one-time, non-recurring, across-the-board compensation for the teachers.

Proposed Solution:

- CSDB proposes funding the experience step increase based upon the El Paso District 11 pay schedule.
- CSDB proposes funding the one percent (1%) one-time, non-recurring, across-the-board compensation.
- If not funded, CSDB will still be required to compensate the teachers, based upon current statute, but will be forced to reduce services in other areas to fund the increases.
- According to C.R.S (2009) Section 22-80-106.5, CSDB is required to compensate teachers based upon the Colorado Springs District 11 salary schedule and the established CSDB procedures adopted to implement the salary schedule.

Anticipated Outcomes:

- If the funding increase is approved, the teachers will receive experience step increases based upon the El Paso District 11 pay schedule and a one percent (1%) one-time, non-recurring, across-the-board compensation.

Assumptions and Calculations:

- The salary increase is based on experience steps according to the placement of those teachers on the Colorado Springs District 11 salary schedule and a one percent (1%) one-time, non-recurring, across-the-board compensation.

Position Title	Salary Schedule Placement FY18	Salary Schedule Placement FY19	Experience Step	1% Bonus
Transition Teacher	VI-R (18)	VI-S (19)	\$ 1,216.00	\$ 620
Teacher of the Deaf	III-S (21)	III-S (21)	\$ -	\$ 572
Physical Education Teacher	I-D (4)	I-E (5)	\$ 747.00	\$ 381
Teacher of the Visually Impaired	VIII-R (18)	VIII-S (19)	\$ 1,309.00	\$ 667
Transition Teacher	VIII-B (2)	VIII-C (3)	\$ 953.00	\$ 486
Teacher of the Deaf	VI-F (6)	VI-G (7)	\$ 958.00	\$ 489
Teacher of the Deaf	VII-G (7)	VII-H (8)	\$ 1,015.00	\$ 518
Teacher of the Visually Impaired	VIII-G (7)	VIII-H (8)	\$ 1,052.00	\$ 537
Teacher of the Deaf	I-C (3)	I-D (4)	\$ 731.00	\$ 373
School Psychologist	VIII-Q (17)	VIII-R (18)	\$ 1,282.00	\$ 654
Communication Specialist	VI-D (4)	VI-E (5)	\$ 922.00	\$ 282
Special Education Teacher	V-E (5)	V-F (6)	\$ 904.00	\$ 281
Teacher of the Deaf	VIII-M (13)	VIII-N (14)	\$ 1,185.00	\$ 604
Transition Teacher	VIII-P (16)	VIII-Q (17)	\$ 1,258.00	\$ 641
Teacher of the Visually Impaired	VIII-F (6)	VIII-G (7)	\$ 1,032.00	\$ 526
Teacher of the Visually Impaired	IV-B (2)	IV-C (3)	\$ 819.00	\$ 417
Teacher of the Deaf	I-D (4)	I-E (5)	\$ 747.00	\$ 381
Art Teacher	III-K (11)	III-L (12)	\$ 937.00	\$ 478
School Psychologist	VI-D (4)	VI-E (5)	\$ 922.00	\$ 470
Teacher of the Visually Impaired	I-B (2)	I-C (3)	\$ 718.00	\$ 366
Teacher of the Visually Impaired	VIII-O (15)	VIII-P (16)	\$ 1,233.00	\$ 629
Special Education Teacher	V-Q (17)	V-R (18)	\$ 1,147.00	\$ 585
Transition Teacher	V-L (12)	V-M (13)	\$ 1,038.00	\$ 530
Teacher of the Deaf	VII-L (12)	VII-M (13)	\$ 1,120.00	\$ 572
Transition Teacher	IV-n (14)	IV-O (15)	\$ 1,038.00	\$ 529
Teacher of the Deaf	V-D (4)	V-E (5)	\$ 887.00	\$ 452
Teacher of the Deaf	VIII-H (8)	VIII-I (9)	\$ 1,073.00	\$ 547
Physical Therapist	III-S (20)	III-S (21)	\$ 1,121.00	\$ 528
Teacher of the Deaf	VI-D (4)	VI-E (5)	\$ 922.00	\$ 470
Teacher of the Visually Impaired	III-S (21)	III-S (21)	\$ -	\$ 572
Orientation & Mobility Spec	VI-Q (17)	VI-R (18)	\$ 1,192.00	\$ 608
Speech Therapist	VI-D (4)	VI-E (5)	\$ 922.00	\$ 470
Teacher of the Visually Impaired	IV-B (2)	IV-C (3)	\$ 819.00	\$ 417
Teacher of the Visually Impaired	VIII-S (21)	VIII-S (22)	\$ 1,388.00	\$ 708
Music/Drama Teacher	VII-P (16)	VII-Q (17)	\$ 1,213.00	\$ 619

Teacher of the Deaf	IX-M (13)	IX-N (14)	\$ 1,226.00	\$ 626
Teacher of the Deaf	VIII-S (21)	VIII-S (22)	\$ 1,388.00	\$ 708
Communication Specialist	VII-S (20)	VII-S (20)	\$ -	\$ 657
Teacher of the Deaf	VII-C (3)	VII-D (4)	\$ 937.00	\$ 478
Teacher of the Visually Impaired	VI-G (7)	VI-H (8)	\$ 978.00	\$ 499
Speech Therapist	V-B (2)	V-C (3)	\$ 852.00	\$ 435
School Counselor	VIII-M (13)	VIII-N (14)	\$ 1,185.00	\$ 604
School Counselor	VI-I (9)	VI-J (10)	\$ 1,017.00	\$ 519
Special Education Teacher	II-M (13)	II-N (14)	\$ 934.00	\$ 476
Teacher of the Visually Impaired	VI-G (7)	VI-H (8)	\$ 978.00	\$ 499
Transition Teacher	II-F (6)	II-G (7)	\$ 813.00	\$ 415
Audiologist	IX-S (19)	IX-S (20)	\$ 1,382.00	\$ 705
Teacher of the Deaf	VIII-P (16)	VIII-Q (17)	\$ 1,258.00	\$ 641
Educ Media Specialist	VIII-P (16)	VIII-Q (17)	\$ 1,258.00	\$ 641
Teacher of the Deaf	VI-I (9)	VI-J (10)	\$ 1,017.00	\$ 519
Teacher of the Deaf	II-C (3)	II-D (4)	\$ 766.00	\$ 391
Occupational Therapist	IX-S (20)	IX-S (20)	\$ -	\$ 499
Teacher of the Deaf	IV-E (5)	IV-F (6)	\$ 868.00	\$ 443
Transition Teacher	III-E (5)	III-F (6)	\$ 832.00	\$ 425
Physical Education Teacher	VII-F (6)	VII-G (7)	\$ 996.00	\$ 508
Orientation & Mobility Spec	V-D (4)	V-E (5)	\$ 887.00	\$ 452
Teacher of the Visually Impaired	V-D (4)	V-E (5)	\$ 887.00	\$ 452
Transition Teacher	IV-E (5)	IV-F (6)	\$ 868.00	\$ 443
Transition Teacher	I-B (2)	I-C (3)	\$ 718.00	\$ 366
Teacher of the Deaf	V-G (7)	V-H (8)	\$ 941.00	\$ 480
			\$ 56,806.00	\$ 30,860
Total Request				\$87,666

