



## Line Item Descriptions

FY 2019-20  
Budget Request

November 1, 2018

This Page Intentionally Left Blank

**TABLE OF CONTENTS**

**(1) MANAGEMENT AND ADMINISTRATION.....1**

(A) ADMINISTRATION AND CENTRALLY-APPROPRIATED LINE ITEMS ..... 1

    State Board of Education ..... 1

    General Department and Program Administration ..... 1

    Office of Professional Services..... 1

    Division of On-line Learning..... 1

    Health, Life, and Dental..... 2

    Short-term Disability ..... 2

    S.B. 04-257 Amortization Equalization Disbursement..... 2

    S.B. 06-235 Supplemental Amortization Equalization Disbursement..... 2

    Salary Survey for Classified Employees..... 2

    Salary Survey for Exempt Employees ..... 2

    Merit Pay for Classified Employees ..... 3

    Merit Pay for Exempt Employees..... 3

    Workers' Compensation..... 3

    Legal Services..... 3

    Administrative Law Judge Services..... 3

    Payment to Risk Management and Property Funds ..... 3

    Leased Space..... 3

    Capitol Complex Leased Space ..... 4

    Reprinting and Distributing Laws Concerning Education..... 4

(B) INFORMATION TECHNOLOGY ..... 4

    Information Technology Services..... 4

    Payments to OIT ..... 4

    CORE Operations ..... 4

    Information Technology Asset Maintenance..... 5

    Disaster Recovery ..... 5

(C) ASSESSMENTS AND DATA ANALYSES ..... 5

Line Item Descriptions FY 2019-20 BUDGET REQUEST

|   |           |
|---|-----------|
| Colorado Student Assessment Program.....  | 5         |
| Federal Grant for State Assessments and Related Activities.....   | 5         |
| Longitudinal Analyses of Student Assessment Results.....  | 6         |
| Basic Skills Placement or Assessment Tests.....   | 7         |
| Preschool to Postsecondary Education Alignment.....   | 7         |
| Educator Effectiveness Unit Administration.....   | 8         |
| Accountability and Improvement Planning.....  | 8         |
| (D) STATE CHARTER SCHOOL INSTITUTE.....   | 8         |
| State Charter School Institute Administration, Oversight, and Management.....                                 | 8         |
| Institute Charter School Assistance Fund.....   | 9         |
| Other Transfers to Institute Charter Schools.....   | 9         |
| Transfer of Federal Moneys to Institute Charter Schools.....  | 9         |
| Department Implementation of Section 22-30.5-501 et seq., C.R.S.....  | 10        |
| CSI Mill Levy Equalization.....   | 10        |
| (E) INDIRECT COST ASSESSMENT.....   | 10        |
| Indirect Cost Assessment.....   | 10        |
| <b>(2) ASSISTANCE TO PUBLIC SCHOOLS.....</b>  | <b>10</b> |
| (A) PUBLIC SCHOOL FINANCE.....  | 10        |
| Administration.....   | 10        |
| Financial Transparency System Maintenance.....  | 11        |
| State Share of Districts' Total Program Funding.....  | 11        |
| Hold-harmless Full-Day Kindergarten Funding.....  | 12        |
| District Per Pupil Reimbursement for Juveniles Held in Jail Pursuant To Section 22-32-141 (4) (D), C.R.S..... | 12        |
| At-Risk Supplemental Aid.....   | 13        |
| At-Risk Per Pupil Additional Funding.....   | 13        |
| Rural Additional Funding.....   | 13        |
| (B) CATEGORICAL PROGRAMS.....   | 13        |
| (I) District Programs Required by Statute.....  | 14        |
| Special Education Programs for Children With Disabilities.....  | 14        |
| English Language Proficiency Program.....   | 15        |

Line Item Descriptions FY 2019-20 BUDGET REQUEST

- (II) Other Categorical Programs..... 16
  - Public School Transportation..... 16
  - Transfer to the Department of Higher Education for Distribution of State Assistance for Career and Technical Education ..... 16
  - Special Education Programs for Gifted and Talented Children..... 17
  - Expelled and At-risk Student Services Grant Program..... 18
  - Small Attendance Center Aid ..... 18
  - Comprehensive Health Education..... 19
- (C) GRANT PROGRAMS, DISTRIBUTIONS, AND OTHER ASSISTANCE..... 19
  - (I) Health and Nutrition ..... 19
    - Federal Nutrition Programs..... 19
    - State Match for School Lunch Program..... 19
    - Child Nutrition School Lunch Protection Program ..... 20
    - Start Smart Nutrition Program Fund..... 21
    - Start Smart Nutrition Program ..... 21
    - Breakfast After The Bell Nutrition Program ..... 21
    - S.B. 97-101 Public School Health Services..... 21
    - School Health Professionals Grant Program (Marijuana) ..... 22
  - (II) Capital Construction ..... 22
    - Division of Public School Capital Construction Assistance..... 23
    - Public School Capital Construction Assistance Board – Lease Payments ..... 23
    - Public School Capital Construction Assistance Board – Cash Grants ..... 23
    - Financial Assistance Priority Assessment ..... 23
    - State Aid for Charter School Facilities ..... 23
  - (III) Reading and Literacy ..... 24
    - Early Literacy Competitive Grant Program..... 24
    - Early Literacy Program Per Pupil Intervention Funding ..... 24
    - Early Literacy Assessment Tool Program ..... 25
    - Adult Education and Literacy Grant Program ..... 25
  - (IV) Professional Development and Instructional Support..... 25
    - Content Specialists..... 25

Line Item Descriptions FY 2019-20 BUDGET REQUEST

|   |           |
|---|-----------|
| School Bullying Prevention and Education Cash Fund .....                            | 27        |
| Office of Dropout Prevention and Student Re-Engagement.....                         | 27        |
| Stipends for Nationally Board Certified Teachers.....                               | 27        |
| Grow Your Own Educator Program .....  | 27        |
| Quality Teacher Recruitment Program .....   | 28        |
| Teacher Residency Expansion Program .....   | 28        |
| Retaining Teachers Grant Program.....   | 28        |
| Rural Teacher Recruitment, Retention, and Professional Development .....            | 28        |
| English Language Learners Technical Assistance.....                                 | 29        |
| English Language Proficiency Act Excellence Award Program .....                     | 29        |
| English Language Learners Professional Development and Student Support Program..... | 29        |
| Advanced Placement Incentives Pilot Program.....                                    | 29        |
| School Turnaround Leaders Development Program.....                                  | 29        |
| Computer Science Education Grant Program .....                                      | 30        |
| Advances Placement Exam Fee Grant Program .....                                     | 30        |
| (V) Facility Schools.....   | 30        |
| Facility Schools Unit and Facility Schools Board .....                              | 30        |
| Facility Schools Funding .....  | 30        |
| (VI) Other Assistance .....   | 31        |
| Appropriated Sponsored Programs .....   | 31        |
| School Counselor Corps Grant Program.....   | 31        |
| BOCES Funding per Section 22-5-122, C.R.S.....                                      | 31        |
| Contingency Reserve Fund.....   | 31        |
| Supplemental On-line Education Services.....  | 32        |
| Interstate Compact on Educational Opportunity for Military Children.....            | 32        |
| College and Career Readiness .....  | 33        |
| Career Development Success Pilot Program .....                                      | 33        |
| Colorado Student Leaders Institute.....   | 33        |
| (D) INDIRECT COST ASSESSMENT .....  | 33        |
| Indirect Cost Assessment.....   | 33        |
| <b>(3) LIBRARY PROGRAMS.....</b>  | <b>34</b> |

Line Item Descriptions FY 2019-20 BUDGET REQUEST

|  |           |
|--|-----------|
| Administration .....   | 34        |
| Federal Library Funding .....  | 35        |
| Colorado Library Consortium.....   | 35        |
| Colorado Virtual Library .....   | 35        |
| Colorado Talking Book Library, Building Maintenance and Utilities Expenses ..... | 36        |
| Reading Services for the Blind .....   | 36        |
| State Grants to Publicly-Supported Libraries Program .....                       | 37        |
| Indirect Cost Assessment.....  | 37        |
| <b>(4) SCHOOL FOR THE DEAF AND THE BLIND .....</b>                               | <b>38</b> |
| (A) SCHOOL OPERATIONS .....  | 39        |
| Personal Services .....  | 39        |
| Early Intervention Services.....   | 40        |
| Shift Differential .....   | 40        |
| Operating Expenses .....   | 41        |
| Vehicle Lease Payments .....   | 41        |
| Utilities.....   | 41        |
| Allocation of State and Federal Categorical Program Funding .....                | 41        |
| Medicaid Reimbursements for Public School Health Services .....                  | 41        |
| (B) SPECIAL PURPOSE .....  | 42        |
| Fees and Conferences .....   | 42        |
| Outreach Services .....  | 43        |
| Tuition from Out-of-State Students .....   | 44        |
| Grants .....   | 44        |

Line Item Descriptions FY 2019-20 BUDGET REQUEST

**(1) MANAGEMENT AND ADMINISTRATION**

**(A) ADMINISTRATION AND CENTRALLY-APPROPRIATED LINE ITEMS**

**State Board of Education**

This line item was established in the FY 2008-09 Long Bill to reflect funding that directly supports the State Board of Education. Previously, this funding was consolidated with “General Department and Program Administration” funding.

**General Department and Program Administration**

This line item provides funding and staff for, for the management and administration of a variety of education-related programs, and for general department administration, including support for human resources, budgeting, accounting, and information management. This line item supports both personal services and operating expenses. Sources of cash funds for this line item include general education development (GED) program fees, indirect cost recoveries, and transfers from various cash- and federally-funded line items in other sections of the budget.

**Office of Professional Services**

This office is responsible for administration of the Colorado Educator Licensure Act. This Office is funded entirely through fees paid by educators seeking licenses, endorsements, and authorizations. Pursuant to Section 22-60.5-112, C.R.S., the State Board of Education is to annually adjust fees charged for licensing purposes, if necessary, so that the revenue generated approximates the direct and indirect costs of administering the Colorado Educator Licensing Act. Fee revenues are deposited into the Educator Licensure Cash Fund. House Bill 11-1201 provided continuous spending authority for the next three years to enable the office to deal with a backlog in issuance of licenses.

**Division of On-line Learning**

Senate Bill 07-215 changed the oversight, structure, and funding of public school on-line education. This act required the State Board of Education to establish quality standards for on-line programs, and it created the Division of On-line Learning in the Department to support on-line programs, certify multi-district programs, and document and track complaints about on-line programs. The act also



## Line Item Descriptions FY 2019-20 BUDGET REQUEST

created a nine-member On-line Learning Advisory Board to report to the State Board on the operations of on-line programs and to provide policy recommendations. The act created the On-line Education Cash Fund, and it transferred to this cash fund \$830,000 of audit recoveries credited to the State Public School Fund. Currently, funds are appropriated from the State Education Fund for support of this program.

### **Health, Life, and Dental**

This line item provides funding for the employer's share of the cost of group benefit plans providing health, life, and dental insurance for state employees.

### **Short-term Disability**

This line item provides funding for the employer's share of state employees' short-term disability insurance premiums.

### **S.B. 04-257 Amortization Equalization Disbursement**

Pursuant to S.B. 04-257, this line item provides additional funding to increase the state contribution for Public Employees' Retirement Association (PERA).

### **S.B. 06-235 Supplemental Amortization Equalization Disbursement**

Pursuant to S.B. 06-235, this line item provides additional funding to increase the state contribution for Public Employees' Retirement Association (PERA).

### **Salary Survey for Classified Employees**

The Department uses this line item to pay for annual increases for salary survey and senior executive service positions.

### **Salary Survey for Exempt Employees**

This line item funds pay increases related to employee performance.

Line Item Descriptions FY 2019-20 BUDGET REQUEST

**Merit Pay for Classified Employees**

This line item funds awards related to employee performance.

**Merit Pay for Exempt Employees**

This line item funds awards related to employee performance.

**Workers' Compensation**

This line item is used to pay the Department's estimated share for inclusion in the state's workers' compensation program for state employees. This program is administered by the Department of Personnel and Administration.

**Legal Services**

This line item provides funding for the Department to purchase legal services from the Department of Law.

**Administrative Law Judge Services**

This line item provides funding for the Department to purchase services from the Department of Personnel and Administration, Administrative Hearings Division.

**Payment to Risk Management and Property Funds**

This line item provides funding for the Department's share of the statewide costs for two programs operated by the Department of Personnel and Administration: (1) the liability program, and (2) the property program. The state's liability program is used to pay liability claims and expenses brought against the State. The property program provides insurance coverage for state buildings and their contents.

**Leased Space**

Line Item Descriptions FY 2019-20 BUDGET REQUEST

This line item is used to pay for lease payments for space in locations outside the capitol complex.

**Capitol Complex Leased Space**

This line item is used to pay the Department of Personnel and Administration for the costs of maintaining state buildings that are part of the capitol complex.

**Reprinting and Distributing Laws Concerning Education**

Pursuant to Section 22-2-112 (1) (i), C.R.S., the Department is required to "cause to be reprinted annually laws enacted by the general assembly concerning education...and to furnish copies thereof to interested persons." All publishing costs are to be paid out of the State Public School Fund. The Department's practice for a number of years has been to reflect this as an expenditure of rental income earned on state education trust lands that is credited to the State Public School Fund.

**(B) INFORMATION TECHNOLOGY**

**Information Technology Services**

This line item was established in the FY 2008-09 Long Bill to reflect funding that directly supports information technology services. Previously, this funding was consolidated with "General Department and Program Administration" funding. Effective with FY 2011-12, this line item also includes funding previously identified as "School Accountability Reports and State Data Reporting System".

**Payments to OIT**

This line item, established by HB 14-1336 consolidates the Department's share of funding the various services provided by OIT.

**CORE Operations**

This line item provides funding for the Department's share of the Colorado Operations Resource Engine project.

Line Item Descriptions FY 2019-20 BUDGET REQUEST

**Information Technology Asset Maintenance**

This line item provides funding for the Department to implement an asset management plan to achieve and maintain a standard information technology environment.

**Disaster Recovery**

This line item provides funding for the equipment, disks, and tapes necessary to implement a disaster recovery plan. Funding is currently used for: equipment and supplies; offsite tape rotation; and server lease payments.

**(C) ASSESSMENTS AND DATA ANALYSES**

**Colorado Student Assessment Program**

Pursuant to H.B. 93-1313 and subsequent legislation, the Department developed educational model content standards in twelve subject areas and, each year since 1997, has administered student assessments in several subject areas and grades. The costs associated with administering the assessments include initial and ongoing development of the exams, printing and mailing of the exams, teacher training related to exam administration, scoring of the exam, and reporting exam scores. The total cost of assessments thus directly relates to the number of subject areas and grade levels assessed each year. In the current school year, the Department will administer all 23 assessments currently required by statute, as well as the ACT. Please note that the federal *No Child Left Behind Act*, passed by Congress in December 2001, required Colorado to implement four new assessments: mathematics assessments for third grade and fourth grade students; a science assessment for third, fourth or fifth grade students (Colorado chose fifth grade); and a science assessment for tenth, eleventh, or twelfth grade students (Colorado chose tenth grade). Pursuant to H.B. 03-1306 [Section 22-7-409 (1) (g), C.R.S.], the Department was required to develop and administer these four new assessments if the State received sufficient moneys from the federal government through the *No Child Left Behind Act*.

**Federal Grant for State Assessments and Related Activities**

Beginning with the FY 2002-03 Long Bill, the General Assembly has reflected federal funds anticipated to be available to Colorado annually pursuant to the federal *No Child Left Behind Act*, passed by Congress in December 2001. This funding is provided to states to cover the costs of developing additional statewide assessments and standards as required by the federal legislation. If a state has

## Line Item Descriptions FY 2019-20 BUDGET REQUEST

already developed the required assessments and standards, it may use the federal funds for other activities related to ensuring that schools and local educational agencies are held accountable for results, such as the following:

- Developing challenging state academic content and student academic achievement standards and aligned assessments in academic subjects for which standards and assessments are not required by the federal legislation;
- Developing or improving assessments of English language proficiency necessary to comply with other provisions of the federal legislation;
- Ensuring the continued validity and reliability of state assessments;
- Refining State assessments to ensure their continued alignment with the state's academic content standards and to improve the alignment of curricula and instructional materials;
- Developing multiple measures to increase the reliability and validity of state assessment systems;
- Strengthening the capacity of local educational agencies and schools to provide all students the opportunity to increase educational achievement, including carrying out professional development activities aligned with state student academic achievement standards and assessments;
- Expanding the range of accommodations available to students with limited English proficiency and students with disabilities to improve the rates of inclusion of such students, including professional development activities aligned with state academic achievement standards and assessments; and
- Improving the dissemination of information on student achievement and school performance to parents and the community, including the development of information and reporting systems designed to identify best educational practices based on scientifically based research or to assist in linking records of student achievement, length of enrollment, and graduation over time.