Schedule 13

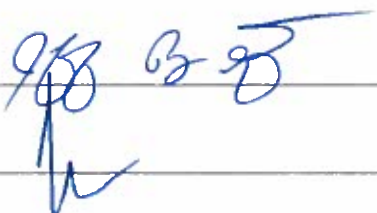
Funding Request for the FY 2018-19 Budget Cycle

Department of Education

Request Title

R-06 Charter School Institute Mill Levy Equalization

Dept. Approval By: _____



X

Supplemental FY 2017-18

Change Request FY 2018-19

OSPB Approval By: _____

Budget Amendment FY 2018-19

Summary Information	Fund	FY 2017-18		FY 2018-19	FY 2019-20	
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$0	\$0	\$0	\$11,047,724	\$11,047,724
	FTE	0.0	0.0	0.0	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	\$0	\$0	\$0	\$5,523,862	\$5,523,862
	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$0	\$0	\$0	\$5,523,862	\$5,523,862
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2017-18		FY 2018-19	FY 2019-20	
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$0	\$0	\$0	\$11,047,724	\$11,047,724
	FTE	0.0	0.0	0.0	0.0	0.0
01. Management and Administration, (D) State Charter School Institute – CSI Mill Levy Equalization	GF	\$0	\$0	\$0	\$5,523,862	\$5,523,862
	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$0	\$0	\$0	\$5,523,862	\$5,523,862
	FF	\$0	\$0	\$0	\$0	\$0

CF Letternote Text Revision Required?	Yes	_____	No	_____	If Yes, see schedule 4 fund source detail.
RF Letternote Text Revision Required?	Yes	_____	No	_____	
FF Letternote Text Revision Required?	Yes	_____	No	_____	

Department of Education

Requires Legislation?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Type of Request?	Department of Education Prioritized Request
Interagency Approval or Related Schedule 13s:	None



Cost and FTE

- The Department requests a \$5.5 million General Fund appropriation to the Mill Levy Equalization Fund for distribution to Colorado Charter School Institute schools in FY 2018-19. The total fund request is \$11.0 million (\$5.5 million General Fund and \$5.5 million reappropriated funds).

Current Program

- The Colorado Charter School Institute (CSI) authorizes charter schools not authorized by a local school district. Currently, CSI authorizes 41 public charter schools that serve over 17,000 PK-12 students, or just over 14% of Colorado's charter school population.

Problem or Opportunity

- Beginning in the 2019-20 school year, HB 17-1375 requires school districts to distribute funding received from mill levy overrides property tax elections on an equal per pupil basis to charter schools sponsored by the school district.
- To address the funding inequities that occur because CSI authorized charter schools have no legal access to local mill levy override revenues, HB 17-1375 created the Mill Levy Equalization Fund with the purpose of providing equal access to funding for CSI students. Subject to annual appropriation, moneys in this fund are distributed to CSI charter schools to provide access to funding for CSI students attending schools located in school districts that have passed override elections. Currently, no funding has been appropriated to the Mill Levy Equalization Fund.

Consequences of Problem

- Without equitable funding or legal mechanism to raise local funding, CSI schools continue working towards the same state academic standards as all other public schools in Colorado but do so with fewer resources.

Proposed Solution

- The Department proposes an appropriation of \$5.5 million from the General Fund to the Mill Levy Equalization Fund for distribution to Colorado Charter School Institute schools on a per pupil basis, in an amount equal to the per pupil amounts of Mill Levy Override Funding currently distributed to district charter students within each CSI school's respective district.
- The Department's FY 2018-19 funding request will lead to an average investment of \$430 more dollars per student at 30 CSI schools. Subject to appropriation, additional funding may be requested in FY 2019-20 to maintain funding parity with district authorized charter schools.



COLORADO

Department of Education

John W. Hickenlooper
Governor

Terry Croy-Lewis
Executive Director, CSI

FY 2018-19 Funding Request | November 1, 2017

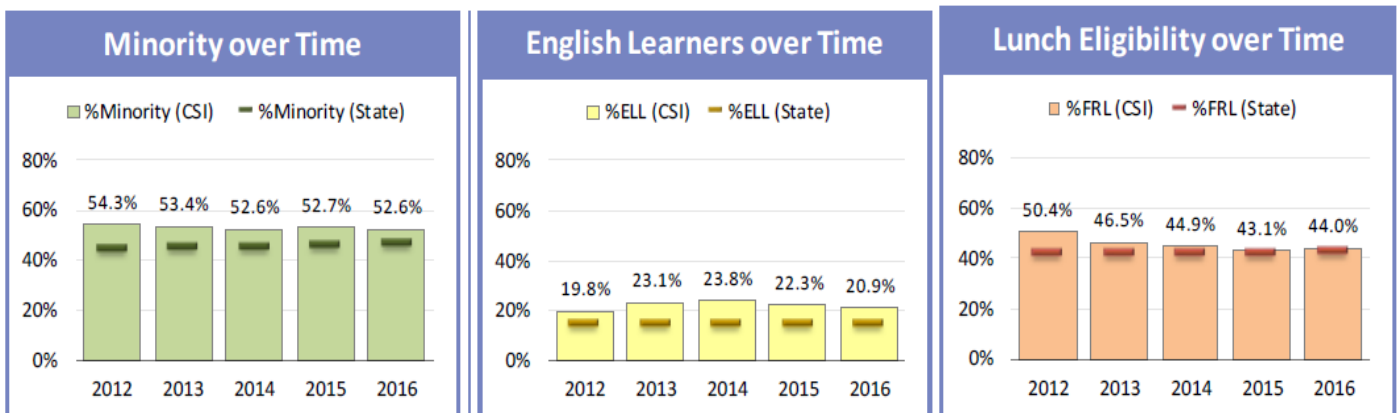
Department Priority: R-06
Request Detail: CSI Mill Levy Equalization