### **Longitudinal Analyses of Student Assessment Results**

Since 2000, the General Assembly has passed several bills concerning longitudinal analyses of student assessment results, and the provision of diagnostic information to districts and schools for the purpose of improving instruction. The Department has accomplished the following tasks to date:

- The Department has implemented a state data reporting system, which stores individual student assessment results.
- The Department has developed a process for assigning individual student identifiers to all students in public schools, including preschool children participating in the Colorado Preschool and Kindergarten Program and disabled preschool children receiving

## Line Item Descriptions FY 2019-20 BUDGET REQUEST

special education services. In addition, pursuant to S.B. 06-24, the Department has worked with the Colorado Commission on Higher Education to ensure that these unique identifiers will be used by Colorado higher education institutions.

- As required by Section 22-7-604, C.R.S., the Department now assigns each school an annual academic growth rating based on the proportion of students who make gains from one year to the next (i.e., comparing students' scale scores from one year to the next).
- As required by Section 22-7-604.3, C.R.S., the Department has developed a "mixed effects statistical model" to diagnostically calculate individual students' academic growth. The Department has calculated what constitutes sufficient academic growth for each student for each school year (i.e., how much growth needs to occur for that student to become proficient by at least 10th grade). In addition, just last school year, the Department provided districts and charter schools with electronic diagnostic growth information for each student enrolled in each school, based on assessment results.

Most recently, H.B. 07-1048 directed the Governor to appoint, and the Department of Education to convene, a new technical advisory panel to assist the Department in developing a longitudinal growth model to measure the academic growth of students. The act established new requirements and a timeline for development and implementation of the model, and it required the Department to calculate adequate longitudinal growth for each student and each school beginning July 1, 2007, and by July 1 each year thereafter. The panel was to develop a new method to identify schools that demonstrate the highest rate of academic growth for purposes of the Governor's Distinguished Improvement Awards. The Technical Advisory Panel has submitted a report to the State Board concerning the recommended statistical model, and the State Board anticipates promulgating rules related to the growth model on March 13, 2007.

### **Basic Skills Placement or Assessment Tests**

Passed in HB12-1345, 22-32-109.5 C.R.S, provides funding for districts to administer basic skills placement or assessment tests to students enrolled in grades 9-12. While the district may assess each student any time and as often as it deems necessary, the funding provides for only one test per student. If the district chooses to assess the student with the basic skills or placement test, the student's Individual Career and Academic Plan shall include the scores achieved on the assessment.

### **Preschool to Postsecondary Education Alignment**

This line item was established by SB08-212. This legislative made findings concerning the importance of aligning education standards and assessments from preschool through postsecondary and workforce readiness. It directs the state board of education to adopt a description of school readiness and standards for preschool through elementary and secondary education. It further directs the

## Line Item Descriptions FY 2019-20 BUDGET REQUEST

state board to adopt assessments that are aligned with the school readiness description. This line item provides funding for these purposes as required pursuant to Section 22-7-10, C.R.S.

### **Educator Effectiveness Unit Administration**

This line item created was created in HB12-1345 to provide administrative funding for the Educator Effectiveness Unit. It is an ongoing General Fund appropriation to finance the FTE and ongoing activities of the Educator Effectiveness Unit, which is charged with implementing SB09-163.

### **Accountability and Improvement Planning**

New Long Bill line for FY13-14 to provide funding for the full implementation of the improvement planning required by SB09-163 in 22-11-201, C.R.S. Annually, the State Board of Education must review the performance of the statewide education system.

## **(D) STATE CHARTER SCHOOL INSTITUTE**

### **State Charter School Institute Administration, Oversight, and Management**

House Bill 04-1362 created the State Charter School Institute as an independent agency in the Department of Education. The Institute is allowed to authorize "institute charter schools" located within a school district's boundaries if the school district has not retained exclusive authority to authorize charter schools. The act also created a board to oversee the operations of the Institute, and permits the Institute to hire staff and contract for services. The act directs the Department to withhold a portion of the State Share of Districts' Total Program funding from the school district where an institute charter school is located and to forward the withheld amount to the Institute. The act permits the Department to retain up to 2.0 percent of the amount withheld from the State Share "as reimbursement for the reasonable and necessary costs to the department to implement the provisions of [Section 22-30.5-501 et seq., C.R.S.]" (See Section 22-30.5-513 (4) (a), C.R.S.). The act also permits the Institute to retain up to 3.0 percent of the amount withheld from the State Share for the "actual costs incurred by the institute in providing necessary administration, oversight, and management services" to institute charter schools (see Sections 22-30.5-513 (2) (b) and (4) (a), C.R.S.).

## Line Item Descriptions FY 2019-20 BUDGET REQUEST

House Bill 04-1362 did not include provisions requiring the Institute to establish funds and accounts for budgeting and accounting purposes (similar requirements for school districts are included in Article 45 of Title 22, C.R.S.). Absent these requirements, the accounting staff at the Department (who perform all accounting duties on behalf of the Institute) use the State Charter School Institute Fund for purposes of accounting for all of the funds that flow through or are spent by the Institute. This fund was originally created for purposes of accounting for gifts, grants, or donations received by the Institute. Moneys in this fund are subject to available appropriations. Department staff indicated that pursuant to Section 22-54-114 (1), C.R.S., they are authorized to forward the State Share moneys to Institute charter schools without a separate appropriation. However, Department staff believe that spending authority is required out of the State Charter School Institute Fund for the Institute to incur administrative expenses and for the Institute to forward any categorical funding to Institute charter schools. Since FY 2006-07, the Long Bill has included four line items to allow the Department to forward funds as necessary to the Institute and its schools, and to track Department-level expenditures related to the Institute. While this structure is not ideal, it appears to be functional given the current circumstances. Each of the line items is discussed below, along with recommended funding levels for FY 2008-09.

### **Institute Charter School Assistance Fund**

Pursuant to Sections 22-30.5-513 (4) (a) (I.5) (B) and 22-30.5-515.5, C.R.S., 1.0 percent of SCSi charter schools' per pupil funding is annually credited to the Institute Charter School Assistance Fund. Moneys in the Fund are subject to annual appropriation to the SCSi for the direct and indirect costs associated with the following:

- awarding grants and interest-free loans to assist Institute charter schools in meeting capital construction needs, including obtaining financial assistance through the Building Excellent Schools Today (BEST) program or repaying bonds issued by the Colorado Educational and Cultural Facilities Authority for construction of buildings; or
- in addressing other facility or special education funding emergencies.

### **Other Transfers to Institute Charter Schools**

This line item was intended to provide spending authority to the Department to forward categorical funding, as appropriate, to Institute charter schools.

### **Transfer of Federal Moneys to Institute Charter Schools**



Line Item Descriptions FY 2019-20 BUDGET REQUEST

This line item was created by the 2009 Long bill. It reflects the total federal dollars received by the State Charter School Institute for pass-through to its Institute Charter Schools. Further, the line also reflects the total FTE supported with these federal moneys.

**Department Implementation of Section 22-30.5-501 et seq., C.R.S.**

This line item is intended to provide spending authority to the Department to spend up to 2.0 percent of the amount withheld from the State Share for performing Department-level duties associated with the implementation of H.B. 04-1362.

**CSI Mill Levy Equalization**

This line item funds the implementation of H.B. 17-1375, transferring funds to the Mill Levy Equalization Fund for distribution to the Colorado Charter School Institute.

**(E) INDIRECT COST ASSESSMENT**

**Indirect Cost Assessment**

Authorized by the Long Bill for Fiscal Year 2013-14, this line reallocates funds from line items that included the assessed funds to the new Indirect Cost Assessment line item with no change in total funding.

**(2) ASSISTANCE TO PUBLIC SCHOOLS**

**(A) PUBLIC SCHOOL FINANCE**

**Administration**

This line item provides funding for staff responsible for administration of the School Finance Act and the Colorado Preschool and Kindergarten Program, as well as auditing school districts to ensure compliance with the federal school lunch programs, public school

Line Item Descriptions FY 2019-20 BUDGET REQUEST

transportation, and English language proficiency programs, as required by pursuant to Section 22-2-112, C.R.S. and Section 22-2-113, C.R.S.

**Financial Transparency System Maintenance**

This line item provides funding for to support maintenance of the financial transparency website pursuant to Section 22-44-105,C.R.S

**State Share of Districts' Total Program Funding**

The primary source of funding for public schools in Colorado is provided pursuant to the Public School Finance Act of 1994, which establishes a per pupil-based formula for determining the "total program" funding level for each school district. The formula provides the same *base* amount of funding per pupil for every district. Pursuant to Section 17 of Article IX of the Colorado Constitution, the General Assembly is required to provide annual inflationary increases in base per pupil funding. Specifically, for FY 2001-02 through FY 2010-11, the base per pupil funding amount must increase annually by at least the rate of inflation plus one percent; for FY 2011-12 and each fiscal year thereafter, the base per pupil funding amount must increase annually by at least the rate of inflation. For FY 2011-12, base per pupil funding will need to increase from \$5,529.71 to \$5,634.77 (1.9 percent), based on an actual inflation rate of 1.92 percent in CY 2010.