Summary of Incremental Funding Change for FY 2018-19	Total Funds	General Fund	Re-appropriated Funds
CSI Mill Levy Equalization	\$11,047,724	\$5,523,862	\$5,523,862

Problem or Opportunity:

Background on CSI

The Colorado Charter School Institute (CSI) was created by the Legislature in 2004 to address the growing number of charter schools, desire for innovative models to serve at-risk students, and the need for a mode of authorizing charter schools other than school districts. CSI's statutory mission is to foster high-quality charter schools that demonstrate high academic performance, with a particular focus on service to at-risk students. CSI now authorizes 41 public charter schools across the state, from Grand Junction to Calhan, Durango to Steamboat Springs. CSI schools serve over 17,000 PK-12 students, or just over 14% of Colorado's charter school population. In line with its mission, CSI consistently serves a higher percentage of minorities, English learners, and students eligible for free or reduced price lunch than the state as a whole.



Background on Mill Levy Sharing with Charter Schools

In 2017, mill levy overrides will generate over \$966.3M of local property tax revenue for use by public schools across the state. In the 2017 legislative session, there was a concerted effort to ensure that public charter school students have access to an equitable share of these funds as students attending traditional public schools within their geographic district. The Colorado Charter School Institute (CSI) worked with education reform partners across the state in support of this issue, and CSI school communities and families reached out to their legislators. In the end, HB17-1375 was passed with large bipartisan majorities.

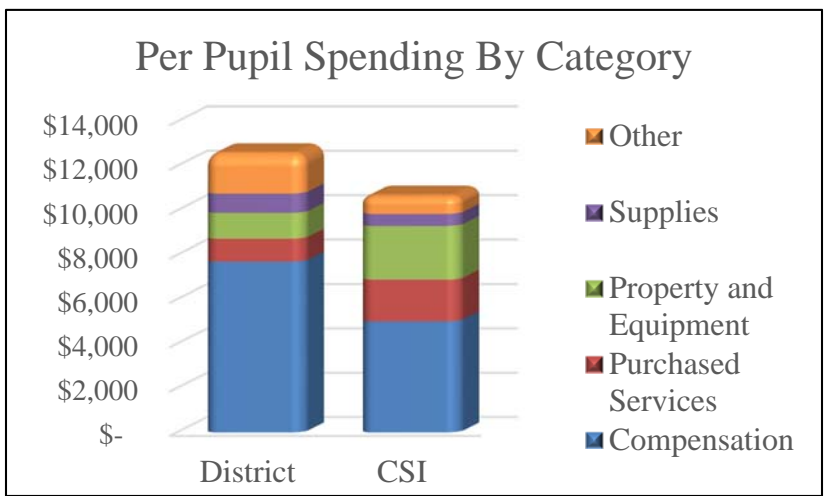
HB17-1375 requires school districts to distribute funding they receive from local property taxes generated by Mill Levy Overrides (MLO) on an equal per pupil basis to district charter schools beginning in the 2019-2020 year. Additionally, out of recognition that CSI schools have no access to local tax revenue, the bill created the Mill Levy Equalization Fund, a mechanism for providing equal funding to CSI students.

While the bill created the mechanism for funding, no dollars were allocated to the CSI fund, resulting in a significant funding inequity for CSI charter schools. HB17-1375’s primary objective was to provide equitable funding for all of Colorado’s public school children. The bill recognized the need to equalize funding for CSI students by creating a CSI fund, but left the work temporarily unfinished for the nearly 17,000 public school children that are attending CSI schools. In a time of limited resources for all schools, it is critical that the state address the greatest inequities facing Colorado’s public school children.

Consequences of the Problem

Without equitable funding and without a legal mechanism to raise local funding, CSI schools and teachers will continue working towards the same standards but will do so with fewer resources resulting in numerous inequities for CSI students.

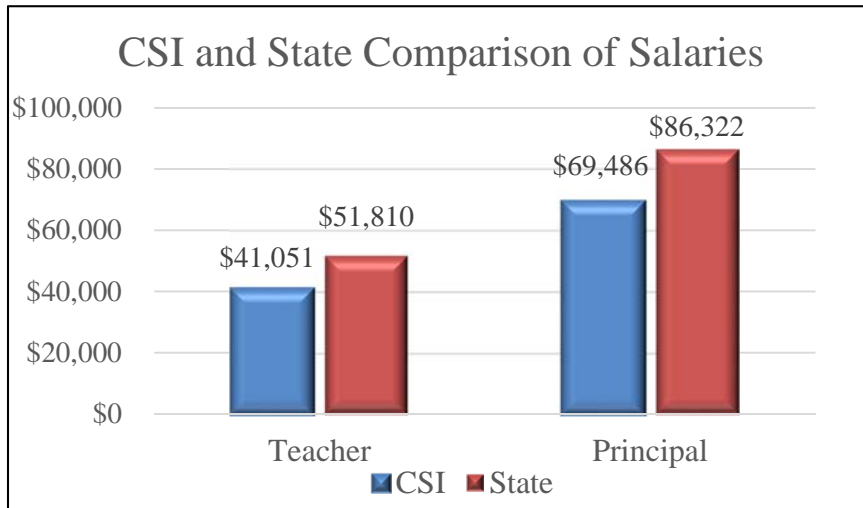
While some may argue that when students, families, and staff choose a particular school, they are also choosing to accept the compensation and service discrepancies of the school. On a per pupil basis, CSI schools spend less on staff compensation and more on facility costs than district schools, not necessarily out of choice, but out of reduced access to all public school funding sources and lower availability of adequate facilities. The effects of the reduced access to public school funding are illustrated in the following graph which compares FY 2016-17 per pupil spending by category between Colorado School Districts and CSI.



Some of the greatest inequities, which could be addressed in part of whole with mill levy equalization dollars, CSI schools face are highlighted in the following sections.

I. Impacts on the Teaching Force

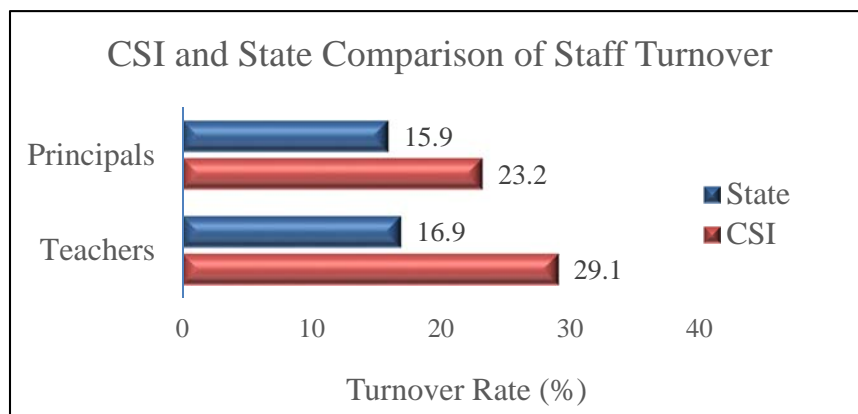
When looking at teacher and principal salaries from the 2016-2017 school year, CSI charter school teachers are receiving about \$10,000 less than their peers in the state. What’s more is that this discrepancy is not isolated to the 2016-2017 school year.



While teachers often choose to work at a charter school because of its mission, its model, and the students it’s serving, the lack of adequate compensation requires teachers to take on multiple jobs, find roommates, or ultimately leave the charter school in order to keep up with the cost of living.

	School Districts	CSI	VAR CSI Over/(Under) School Districts
Per Pupil Spending - Administrator Compensation	\$ 1,201	\$ 530	-55.9%
Per Pupil Spending - Professional - Instructional Compensation	\$ 6,155	\$ 3,337	-45.8%

The teacher turnover rate of CSI charter schools is nearly double that of the state’s public schools as a whole, with non-competitive compensation driving much of this turnover.



II. School Facilities

Inequitable funding plays a role in the challenges public charter schools face regarding school facilities. And again, this issue is more acute for CSI schools, which are not authorized by a school district but by a state-appointed board that does not have land, facilities, or access to local tax revenue. As shown in the following table, facility costs make up 18.3 percent of total spending for CSI schools and 3.8 percent of total spending for non-CSI schools.

	Non-CSI Schools	CSI Schools
Facility Costs as Percent of Total Spending	3.8%	18.3%
Schools Spending more than 15% on Facilities	3.1%	51.6%

Inadequate Facilities

While CSI charter schools end up spending a greater percentage of their budget on facilities, this does not lead to CSI charters being able to purchase or lease adequate facilities.

The cost and availability of facilities in Eagle County was perhaps the single most limiting factor in Stone Creek's facility selection. Stone Creek Charter School is a public K-8 school, with three campuses spread across 20 miles of I-70 between Gypsum and Edwards. Two of the campuses, serving grades K-4 and 5-8, lease vacant space in churches. While they were fortunate to find affordable and adequate church space to lease, these facilities have their own challenges. Every weekend, the school is required to tear down the school (i.e. school desks, equipment, decorations) and put back church (i.e. church furniture and artifacts) every Friday afternoon in preparation for weekend church activities, then adjust again Sunday evening in preparation for school on Monday. The school continues to work towards a future campus where all grades are under one roof. In fact, the board has had a standing facility committee with this particular charge. If Stone Creek received the same percentage of mill levy equalization funds that its geographic school district shares with its charter school, the school would receive over \$750,000 annually.

Unfavorable Rates & Terms

Though many in the charter sector agree that charter schools should not plan to spend more than 15-20% of revenue on facility costs, the reality is that many can't find viable options within this range. This is particularly an issue for charter schools that are starting up and have not yet had the opportunity to build a track record of success or may be starting up with smaller enrollment numbers, factors which can lead to less favorable terms such as higher interest rates, balloon payments, and less access to a variety of lenders.

Examples of unfavorable rates and terms can be found across the CSI portfolio, including:

- Colorado Military Academy, which opened in the fall of 2017, has entered into a facility financing agreement with a 20 year term, and an 8.8 percent interest rate. This will require the school to spend approximately 25 percent of its budget on facility costs.
- The Fort Collins and Colorado Springs campuses of the Global Village Academy both spent more than 25 percent of their budget on facility costs in FY 2015-16.

Unfortunately many charters, both CSI and district charters, struggle with limited options when it comes to lenders, but we will continue to advocate and try to attract more interest for businesses to enter the market, which will result in a more competitive market.

III. Transportation and Food Services

Inequitable funding compounds the heightened challenges CSI schools face when it comes to offering additional services like transportation and lunch programs. While these services may be commonplace in districts and even an option offered to charter schools authorized by school districts, CSI charter schools are located all over the state, making a centralized food service and transportation provider unfeasible. These issues are heightened for CSI charters located in rural areas due to limited viable contracting options.

Transportation

Less than half of CSI schools have the ability to offer regular transportation services between school and homes, and many cite the high costs of starting up a transportation program as a limiting factor. The only way that Two Rivers Community School in Glenwood Springs, a public K-8 school offering a place-based learning and language immersion model, could manage the high start-up costs of offering transportation was through grants and donations.

Start-up costs aren't the only limitations, however. Two Rivers Community Schools, in addition to other charter schools in the CSI portfolio, continue to face challenges with the high costs of maintaining vehicles and have had to fall back on family carpools on days when the bus wasn't functioning properly. While not required to provide transportation, co-leader Adriana Hire shares the importance of aligning the school's mission with its practices, "We seek to attract all students, and offering food services and transportation are ways to ensure we are doing that. And, because field trips are an essential part of our placed-based education program, we could not fulfill our program without transportation. While we don't have a playground for our little ones, we do have transportation and a kitchen." Over 50% of the school's student body relies on the transportation offered by Two Rivers. The school buses students from Glenwood Springs, New Castle, and as far away as Rifle. If Two Rivers Community School received the same level of MLO funding that charters within its geographic district receive, it would receive nearly \$500,000 annually.