The formula then increases this statewide base per pupil funding for each district based on factors that affect districts' costs of providing educational services. Thus, per pupil funding allocations vary for each district. These factors currently add funding for: (a) districts with a higher cost of living; (b) the presence of students who may be at risk of failing or dropping out of school (determined based on the number and concentration of students eligible for free lunch under the federal school lunch program, and English language learners); and (c) districts with lower enrollment to recognize the economies of scale experienced by larger school districts. In addition, the school finance formula requires a minimum level of per pupil funding, regardless of the impact of the cost of living, at-risk, and size factors described above.

The School Finance Act also provides a flat rate of funding per pupil (established at \$6,795 for FY 2011-12) for two types of students:

- Students receiving full-time on-line instruction through a multi-district program; and

## Line Item Descriptions FY 2019-20 BUDGET REQUEST

- Students in their fifth year of high school who are participating in the Accelerating Students Through Concurrent Enrollment (ASCENT) Program.

Finally, for FY 2010-11 and FY 2011-12 only, the formula includes a negative "state budget stabilization" factor designed to reduce districts' total program funding to a specified total amount (\$5.4 billion). For FY 2011-12, under current law, this factor is estimated to be -9.2%, requiring a statewide reduction of \$548.0 million. Thus, the Department will calculate total program funding for each district based on the formula described above, and will then reduce each district's total program funding by 9.2 percent<sup>4</sup>. This new factor has the effect of reducing the funding attributed to the other formula factors.

Each individual district's per pupil funding is multiplied by its funded pupil count to determine its "total program" funding. Once the total program funding amount is determined for each district, the state and local share of such funding is calculated for each district. Local property and specific ownership taxes provide the first source of revenue for each district's total program funding, and the remainder is covered by state funds. Property taxes are based on each district's tax rate (the mill levy) and the portion of property value that is taxable (the assessment rate). Specific ownership taxes are paid when a registering motor vehicle. For FY 2011-12, local property taxes and specific ownership taxes are projected to decrease by 7.1 percent.

### **Hold-harmless Full-Day Kindergarten Funding**

This line item was established by HB08-1388. This line item provides funding to school districts for students enrolled in full-day kindergarten, as required pursuant to Section 22-54-130, C.R.S.

### **District Per Pupil Reimbursement for Juveniles Held in Jail Pursuant To Section 22-32-141 (4) (D), C.R.S.**

Senate Bill 10-054 requires school districts to provide educational services for no more than four hours per week during the regular school year to juveniles who are charged as adults in criminal matters and are being held pending trial in county jails or other facilities that detain adult offenders. The school districts are required to comply with the federal Individuals with Disabilities Education Act when the juvenile has a disability. The districts are not required to provide educational services to juveniles who have graduated from high school, received a GED, or refused such services. Juveniles who refuse services must be offered a weekly chance to accept services.

This line item provides spending authority for reimbursements to school districts in FY 2011-12.

## Line Item Descriptions FY 2019-20 BUDGET REQUEST

Similar appropriations are included in Section 2) Assistance to Public Schools, (A) Public School Finance, Administration and Section 2) Assistance to Public Schools, (C) Grant Programs, Distributions, and Other Assistance, (VI) Facility Schools, District Per Pupil reimbursement for Juveniles Held in Jail Pursuant to Section 22-32-141 (4) (d), C.R.S.

Funding for all the above appropriations shall be from the Read-To-Achieve Cash Fund.

### **At-Risk Supplemental Aid**

This line item was created pursuant to HB 12-1345 to provide supplemental aid for at-risk students to qualifying districts and schools.

### **At-Risk Per Pupil Additional Funding**

This line item provides additional per pupil funding for 'At-risk' pupils.

### **Rural Additional Funding**

This line item provides additional per pupil funding for large and small rural districts.

## **(B) CATEGORICAL PROGRAMS**

Programs designed to serve particular groups of students (e.g., students with limited proficiency in English) or particular student needs (e.g., transportation) have traditionally been referred to as "categorical" programs. Unlike public school finance funding, there is no legal requirement that the General Assembly increase funding commensurate with the number of students eligible for any particular categorical program. However, Section 17 of Article IX of the Colorado Constitution requires the General Assembly to increase *total state funding* for all categorical programs annually by at least the rate of inflation plus one percent for FY 2001-02 through FY 2010-11, and by at least the rate of inflation for subsequent fiscal years. For example, based on the actual inflation rate for calendar year 2007 (2.2 percent), the General Assembly is required to increase state funding for categorical programs by at least \$6.7 million (3.2 percent) for FY 2008-09.

Line Item Descriptions FY 2019-20 BUDGET REQUEST

The General Assembly determines on an annual basis how to finance the required increase, and how to allocate the required increase among the various categorical programs.

**(I) DISTRICT PROGRAMS REQUIRED BY STATUTE**

**Special Education Programs for Children With Disabilities**

Pursuant to the federal *Individuals with Disabilities Education Act* and the state *Exceptional Children's Educational Act* [Article 20 of Title 22, C.R.S.], school districts are required to provide free educational services to children, ages three to 21, who by reason of one or more conditions are unable to receive reasonable benefit from ordinary educational services. Districts are also required to provide free educational services to children "whose presence in the ordinary educational program is detrimental to the education of others and who must therefore receive modified or supplementary assistance and services in order to function and learn". Services provided must be individualized and appropriate for the specific needs of the child, and to the extent possible, be provided in the least restrictive environment. Federal and state law require administrative units (usually a school district or a board of cooperative service) to provide all necessary services to children identified as having a disability regardless of the cost or other district needs and priorities. In addition to total program funds districts receive to provide educational services to children with disabilities (including three- and four-year-old children); districts are statutorily eligible to receive reimbursement for additional costs incurred in providing educational services to school-age children with disabilities. These reimbursements are subject to available appropriations. For FY 2006-07, the Department allocated the following amounts to administrative units and state-operated programs:

State Funding \$ 115,953,326  
Federal IDEA, Part B Grant 124,738,515  
Federal IDEA, Part B, Section 619 Grant (Preschool) 3,726,919  
Total: SFY 2006-07 244,418,760

*Federal funds* are generally allocated based on the total number of elementary and secondary students within the boundaries of each administrative unit, with a portion of the funding allocated based on the number of children living in poverty. Pursuant to H.B. 06-1375, the Department allocated *state funds* among units as follows for FY 2006-07:

## Line Item Descriptions FY 2019-20 BUDGET REQUEST

- Administrative units received \$1,250 for each child with a disability who was reported on the December 2005 (prior year) special education count. [\$103.9 million for FY 2006-07]
- Administrative units received an additional \$6,000 per student for a percentage of the children reported on the December 2005 count with the following disabilities: significant limited intellectual disability, significant identifiable emotional disability, hearing disability, vision disability, deaf-blind, autism, traumatic brain injury, and multiple disabilities. The percentage is determined by the appropriation. [\$9.6 million for FY 2006-07]
- Administrative units received grants for reimbursement of high costs incurred in providing special education services to a child in the preceding fiscal year. For FY 2006-07, "high costs" were considered those exceeding \$40,000. These grants were distributed based on recommendations from the Colorado Special Education Fiscal Advisory Committee, taking into consideration the magnitude of the high costs incurred by a unit in relation to its budget. [\$2.0 million for FY 2006-07]
- A total of \$402,000 was allocated to reimburse administrative units for excess costs paid to eligible facilities within the unit's boundaries for students with disabilities: (a) for whom parental rights have been relinquished or terminated; (b) the parents of whom are incarcerated or cannot be located; (c) the parents of whom reside out of the state but the Department of Human Services has placed such children within the administrative unit; or (d) who are legally emancipated.

### **English Language Proficiency Program**

Pursuant to the federal *No Child Left Behind Act* [Title III - Language Instruction for Limited English Proficient and Immigrant Students], the federal *Civil Rights Act of 1964* [Title VI], and the English Language Proficiency Act [Article 24 of Title 22, C.R.S.], districts are required to identify and provide programs for students whose dominant language is not English. The Department previously provided data detailing the number of students eligible for state funding as well as the number receiving English language learner (ELL) services who are not eligible for state funding, by grade level. This data indicated that the largest numbers of students are receiving ELL services in preschool through third grade (46 percent).

Some federal funding is available for such programs (an estimated \$11.3 million for FY 2007-08), and the State provides assistance to districts through two mechanisms. First, districts receive "at risk" funding through the School Finance Act for students whose dominant language is not English. Second, districts receive funding through the English Language Proficiency Act (ELPA) for students whose dominant language is not English. This ELPA funding, however, is limited to a maximum of two years per student. For FY 2006-07, the Department of Education distributed \$6.1 million in state ELPA funding to 143 school districts for 71,582 eligible students. Nearly two-thirds of state funding is provided for students in kindergarten through third grade.

## Line Item Descriptions FY 2019-20 BUDGET REQUEST

The Department is required to allocate state funding in two parts:

- Three-quarters of the amount appropriated is to be used to provide funding to districts serving students who: (a) speak languages other than English and do not comprehend or speak English; or (b) students who comprehend or speak limited English, but whose predominant language is not English. Annual per eligible student funding for these types of students may not exceed \$400 or 20 percent of the state average per pupil operating revenues for the preceding year, whichever is greater.
- The remaining 25 percent of the appropriated is to be distributed to districts that serve students whose dominant language is difficult to determine as they speak and comprehend limited English and at least one other language. Annual per eligible student funding for these types of students may not exceed \$200 or 10 percent of the state average per pupil operating revenues for the preceding year, whichever is greater.

### (II) OTHER CATEGORICAL PROGRAMS

#### **Public School Transportation**

Pursuant to Section 22-32-113, C.R.S., a school district may provide transportation for students to and from school. However, a school district must provide transportation for students who fall under the federal *Individuals with Disabilities Education Act* or Section 504 of the federal *Rehabilitation Act of 1973*, as well as homeless students. The Department indicates that with the exception of one district (San Juan - Silverton), all districts provide transportation services. Statewide, over 40 percent of students are transported. School districts employ a fleet of over 6,200 buses and small vehicles traveling approximately 50.4 million miles each year.

State funding is provided to reimburse school districts for a portion of the costs incurred to transport students. Pursuant to Section 22-51-104, C.R.S., and subject to available appropriations, each district is eligible to receive reimbursement equal to \$0.3787 per-mile-traveled plus 33.87 percent of its total transportation-related costs (excluding capital outlay expenses) in excess of the per-mile traveled reimbursement. Districts are authorized to generate additional local revenues to support their transportation programs via an additional mill levy or a transportation user fee. While voter approval is required to levy additional taxes, as of FY 2005-06, a district is allowed to impose a user fee without prior voter approval. Six districts have received voter approval to levy separate mills to generate additional local revenues<sup>17</sup>, but no district has imposed a separate user fee. In years when the appropriation does not fully fund the maximum allowable reimbursement, the Department prorates reimbursements accordingly.

#### **Transfer to the Department of Higher Education for Distribution of State Assistance for Career and Technical Education**

## Line Item Descriptions FY 2019-20 BUDGET REQUEST

The State Board for Community Colleges and Occupational Education is responsible for approving vocational education programs, as well as distributing state funds to school districts with students enrolled in approved vocational education programs. The Colorado Commission on Higher Education indicates that roughly 93 percent of school districts provide vocational educational opportunities to their students.

The state funds appropriated pursuant to the Colorado Vocational Act are distributed to school districts to partially reimburse related personnel, books and supplies, and equipment for approved programs. Specifically, state funding is available to a district if its approved vocational education program cost per full-time equivalent student exceeds 70 percent of the district's per pupil operating revenues for the same fiscal year. A district is eligible to receive reimbursement for 80 percent of the first \$1,250 in "excess costs" incurred, and 50 percent of any excess costs above \$1,250. Each participating district is required to estimate program costs and enrollments at the beginning of each school year, and actual cost data at the end of the school year. Districts receive funding quarterly based on such estimated figures. Any difference between a district's estimated and actual costs is added or subtracted from the first quarterly payment in the following fiscal year. If the appropriation is insufficient to fully fund the amount districts are eligible to receive, the Department of Higher Education prorates distributions accordingly.

### **Special Education Programs for Gifted and Talented Children**

The state *Exceptional Children's Educational Act* defines gifted students as those whose "abilities, talents, and potential for accomplishments are so outstanding that they require special provisions to meet their educational needs" [see Section 22- 20-103 (3.7), C.R.S.]. Unlike providing educational services for children with disabilities, Colorado school districts are not required to provide special educational services for gifted and talented children. Pursuant to Section 22-20-104.5, C.R.S., however, each administrative unit is required to adopt and implement a program to identify and serve gifted children; the plan is to be implemented "to the extent that funds are provided for the implementation". Funding that is provided by the state for gifted and talented programs are to supplement, not supplant, programs for students with disabilities.

For FY 2006-07, the Department allocated \$7.5 million to administrative units. State distributions may be used for teacher salaries, staff training and development, and activities, materials and equipment associated with the education of gifted students. In order to receive funding, a district or board of cooperative service must submit a complete and thorough plan for gifted and talented education programming. The Department has established a formula for distributing funds that allocates funds on a per-student basis, while



## Line Item Descriptions FY 2019-20 BUDGET REQUEST

ensuring that each administrative unit receives the same base amount of funding each year (based on FY 2002-03 funding levels). Another \$500,000 will be used to support ten gifted education regional consultants and professional development.

### **Expelled and At-risk Student Services Grant Program**

This program, first funded in FY 1997- 98, provides grants to school districts, to boards of cooperative services, to charter schools, alternative schools within school districts, to nonpublic, nonparochial schools, and to pilot schools (established pursuant to Section 22-38-101 et seq., C.R.S.) for the provision of educational services to expelled students and to students at risk of being suspended or expelled. The Department evaluates grant applications received, and the State Board of Education approves annual grant awards. The Department places strong emphasis on research-validated programs and strategies, and programs are required to show significant district support for program sustain ability after grant funding ends. The Board is required to award at least 45 percent of the moneys to applicants who provide educational services to students from more than one school district. The Department awards grants on a rolling basis (i.e., when one grant is completed, the funding is reallocated to fund a new award).

### **Small Attendance Center Aid**

Pursuant to Section 22-54-122, C.R.S., school districts that operate a school with fewer than 200 pupils that are located twenty or more miles from any similar school in the same district are eligible to receive additional state funding to offset the unique costs associated with operating such schools. The amount of additional state aid that a district is eligible to receive is based on the number of eligible schools it operates, the number of pupils in each eligible school, and the district's per pupil funding. Similar to other categorical programs, whether a school district eligible for Small Attendance Center Aid actually receives the maximum reimbursement allowable is subject to appropriation:

*The general assembly shall appropriate annually an amount for small attendance center aid to be distributed pursuant to the formula in subsection (2) of this section. In the event the amount of money appropriated by the general assembly is less than the amount of aid authorized by this section to all districts, the amount to be distributed to each school district shall be in the same proportion as the amount that the appropriation bears to the total amount of aid for all districts. [Section 22-54-122 (3), C.R.S.]*

However, the amounts appropriated annually since FY 1998-99 have provided adequate funding to reimburse eligible districts for the full amount statutorily allowed.

**Comprehensive Health Education**

The *Colorado Comprehensive Health Education Act of 1990* encourages every school district to provide a pre K-12th grade planned, sequential health education program. The program stresses parental and community involvement, and parents have the right to exempt students from any or all of the health education program. This line item provides funding for the Department to allocate funds among school districts and BOCES seeking funding for a local comprehensive health education program. The Department of Education is to work with the Department of Public Health and Environment to review applications for state funding, and the State Board of Education is to allocate available funds. Grants to implement a pre K-12th grade comprehensive health education program are available in three year cycles. The next application period begins this spring.

**(C) GRANT PROGRAMS, DISTRIBUTIONS, AND OTHER ASSISTANCE**

**(I) HEALTH AND NUTRITION**

**Federal Nutrition Programs**

Effective with FY 2008-09 this line item reflects all federal funding that is available for nutrition programs (an estimated \$96 million for FY 2008-09), along with the staff that are supported by a portion of that funding (7.1 FTE). Previously, these amounts were included in the "Appropriated Sponsored Programs" line item. In addition, 0.9 FTE responsible for administering nutrition programs were transferred from the General Department and Program Administration line item.

**State Match for School Lunch Program**

The National School Lunch Program, which is administered by the Food and Nutrition Service of the U.S. Department of Agriculture, was created in 1946. The program allows public or private non-profit schools and public or private nonprofit residential child care facilities to receive cash subsidies and donated commodities from the U.S.D.A. for each meal they serve. Participating schools and facilities must serve meals that meet certain federal requirements and they must offer free or reduced price lunches and after school snacks to eligible children. Specifically, meals must be free to children whose families are at or below 130 percent<sup>18</sup> of the federal poverty level, and offered at a reduced price (up to \$0.40 per meal) to those with families between 130 percent and 185 percent of the

## Line Item Descriptions FY 2019-20 BUDGET REQUEST

federal poverty level. Children from families with incomes above 185 percent of the federal poverty level must pay full price, but their meals are still subsidized to some extent.