Food Service

Generally, district-run charter schools work with their districts to receive a full service food service program through them. In such situations, districts may fund the food service program start-up costs of these charter schools through the district's food service funds and equipment necessary remains owned by district.

CSI charter schools don't always have the opportunity for this coordination with their district and many times seek non-district School Food Authorities (SFA's) to support their food service program. Unlike district-run charters, CSI charter schools find themselves paying the start-up costs of offering a food service program, which could include everything from purchase of equipment, to upgrade of facilities, to hiring staffing for administration of the programming. The cost of a warming kitchen is expensive, but a full kitchen is usually out of reach for CSI charter schools. Rural charters have additional struggles due to the limited options available due to geography.

One of the biggest challenges for smaller charters is offering a food service program that breaks even financially. Several charters contract with a vendor to provide meals since they may not have adequate facilities or staffing to provide the service in-house. However, the cost of offering a food service program is not covered by the federal reimbursements. After accounting for the fixed cost of a meal, the cost of staff, and the SFA administration fee, the cost of operating the food service program exceeds the highest allowable federal reimbursement for students eligible for free lunch. One CSI school's insistence on offering healthier meals to students ended in a food service program deficit of \$75,000.

Simply put, CSI students, families, teachers, and administrators face significant and unique challenges due to inequitable funding caused by a lack of access to local tax dollars available to other public schools in their respective taxing jurisdiction.

Proposed Solution:

CSI requests the budget include an appropriation that would follow a formula to distribute funding on a per pupil basis equal to the per pupil amounts of Mill Levy Override Funding that districts are distributing to district charter students.

Following this calculation, CSI requests a transfer of \$5,523,862 from the General Fund to the Mill Levy Equalization Fund for Fiscal Year 2018-19. This request represents the amount of funding that would need to be distributed to CSI schools to ensure they have access to the same level of per pupil funding as district-run charters within their geographic districts. The requested funds for Fiscal Year 2018-19 still wouldn't ensure true parity with traditional district schools. Funds would only ensure parity with some district charter schools given that not all districts are currently sharing mill levy dollars equally, or at all, with their district charter schools.

Once HB1375 is fully implemented beginning in the 2019-2020 school year, school districts will be required to either adopt a plan for distributing the revenue to its schools on an equal per student basis or distribute 95% of per pupil revenue to innovation school students and public charter school students of the school district. In future years, the proposed method for calculating the amount of funding required to ensure CSI students have equal access to sources of per pupil revenue would not change. However, it is anticipated that the result of the calculation, and thereby dollar amount of future year requests, will increase as school districts implement an equal sharing requirement.¹ If all school districts currently allocated an equal per pupil share of mill levy override revenue to their district charter schools (true funding parity), utilizing this method of calculation would result in a request of \$18,534,876.

Anticipated Outcomes:

The outcome of this funding request will be measured by the extent to which CSI charter schools achieve funding parity with their district-run charter school peers to ultimately provide them the financial resources to address some of the inequities shared above. As the intent of HB17-1375 was to ensure all public school students, regardless of public school type, had equal access to mill levy override dollars, funding this request will ensure the intent of the Legislature is fully realized.

In considering some of the consequences of funding inequities as highlighted above—teacher retention, facilities, and food and transportation services—it is anticipated that schools will be able to address these issues with access to additional dollars. While this proposed solution does not address the greater issues surrounding public school finance throughout the State, it does address the inequity of access to funding for a portion of Colorado's public schools. This proposed solution provides a fair approach to the issue and aligns with the intent of HB17-1375. In a time of limited resources, it is more important than ever to limit inequities in the funding model.

Additionally, two CSI schools provide an excellent glimpse into anticipated outcomes. Two CSI schools, both receiving the state’s highest plan type of Performance, are located in the geographic boundaries of Durango School District 9-R and were included in the district’s request for mill levy increase, and both received funding. They provide examples of how CSI schools can use funds to best support their most critical needs and goals.

Animas High School, in Durango, Colorado, received roughly \$90,000 in mill levy override funds from their geographic district and plans to spend this money on the areas of focus within its strategic plan: academics, culture, and facilities.

The school’s facility challenges have been documented in the Animas High School’s Annual Report:

In 2009 Animas High School opened in a strip mall at 32nd Street and Main. This location required extensive interior renovations every summer to accommodate burgeoning enrollment. But ultimately, the former building was never meant to house a school and the inaugural campus became cramped and overcrowded.



After careful consideration and years of searching and planning, Animas High School moved its campus to Twin Buttes of Durango in the summer of 2013. Twin Buttes’ mission and values align seamlessly with Animas High’s vision, educational approach and unique project-based learning curriculum. Denver-based Educational Facility Solutions, a company that specializes in providing facilities for charter schools, assisted with the construction of two custom built 12,000 sq. ft. modular buildingsⁱⁱ.



When asked how the mill levy override dollars were used, Animas school leader referred to the school’s ability to hone in on its mission. Specifically, the school’s mission speaks to the importance of fostering strong faculty-student relationships, which can most easily be accomplished through small class sizes. With the use of MLO sharing, the school was able to better address this promise and confirmed a noticeable improvement in school culture, climate, and student retention because of it. Continued sharing of MLO dollars will allow the school to also address its facility challenges.

Mountain Middle School, located in Durango and authorized by CSI, originally opened as a middle school serving grades 6-8, then expanding to serve grades 3 & 4 after consistent high performance. Mountain Middle School also received mill levy dollars from its geographic district. The school used the dollars to support its goal of adding more greenspace to the neighborhood, which previously didn’t have a park.

“Otter [Mountain Middle School’s Board Chair] said that before there was a playground, kids would play in a gravel lot at school that they nicknamed the “cheese grater.”

“We didn’t have any playground equipment before, so kids would play four square in that gravel lot,” Otter recalled.



The new playground equipment also can be used for fitness regimens by adults.

“It has been incredible to see how many neighborhood families have been enjoying the equipment,” Otter said. “It is multipurpose equipment for working out and for school kids.”



The completion of the park comes at the end of a series of energy-efficient additions to the school in January, including new classrooms, meeting spaces and an exhibition hall.

“This was all part of a larger vision. Not only to expand the brick and mortar space, but to expand the play area and the green space,” Otter said.