Schools with a high percentage of low-income children may also qualify for higher reimbursement rates. In addition, participating schools and facilities are entitled to receive commodity foods for each meal served. Participation in the federal program has increased steadily since 1946. In Colorado, school districts and child care facilities received about \$83.4 million to serve 364,556 children in FFY 2006-07.

Under federal law, states must comply with maintenance of effort (MOE) requirement in order to receive a portion of federal funds available through the National School Lunch Program. Colorado must comply with a \$2,472,644 MOE requirement or risk losing about \$11 million of the federal funds available through the program annually. Prior to FY 2001-02, a portion (approximately 80 percent) of Colorado's MOE was met by counting "unrecovered indirect costs". Specifically, school districts in Colorado have not historically recovered the maximum allowable amount of federal funds to cover the indirect costs of operating a school lunch program. Federal funds that could have been used for indirect expenses have instead been spent directly on districts' school lunch programs.

Pursuant to S.B. 01-129, the General Assembly is now required to appropriate by separate line item an amount to comply with the MOE requirement for National School Lunch Program [see Section 22-54-123, C.R.S.]. The state matching funds are allocated by the Department among participating school districts. Districts may only use funds provided by this line item for the school lunch program, and districts that have previously used their own general fund moneys to subsidize school lunch service are not allowed to use moneys received from this line item to supplant that level of subsidy. Senate Bill 01-129 included an appropriation of \$2,472,644 from the State Public School Fund for FY 2001-02, and the General Assembly has appropriated the same amount annually in subsequent fiscal years. Subsequently, the federal government has indicated that states are required to meet the MOE requirement each school year as a condition of the state's receipt of federal "general cash assistance" funds, and the intent of this requirement is that a minimum amount of state revenues be provided to supplement the federal funds provided to schools to support the overall aim of the National School Lunch Program (which is to provide lunches to children in school). States are required to "ensure that State revenues and State revenues only, can be shown to have been transferred into the school food service accounts of participating schools, or that school food service expenses have been borne by State revenues where these are to be counted in meeting the revenue match".

### **Child Nutrition School Lunch Protection Program**

## Line Item Descriptions FY 2019-20 BUDGET REQUEST

This line item was established by SB08-123. This line item provides funding for the creation of the child nutrition school lunch protection program and child nutrition school lunch protection program fund to eliminate the reduced price paid by children for reduced-cost lunches in kindergarten through second grade, as required pursuant to Section 22-82.9, C.R.S. This bill authorizes multi-district online programs operating in learning centers to participate in the program.

### **Start Smart Nutrition Program Fund**

#### **Start Smart Nutrition Program**

Senate Bill 07-59 created the Start Smart Nutrition Program to eliminate the amount paid by students participating in the federal School Breakfast Program who are eligible for reduced-price meals (Section 22-82.7-101 et seq., C.R.S.). Other objectives of the program include increasing the number of students who consume a nutritious breakfast each day, decreasing statewide health care costs by improving the health of school-age children, and lessening students' risk of obesity by providing nutritious breakfast options. This act requires the General Assembly to annually appropriate at least \$700,000, but not more than \$1,500,000, to the newly created Start Smart Nutrition Program Fund for such purpose. The Department is authorized to spend up to one percent of moneys appropriated from the Fund to cover associated administrative costs. The act included an appropriation of \$700,000 General Fund to the Start Smart Nutrition Program Fund, along with a commensurate amount of cash funds exempt spending authority out of such fund.

### **Breakfast After The Bell Nutrition Program**

This new line item was created by HB 13-1006 and supports the implementation and enforcement of the Breakfast After the Bell Nutrition Program pursuant to Sections 22-82.8-101, C.R.S. through 22-82.8-104, C.R.S..

### **S.B. 97-101 Public School Health Services**

Pursuant to Section 25.5-5-318, C.R.S. (S.B. 97-101), school districts, boards of cooperative services (BOCES), and state K-12 educational institutions are authorized to be reimbursed through Medicaid for health care services provided to Medicaid eligible students. In order to do so, districts and BOCES must certify local expenditures on health care services in order to claim and receive federal Medicaid funding. Districts are required to use the Medicaid funds received to provide student health care services. Each district is required to develop a local services plan that identifies the types of health services needed by students and the services it plans to provide. Districts spend the Medicaid funds for a variety of health-related purposes. The majority of funds are spent:

## Line Item Descriptions FY 2019-20 BUDGET REQUEST

providing nursing and other health clinic services; providing mental health services; providing speech, language, and vision services; providing physical and occupational therapy services; for health-related materials, equipment, and supplies; and conducting health insurance outreach activities (for Medicaid and CHP+).

The Department of Health Care Policy and Financing is responsible for the Medicaid billing aspects of the program, including developing regulations and administrative guidelines for submitting claims and contracting with individual districts. The Department of Education is responsible for providing technical assistance to districts in meeting administrative requirements and developing local service plans. Up to ten percent of the federal Medicaid funds that districts "earn" may be used to cover administrative costs incurred by the Department of Health Care Policy and Financing (DHCPF) and the Department of Education, and the remainder is paid directly to districts and BOCES for the provision of health care services.

The appropriations to DHCPF for this program reflect both the federal Medicaid funds (reflected as federal funds) and the local certified matching funds (reflected as cash funds exempt). The total funds appropriated to DHCPF cover the administrative costs incurred by the DHCPF and the Department of Education, as well as actual costs of health care claims. The appropriation to the Department of Education, however, only reflects the federal Medicaid funds that are used by the Department of Education to administer the program.

### **School Health Professionals Grant Program (Marijuana)**

Pursuant to Section 22-96-101 through 22-96-105, C.R.S, This program will enhance the presence of school health professionals in secondary schools throughout the state to facilitate better screening, education, and referral care coordination for secondary school students with substance abuse and other behavioral health needs. The legalization of retail marijuana in the state of Colorado is anticipated to increase the availability of marijuana to underage youth. Marijuana use by minors can have immediate and lasting health implications, and many youth who engage in substance abuse develop or have underlying behavioral health needs. School health professionals are in a unique position to educate, assess, and treat youth who have substance abuse or behavioral health issues.

## **(II) CAPITAL CONSTRUCTION**

Line Item Descriptions FY 2019-20 BUDGET REQUEST

**Division of Public School Capital Construction Assistance**

This line item supports the PSCCA Board and the Division of PSCCA.

**Public School Capital Construction Assistance Board – Lease Payments**

This line item was established by HB08-1335. This line item provides funds for public school capital construction assistance board lease payments, as required pursuant to Section 22-43.7-110, C.R.S.

**Public School Capital Construction Assistance Board – Cash Grants**

This line item was establish by HB 14-1336 and changed the item from a continuously appropriated item to an annual appropriation.

**Financial Assistance Priority Assessment**

This line item was established by HB08-1335. This line item provides funds for the board of education to conduct, or contract for, a financial assistance priority assessment of public school facilities throughout the state. The assessment of each public school facility capital construction project is to be based on the condition of the facility, air and water quality in the facility, facility space requirements, the ability to accommodate educational technology, facility site requirements, and facility demographics, as required pursuant to Section 22-43.7-108, C.R.S.

**State Aid for Charter School Facilities**

In 2001 (S.B. 01-129) the General Assembly created a new program to distribute State Education Fund moneys to charter schools for capital construction, providing that certain "qualified" charter schools will receive a flat amount of funding per pupil for capital construction expenditures. The amount that each charter school received per pupil was originally calculated as 130 percent of the minimum per pupil capital reserve amount that each district is required to budget; for FY 2001- 02, qualified charter schools received \$322 per pupil. Thus, the amount of funding was originally required to increase each year based on the number of qualified charter schools, the number of pupils attending such schools, and inflationary increases in the minimum per pupil capital reserve amount.

## Line Item Descriptions FY 2019-20 BUDGET REQUEST

Subsequently, the General Assembly modified this program in two significant ways. First, the amount appropriated for the program is now specified in statute [see Section 22-54-124 (3) (a) (III) (A), C.R.S.]. Second, with the exception of a charter school that operates within a state facility, any charter school with "capital construction costs" is eligible to receive funding. Moneys appropriated each year are allocated among charter schools on a per pupil basis, except that any charter school operating in a school district facility that does not have ongoing financial obligations to repay the outstanding costs of new construction undertaken for the charter school's benefit receives one-half the amount per pupil that other charter schools received.

### (III) READING AND LITERACY

#### **Early Literacy Competitive Grant Program**

#### **Early Literacy Program Per Pupil Intervention Funding**

Authorized by HB12-1238, the Colorado READ Act repeals, reenacts and renames the Colorado Basic Literacy Act to the Colorado Reading to Ensure Academic Development (READ) Act. Beginning in FY2012-13, Local Education Providers (LEPs) must report to the Department the number of early-grade students with significant reading deficiencies. The State Board of Education will define by rule what constitutes a significant reading deficiency. Beginning in FY (and School Year) 2013-14, each LEP must measure reading competency for early-grade students using a combination of assessments approved by the State Board and the Department. The Department is required to provide regional training, technical assistance, and coaching as necessary to implement the program in each LEP.