Otter said it was important to the school to provide these amenities not only for their students, but for the entire community.

“I think schools are an integral part of a community, and they represent a gathering place for many neighborhoods. We’ve always intended to enhance the neighborhood with Mountain Middle School’s building, space and activities,” Otter said.ⁱⁱⁱ

Assumptions and Calculations:

The calculations are based on the following assumptions and data points:

- FY 2016-17 Mill Levy Override Revenues for each respective accounting district^{iv}
- FY 2017-18 Projected Funded Count^v
- Percentage of Mill Levy Override Dollars currently shared with district charter schools^{vi}

The amount of the request will be updated using final FY 2017-2018 data for the above data points.

See Appendix A for detailed data and calculations by school

Supplemental, 1331 Supplemental or Budget Amendment Criteria:

Not Applicable

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?			
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?			

Is there sufficient revenue to support the requested cash fund expenditures?			
Does the request link to the Department's Performance Plan?	X		

ⁱ <https://leg.colorado.gov/bills/hb17-1375>

ⁱⁱ http://animashighschool.com/wp-content/uploads/2014/01/AHS_Annual_Report_2013.pdf

ⁱⁱⁱ <https://durangoherald.com/articles/175025>

^{iv} <https://www.cde.state.co.us/cdefinance/sfmillevy>

^v <https://www.cde.state.co.us/cdefinance/publicschoolfinanceactof1994-fy2017-18>

**Appendix A
CSI Mill Levy Equalization Preliminary* Calculation**

Accounting District Name	School Name	Voter Approved Override Funding at Full Equalization	Full Day Kinder Override Funding at Full Equalization	Total Override Funding at current equalization (equal to % shared with District Charter Schools in FY 2015-16)
ADAMS 12 FIVE STAR	ACADEMY OF CHARTER SCHOOLS	\$ 1,973,093	\$ -	\$ 59,193
ADAMS 12 FIVE STAR	GLOBAL VILLAGE ACADEMY - NORTHGLENN	\$ 978,130	\$ -	\$ 29,344
ADAMS 12 FIVE STAR	NEW AMERICA SCHOOL - THORNTON	\$ 391,234	\$ -	\$ 11,737
ADAMS 12 FIVE STAR	THE PINNACLE CHARTER SCHOOL ELEMENTARY	\$ 1,248,036	\$ -	\$ 37,441
ADAMS 12 FIVE STAR	THE PINNACLE CHARTER SCHOOL HIGH	\$ 543,893	\$ -	\$ 16,317
ADAMS 12 FIVE STAR	THE PINNACLE CHARTER SCHOOL MIDDLE	\$ 375,585	\$ -	\$ 11,268
AURORA	COLORADO EARLY COLLEGES - AURORA	\$ 281,809	\$ -	\$ 134,986
AURORA	MONTESSORI DEL MUNDO CHARTER SCHOOL	\$ 239,470	\$ -	\$ 114,706
AURORA	NEW AMERICA SCHOOL - LOWRY	\$ 450,894	\$ -	\$ 215,978
AURORA	NEW LEGACY CHARTER HIGH SCHOOL	\$ 121,741	\$ -	\$ 58,314
BRIGHTON 27J	HIGH POINT ACADEMY	\$ 31,024	\$ -	\$ 31,769
CALHAN	FRONTIER CHARTER ACADEMY	\$ -	\$ -	\$ -
COLORADO SPRINGS	COLORADO MILITARY ACADEMY	\$ 609,458	\$ -	\$ 224,890
COLORADO SPRINGS	COLORADO SPRINGS CHARTER ACADEMY	\$ 541,087	\$ -	\$ 199,661
COLORADO SPRINGS	COLORADO SPRINGS EARLY COLLEGES	\$ 768,913	\$ -	\$ 283,729
COLORADO SPRINGS	GLOBAL VILLAGE ACADEMY - COLORADO SPRINGS	\$ 456,176	\$ -	\$ 168,329
COLORADO SPRINGS	JAMES IRWIN CHARTER ACADEMY	\$ 353,130	\$ -	\$ 130,305
COLORADO SPRINGS	LAUNCH HIGH SCHOOL	\$ 91,130	\$ -	\$ 33,627
COLORADO SPRINGS	MOUNTAIN SONG COMMUNITY SCHOOL	\$ 374,022	\$ -	\$ 138,014
COLORADO SPRINGS	PIKES PEAK PREP	\$ 304,717	\$ -	\$ 112,441
COLORADO SPRINGS	THOMAS MACLAREN STATE CHARTER SCHOOL	\$ 563,870	\$ -	\$ 208,068
COMMERCE CITY	COMMUNITY LEADERSHIP ACADEMY	\$ 375,989	\$ -	\$ -
COMMERCE CITY	VICTORY PREPARATORY ACADEMY HIGH STATE CHARTER SCHOOL	\$ 142,771	\$ -	\$ -
COMMERCE CITY	VICTORY PREPARATORY ACADEMY Middle STATE CHARTER SCHOOL	\$ 177,499	\$ -	\$ -
DOUGLAS	COLORADO EARLY COLLEGES DOUGLAS COUNTY	\$ 269,305	\$ -	\$ 274,960
DURANGO	ANIMAS HIGH SCHOOL	\$ 625,334	\$ -	\$ 90,723
DURANGO	MOUNTAIN MIDDLE SCHOOL	\$ 560,335	\$ -	\$ 99,432
EAGLE	STONE CREEK SCHOOL	\$ 745,298	\$ -	\$ 756,477
EAST GRAND	INDIAN PEAKS CHARTER SCHOOL	\$ 57,389	\$ -	\$ -
MESA VALLEY	CAPROCK ACADEMY	\$ 341,633	\$ -	\$ -
MESA VALLEY	MONUMENT VIEW MONTESSORI	\$ 12,256	\$ -	\$ -
POUDRE	COLORADO EARLY COLLEGE FORT COLLINS	\$ 1,428,407	\$ -	\$ 621,357
POUDRE	GLOBAL VILLAGE ACADEMY - FORT COLLINS	\$ 378,268	\$ -	\$ 164,547
POUDRE	T.R. PAUL ACADEMY OF ARTS & KNOWLEDGE	\$ 263,216	\$ -	\$ 114,499
ROARING FORK	ROSS MONTESSORI SCHOOL	\$ 534,451	\$ -	\$ 534,451
ROARING FORK	TWO RIVERS COMMUNITY SCHOOL	\$ 495,278	\$ -	\$ 495,278
SALIDA	SALIDA MONTESSORI CHARTER SCHOOL	\$ 125,020	\$ -	\$ -
STEAMBOAT SPRINGS	MOUNTAIN VILLAGE MONTESSORI CHARTER SCHOOL	\$ 138,232	\$ 110,984	\$ 152,022
WESTMINSTER 50	CROWN POINTE CHARTER ACADEMY	\$ 459,430	\$ -	\$ -
WESTMINSTER 50	EARLY COLLEGE OF ARVADA	\$ 389,467	\$ -	\$ -
WESTMINSTER 50	RICARDO FLORES MAGON ACADEMY	\$ 317,886	\$ -	\$ -
Total		\$ 18,534,876	\$ 110,984	\$ 5,523,862

**Amounts will change when final FY 2017-18 Funded Pupil Counts and Mill Levy Override Amounts Are Finalized*

Schedule 13

Funding Request for the FY 2018-19 Budget Cycle

Department of Education

Request Title

R-07 Career Development Success Pilot Program

Dept. Approval By: _____



Supplemental FY 2017-18

X

Change Request FY 2018-19

OSPB Approval By: _____



Budget Amendment FY 2018-19

Summary Information	Fund	FY 2017-18		FY 2018-19		FY 2019-20
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$1,000,000	\$0	\$1,000,000	\$1,000,000	\$0
	FTE	0.0	0.0	0.0	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	\$1,000,000	\$0	\$1,000,000	\$1,000,000	\$0
	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2017-18		FY 2018-19		FY 2019-20
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$1,000,000	\$0	\$1,000,000	\$1,000,000	\$0
	FTE	0.0	0.0	0.0	0.0	0.0
02. Assistance to Public Schools, (C) Grant Programs, Distributions, and Other Assistance, (6) Other Assistance -- Career Development Success Pilot Program	GF	\$1,000,000	\$0	\$1,000,000	\$1,000,000	\$0
	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

CF Letternote Text Revision Required?	Yes	No	If Yes, see schedule 4 fund source detail.
RF Letternote Text Revision Required?	Yes	No	

Department of Education

FF Letternote Text Revision Required?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
Requires Legislation?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
Type of Request?	Department of Education Prioritized Request			
Interagency Approval or Related Schedule 13s:	None			



Cost and FTE

- The Governor's Office requests \$1.0 million General Fund to increase the funding available for the Career Development Success Pilot Program.

Current Program

- HB 16-1289 established the Career Development Success Pilot Program. This program provides financial incentives for participating school districts and charter schools that encourage high school students (grades 9-12) to complete a qualified workforce program. These programs include qualified industry credential programs, internships, residencies, construction pre-apprenticeship or apprenticeship programs, or qualified Advanced Placement courses.
- Current funding for the pilot program is \$1.0 million. Payments are distributed based on a priority order: certificates, internships, pre-apprenticeship programs, and advanced placement courses.

Problem or Opportunity

- Beginning in FY 2017-18, the Department of Education provided a financial incentive that averaged \$553.40 for each student who successfully completed a qualified workforce program offered by a participating school district or charter school during the previous school year.
- Data on the first year of the pilot shows that is successful, and that there is room to expand due to excess demand. Approximately 1,800 credentials were funded, but 1,300 were not due to lack of adequate funding.

Consequences of Problem

- Lack of adequate incentive funding may limit the number of districts willing to participate in the program. During the first year of operation, only 27 school districts participated with 65 percent of the submissions being from the Denver metro area. Increasing the incentive funding available may encourage a larger number of districts to explore opportunities in their local communities to offer qualified workforce programs.
- The priority funding requirement resulted in only industry-recognized certificates receiving the incentive funding. Funding was not available to reimburse school districts for the internships, residency programs, or advanced placement computer courses.

Proposed Solution

- Increasing the appropriation by an additional \$1.0 million will allow the Department to pay incentives based on demand for the program.



COLORADO

Department of Education

John W. Hickenlooper
Governor

Katy Anthes
Commissioner

FY 2018-19 Funding Request | November 1, 2017

Department Priority: R-07

Request Detail: Career Development Success Pilot Program

Summary of Incremental Funding Change for FY 2018-19	Total Funds	General Fund
Career Development Success Pilot Program	\$1,000,000	\$1,000,000

Problem or Opportunity:

The Governor's Office requests a \$1.0 million General Fund in the Department of Education to increase the funding available for the Career Development Success Pilot Program.

House Bill 16-1289 established the Career Development Success Pilot Program in the Department of Education. This program is designed to provide financial incentives for participating districts and charter schools to encourage high school students to enroll in and successfully complete qualified industry-certificate programs, internships or pre-apprenticeship programs, and advanced placement courses. The incentive payment may be up to \$1,000 per qualified credential earned by students participating in the program. Each school district and charter school may decide annually whether to participate in the pilot program. The pilot program is repealed on September 1, 2019.

The legislation requires the General Assembly to appropriate at least \$1.0 million annually to the pilot program beginning in FY 2017-18. The appropriation in FY 2017-18 provided the incentive payments to the students that completed a qualified workforce program during the 2016-17 school year. During the first year of implementation:

- 27 school districts participated,
- 3,106 total qualifying credentials / courses were reported and completed,
- 1,807 certificates were funded at an average payment of \$553.40,
- 1,299 credentials / courses were not funded.