When a district identifies a student with significant reading deficiencies, the Act defines the process to develop a Reading to Ensure Academic Development (READ) Plan. Thereafter, the plan is part of the student's academic record until the student achieves reading competency, and the plan must follow the student if he or she enrolls in another school or district. The State Board of Education must also develop and adopt rules to integrate the READ plans into IEPs and special education programs required by federal law.

The Act also creates a process for parents and educators to jointly determine if the student should advance to the next grade level in the upcoming academic year. If the student is completing third grade, the joint decision is subject to the approval of the district's superintendent. If the student does not advance, the LEP must provide more rigorous instructional services to the student. This process only applies to students entering kindergarten in 2013-14 and thereafter.

## Line Item Descriptions FY 2019-20 BUDGET REQUEST

Furthermore, the Act creates the Early Literacy Fund to support the implementation of the Act and to provide the funding for the grant program. Beginning in FY2013-14, the statute diverts a portion of the interest earned on money in the Public School Fund (Permanent Fund) to the Early Literacy Fund. The Department may use up to one percent of the moneys appropriated for administrative costs associated with the program. The other uses/requirements for funding are as follows:

- \$1 million to provide regional literacy support to LEPs.
- \$4 million for Early Literacy Grants
- The remaining funding must be used to fund LEPs using per-pupil intervention moneys (PPIM).

PPIM is calculated based on a formula, which divides the total amount of remaining funds available by the total number of early-grad students in public schools who have been identified as having a significant reading deficiency, and received services under a READ plan in the previous year. The per-pupil amount is disbursed to LEPs based on the actual number of reading deficient early-grade students at that school or district multiplied by the PPIM amount. An LEP that receives PPIM may use the funding to provide full-day kindergarten, operate a summer school literacy program, purchase tutoring, or to provide other targeted interventions.

### **Early Literacy Assessment Tool Program**

This line item provides ongoing support for the Early Literacy Assessment Tool (ELAT) Program originally created in HB 12-1345. Funding is used for the purchase of an assessment tool to allow teachers to obtain real-time assessments of the reading skill levels of students enrolled in kindergarten and first, second, and third grades

### **Adult Education and Literacy Grant Program**

House Bill 14-1085 created the Adult Education and Literacy Grant Program and provides funding to local education providers that are members of workforce development partnerships that educate eligible adults in basic education. For the fiscal year beginning July 1, 2014, the sum of \$960,000 and 1 FTE were appropriated to the Department for the administration and implementation of this bill.

## **(IV) PROFESSIONAL DEVELOPMENT AND INSTRUCTIONAL SUPPORT**

### **Content Specialists**



## Line Item Descriptions FY 2019-20 BUDGET REQUEST

In 2001, the House of Representatives adopted H.J.R. 01-1014 (Dean/Matsunaka) stating that, "... closing the learning gap is an important goal of Colorado's education reform program...", and urging the State Board of Education and the Department of Education "to take all appropriate steps to make closing the learning gap a central element of educational accountability in Colorado".

In 2003, the General Assembly passed S.B. 03-254 (Spence/Evans) [Section 22-7-611, C.R.S.] created the "Closing the Achievement Gap Program" to provide extensive assistance to eligible schools that are at risk of being converted into an independent charter school. Eligible schools include those that have received an academic performance rating of "unsatisfactory" or are identified by the State Board of Education as having a significant achievement gap. By April 1 of the school year proceeding the year in which an eligible school intends to participate in the program, the Department is required to prepare and distribute an outline of different strategies that schools may implement to improve academic achievement. *Subject to available appropriations*, the Department is to make assistance available to participating eligible schools. The assistance could consist of information, personnel, and program and technical support. The bill also established the "Closing the Achievement Gap Commission" and the "Closing the Achievement Gap Cash Fund", which is to consist of gifts, grants, and donations received by the Department. The Legislative Council Staff fiscal note for this bill indicated that the program would be supported by gifts, grants, and donations.

Recently, the Department's Decision Item #4 for FY 2008-09 was approved and allowed the Department to hire five "content specialists" to provide leadership, guidance, and support for schools and school districts in specific content areas to positively impact student achievement. The Department indicates that it has been able to find the resources to support literacy, but is in great need of individuals specializing in five areas:

- mathematics
- science
- social studies (history, geography, civics, and economics)
- arts (visual arts and music)
- achievement gaps

The individuals hired must understand how content knowledge is represented by standards, how standards are assessed, and the linkages between standards assessment and classroom practice and student achievement. Further, these individuals will need to evidence an understanding of assessment and data analysis and how these indices reflect the knowledge and skills of children. Similar to the Department's request related to closing the achievement gap, the Department indicates that this initiative is anticipated to

## Line Item Descriptions FY 2019-20 BUDGET REQUEST

ultimately increase the number of students who graduate from high school. This, in turn, could increase students' earnings (thereby benefitting the State's economy) and reduce the number of crimes committed.

### **School Bullying Prevention and Education Cash Fund**

This line item was established by HB15-1367. This line item provides funding for the School Bullying Prevention and Education Grant Program. This fund is allowed to receive gifts, grants, and donations for implementation of the Grant Program. The program creates grant opportunities for schools to fund efforts to reduce the frequency of bullying incidents.

The program also requires the Department of Education to create a page on its website to provide evidence-based best practices and other resources for public use.

### **Office of Dropout Prevention and Student Re-Engagement**

This line item was established by HB09-1243. This line item provides funding for the Student Re-engagement Grant Program Fund. This fund is allowed to receive gifts, grants, and donations for implementation of the Student Re-engagement Grant Program. The program creates the Office of Dropout Prevention and Student Re-engagement to collaborate with local education providers to reduce the student dropout rate and increase the student graduation and completion rates. Pursuant to Section 22-14, C.R.S., the department is allowed to use up to 3% of the amount annually appropriated from the fund to offset the costs of implementing the program. Beginning in FY 2010-11, federal funds are provided to support this program.

### **Stipends for Nationally Board Certified Teachers**

Funds stipends for teachers and principals employed at public schools that hold certifications from the National Board for Professional Teaching Standards.

### **Grow Your Own Educator Program**

This line item was established by HD18-1309. The program provides funding for an alternative means of staffing teachers during critical teacher shortages by designating teachers of record.

## Line Item Descriptions FY 2019-20 BUDGET REQUEST

### **Quality Teacher Recruitment Program**

This line item was established by SB 13-260. This legislation requires the department to contract with an outside vendor and, in partnership with the district, create a quality teacher recruitment program.

### **Teacher Residency Expansion Program**

This line item was established by HB18-1189. This legislation identifies best practices, effective strategies, and critical components of effective teacher residency programs to assist local education providers in hiring and retaining teachers.

### **Retaining Teachers Grant Program**

This line item was established by HB18-1412. These funds provide for the implementation of various initiatives designed to improve the ability of local education providers to retain teachers. Including:

- Job-sharing for teachers
- On-site early childhood care services for family members of educators
- Robust teacher induction programs for new teachers
- Peer review and mentorship programs and other career development and advancement strategies
- Programs to provide professional development for the creation and implementation of career advancement pathways for master teacher and teacher leadership positions for effective teachers
- Incentive programs to recognize and retain highly effective teachers
- Reduced teacher-student contact hours and increased planning, mentoring, and collaboration time for new teachers and mentor teachers
- Increased use of technology in blended learning initiatives to create opportunities and financial incentives for teacher development and career advancement and cost savings to support salary increases.

### **Rural Teacher Recruitment, Retention, and Professional Development**

This line item was established by SB18-085. These funds provide incentives to increase teacher recruitment, retention, and professional development in rural areas.

Line Item Descriptions FY 2019-20 BUDGET REQUEST

**English Language Learners Technical Assistance**

This line item appropriates \$311,682 in General Fund and 4.1 FTE in FY 2014-15 to support additional technical assistance staff related to English language learners.

**English Language Proficiency Act Excellence Award Program**

HB 14-1298 created the English Language Proficiency Act Excellence Awards Program to award grants to local education providers and charter schools that achieve the highest English language and academic growth and the highest academic achievement for English language learners who transition out of the English Language Proficiency Program.

**English Language Learners Professional Development and Student Support Program**

HB 14-1298 created the Professional Development and Student Support Program to assist local education providers with offsetting costs incurred in complying with the requirements of CRS 22-24-105 (3), the reporting of English language learners who exit the English language proficiency program, annually.