Proposed Solution:

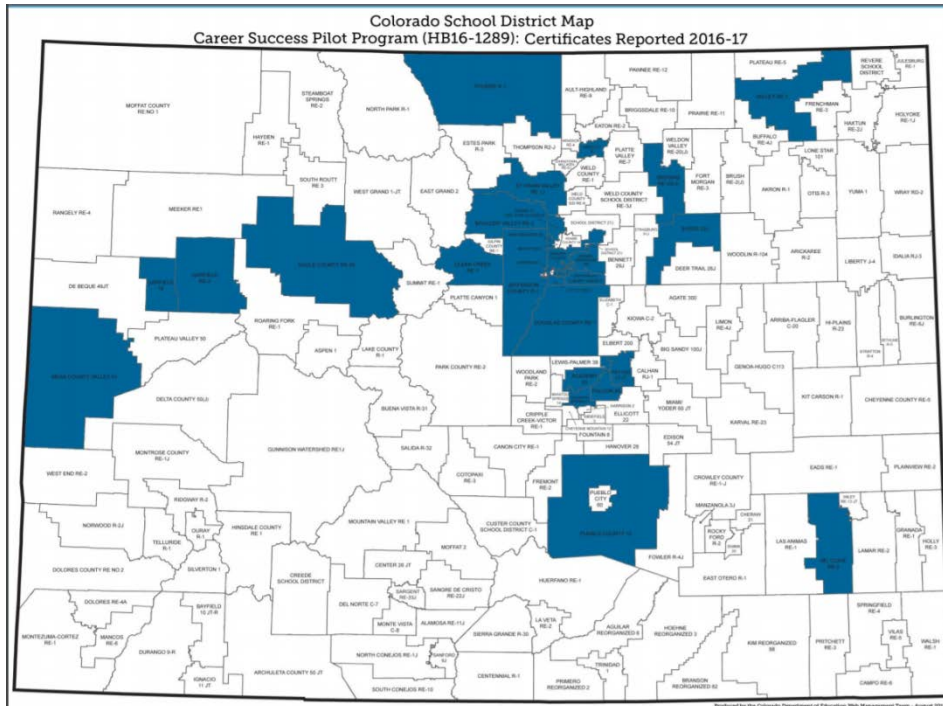
Per the requirements of the statute establishing the program, the incentive payments are distributed based on a priority order as follows:

- (1) Certificates,
- (2) Internships,
- (3) Residencies,
- (4) Construction pre-apprenticeship or apprenticeships, and
- (5) Advanced Placement courses.

Because of the high participation rate in the first year of implementation, the Department was only able to distribute incentive payments for students who completed an industry-recognized certificate program. Other qualified workforce programs were unable to receive incentive payments.

Qualified Program	# of Completions Reported by Participating Districts	# Funded	\$ Amount Funded
Industry-Recognized Certificates	1,807	1,807	\$1 million
Internships	470	0	\$0
Residency Programs	0	0	\$0
Construction Pre-Apprenticeships	86	0	\$0
Construction Industry Apprenticeships	0	0	\$0
Advanced Placement Computer Science Courses	743	0	\$0

Furthermore, most of the participating districts were located in only 27 Districts as shown in the map below.



In order to encourage broader participation in the program and to provide funding to qualified workforce programs in addition to the certificates, the Governor’s Office requests the General Assembly provide an additional \$1.0 million for this program. With the increased funding, the Department will be able to distribute \$2.0 million in incentive payments in FY 2018-19 for students who completed a qualified workforce program during the FY 2017-18 school year.

Anticipated Outcomes:

One of the strategic policy initiatives for the Department of Education is that every student graduates from the K-12 education system ready for college and careers. The Career Development Success Pilot Program furthers this goal by encouraging the development and participation in programs that train students in the skills that they will need to be successful in certain career paths. The Department of Education collaborates with the Colorado Workforce Development Council, the Colorado Department of Higher Education, the Colorado Community College System and the Colorado Department of Labor and Employment to ensure that the qualified workforce programs included in the pilot program’s incentive payments meet the needs of employers and students. These programs are designed to provide students with an opportunity to explore their individual talents and interests while also helping the student to understand how these interests intersect with the needs of the labor market so that future employment can be obtained.

The type of certificates and programs that qualify for the incentive payments include (not a complete list – please see Workforce Development Council webpage for a complete list):

Program Area	Issuing Organizations	Credential Certificate
Agriculture	Associated Landscapers of Colorado, Consortium of Agriculture Partners (Kansas & Colorado)	CPASS, Irrigation technician, Landscape Maintenance Technician, Landscape Construction Technician
Business	Society of Human Resource Management, Microsoft, National Bookkeepers Association, MBA Research, QuickBooks	SHRM Certification, Microsoft Certified User, Bookkeeper Certification, High School of Business, QuickBooks
Family and Consumer Science	CDHS, National Restaurant Association, American Association of Family and Consumer Science	Family and Consumer Science
Healthcare Science	DORA, National Healthcare Association, CDPHE, Microsoft, AAPC (American Academy of Professional Coders) American Council on Exercise, etc.	CNA, EMT, Health Information Technology, Radiology Tech, Dental Assistant, American College of Sports Medicine, Medical Billing, etc.
Skilled Trades	DORA, National Center for Construction, National Automotive Technicians, Air Conditioning, Heating & Refrigeration Institute, etc.	Barber License, Esthetician License, Automotive Certification, HVAC certifications, etc.
STEM	Autodesk, Adobe, AAMP, Amazon, Apple, Cisco,	CADD, Autodesk Inventor, Adobe Photoshop, Cisco, Java,

Program Area	Issuing Organizations	Credential Certificate
	Microsoft, Oracle etc.* (Not a complete list)	Business Intelligence Certifications, etc.* (Not a complete list)
Construction	Brick masons, Carpenters, Tile and marble setters, Cement masons, laborers, operating engineers, drywall installers, electricians, etc.	Pre-Apprenticeship / Apprenticeship Programs
AP Computer Science	College Board	AP Computer Science A or AP Computer Science Principles course completed with a minimum score of 3 on the end of course examination

The Department of Education must report to the Joint Education Committee each fall on the outcomes of the program. One of the items the Department must report is whether the Department was required to make a pro-rata reduction in the amounts distributed and whether a higher level of funding for the program would increase the number of students who meet the requirements for funding under the program. As state earlier, during the first year of implementation, the Department had to decrease the incentive payments to \$553.40 from the \$1,000 available under statute and could only fund the certificate programs.

It is hoped that the additional \$1.0 million requested will allow more school districts and programs to receive the incentive payment. This should encourage districts to actively develop these vocational and academic programs within their communities so that more students may participate.

Assumptions and Calculations:

The pilot program created in the legislation does not require the administration of grants by the Department of Education. Rather, the funding is distributed based on a statutory formula, similar to the way the state distributes funding on a per-pupil bases for the READ act. It is anticipated that if additional funding is available then the Department will be able to distribute funds based the criteria already established in the statute.