**Advanced Placement Incentives Pilot Program**

HB 14-1118 created the Advanced Placement Incentives Pilot Program to expand access to AP classes in rural schools and enhance participation by students in the school lunch program. The program provides \$500 per student who completes an AP course and takes the AP exam. These funds are to be used for implementing a school wide AP program, providing professional development to teachers and administrators, paying the AP exam fee for each student who takes the exam (unless covered by a federal grant program), and providing a bonus of \$50 to a teacher or mentor for each student who completes the course and exam.

A total of \$261,561 and 0.3 FTE are appropriated for FY 2014-15 as follows:

\$22,734 and 0.3 FTE for personal services

\$1,327 for operating expenses

\$237,500 for incentive awards

**School Turnaround Leaders Development Program**

## Line Item Descriptions FY 2019-20 BUDGET REQUEST

The purpose of the fund is to support training and development of school turnaround leaders for the public schools in the state. Support shall include award grants to school districts throughout the state to use in developing outstanding school leaders with the skills and competencies required to turn around low-performing public schools in the state.

### **Computer Science Education Grant Program**

This line item was established by HB16-1291 and provides funding to create a resource bank on computer science programs that are made available for professional educator development. It also creates a grant program available to districts or public school teachers to pursue additional education in order to teach computer science courses.

### **Advances Placement Exam Fee Grant Program**

This line item was established by HB18-1396 and provides funds to increase the number of eligible students who take advanced placement exams and receive scores for which college academic credit is awarded.

## **(V) FACILITY SCHOOLS**

### **Facility Schools Unit and Facility Schools Board**

This line item was established by HB08-1204. This line item provides funding for the creation and administration of the Facility Schools Unit and the Facility Schools Board, pursuant to Section 22-2-401, C.R.S. This Unit and Board are instructed to work with the facilities to increase the overall quality of education for facility students.

### **Facility Schools Funding**

Line Item Descriptions FY 2019-20 BUDGET REQUEST

This line item was established by HB08-1388. This line item provides funding for facility schools via the state average per pupil revenue multiplied by the facility schools factor, pursuant to Section 22-54-129, C.R.S.

**(VI) OTHER ASSISTANCE**

**Appropriated Sponsored Programs**

This section of the Long Bill reflects federal funding anticipated to be received by the Department. This section also provides cash funds spending authority for the Department to receive fees related to conferences and transfers from other agencies. The vast majority of funds reflected in this section are distributed directly to local school districts, and the balance is utilized by the Department to fund state-wide efforts, to provide technical assistance to school districts, and to cover Department administrative costs. Matching requirements for the federal funds, where required, are generally met by using other Department funds, school district funds, and other “non-state” funds. Thus, no General Fund appropriation is included in this line item.

**School Counselor Corps Grant Program**

This line item was established by HB08-1370. This legislation supports findings concerning the importance of school counseling services for students in middle, junior high, and high schools. This line item funds the school counselor corps grant program as a program to provide three-year grants to school districts, boards of cooperative services, and charter schools to use in increasing the number of school counselors for secondary students and the level of school counseling services provided, pursuant to Section 22-91-103, C.R.S.

**BOCES Funding per Section 22-5-122, C.R.S.**

This line item provides funds to BOCES to implement state's educational priorities at member school districts.

**Contingency Reserve Fund**

Pursuant to Section 22-54-117 (1) and (4), C.R.S., the State Board is authorized to approve payments from the Contingency Reserve Fund to assist school districts under the following circumstances:

## Line Item Descriptions FY 2019-20 BUDGET REQUEST

- (a) (I) financial emergencies caused by an act of God or arising from extraordinary problems in the collection of taxes;
- (a) (II) financial emergencies caused by nonpayment of property taxes;
- (a) (III) revenues are insufficient to make abatements and refunds of property taxes;
- (a) (IV) unforeseen contingencies (e.g., reductions in valuation exceeding 20 percent);
- (a) (V) unusual financial burden caused by the instruction of court-ordered or agency-placed non-resident children;
- (a) (VI) unusual financial burden caused by the instruction of children who move into the district following the pupil count date (applies to small districts only); (a) (VII) unusual financial burden caused by a significant enrollment decline pursuant to a reorganization; and,
- (b) in cases of extreme emergency, other factors that affect the ability of the district to maintain its schools without additional financial assistance. Section 22-54-117 (1) (a), C.R.S., indicates that, "In deciding the amount to be appropriated to the contingency reserve, the general assembly may take into consideration any recommendations made by the department of education, but nothing in this section shall be construed to obligate the general assembly to provide supplemental assistance to all districts determined to be in need or fully fund the total amount of such need."

### **Supplemental On-line Education Services**

House Bill 06-1008 established a program whereby small school districts and certain charter schools could receive reimbursement for the cost of purchasing supplemental on-line education courses. This program was authorized for one year.

Subsequently, H.B. 07-1066 established two programs to support supplemental on-line education services. The first program is supported by this line item. Pursuant to Section 22-5-119, C.R.S., the General Assembly is required to annually appropriate federal mineral lease revenues for the Mountain Board of Cooperative Services (BOCES) to contract with a supplemental on-line course provider to offer on-line courses to school districts, BOCES, and charter schools at a cost of no more than \$200 per student per semester course.

The act included an appropriation of \$480,000 from the State Public School Fund (federal mineral lease revenues) for FY 2007-08 for this program.

### **Interstate Compact on Educational Opportunity for Military Children**

## Line Item Descriptions FY 2019-20 BUDGET REQUEST

This line item was established by HB08-1317. This line item provides funding for participation in an interstate compact on educational opportunity for military children, pursuant to Section 22-90, C.R.S. This compact supports educational opportunity for military children with other state to remove barriers to educational success that children of military families encounter because of frequent moves and deployment of their parents.

### **College and Career Readiness**

This line item was established by HB 14-1336 and appropriates funds to provide additional technical support to school districts regarding recent college and career readiness education reforms. This is in response to school districts' increased demand for technical assistance related to the following recent reforms: Individual Career and Academic Plans (ICAPs); concurrent enrollment programs; innovation status; and new statewide graduation guidelines.

### **Career Development Success Pilot Program**

This line item was established by HB 16-1289 and provides financial incentives for participating districts and charter schools to encourage high school students to enroll in and successfully complete qualified industry-certificate programs, internship or pre-apprenticeship programs, and advanced placement courses.

### **Colorado Student Leaders Institute**

This line item was established by SB 15-290 and provides funding for a competitive residential summer academic program for students who are entering tenth or eleventh grade in the coming fall semester. The program operates for four weeks each summer and includes college-level classes, lectures, seminars, concerts and theatrical productions.

## **(D) INDIRECT COST ASSESSMENT**

### **Indirect Cost Assessment**

Authorized by the Long Bill for Fiscal Year 2013-14, this line reallocates funds from line items that included the assessed funds to the new Indirect Cost Assessment line item with no change in total funding.



**(3) LIBRARY PROGRAMS**

**Administration**

Article IV, Section 20 of the Colorado Constitution states that the "superintendent of public instruction shall be the ex officio state librarian." Pursuant to Section 24-90-104, C.R.S., the State Library is a division within the Department of Education, and its operation "is declared to be an essential administrative function of state government". The State Librarian has a number of statutory duties and responsibilities, including the following [see Section 24-90-105, C.R.S.]:

- to furnish library or information services to state officials, departments, institutional libraries, and persons who are blind and physically disabled;
- to contract for the furnishing of library resources to ensure equal access to information for all Coloradans;
- to provide for the collection, analysis, publication, and distribution of statistics and information relevant to the state library and to public, school, academic, and institutional libraries;
- to contract for the lending of books and other resources to publicly-supported libraries and institutions and to encourage contractual and cooperative relations to enhance resource sharing among all types of libraries and agencies throughout the state;
- to encourage contractual and cooperative relations to enhance resource sharing among all types of libraries and agencies throughout the state;
- to further library development and to promulgate service standards for school, public, and institutional libraries; and
- to receive and administer federal funds for libraries.

*Recent Funding Reductions.* Prior to FY 1987-88, funding for library staff and library programs was appropriated through distinct line items.

In FY 1987-88, however, funding for library program staff was consolidated with funding for other Department management and administrative staff to facilitate a \$2.5 million reduction in General Fund appropriations for the administration of the Department and library programs. From FY 2001- 02 through FY 2004-05, base General Fund appropriations for staff supported through the consolidated line item were been reduced by another \$1.8 million, resulting in a reduction of 3.0 FTE library program staff (a 14 percent reduction). Positions that were eliminated include staff at the Talking Book Library and staff responsible for institutional library programs.

## Line Item Descriptions FY 2019-20 BUDGET REQUEST

Beginning with FY 2008-09, only Library Administration costs will be included in this line item.

### **Federal Library Funding**

This line item includes funding available through the Library Services Technology Act and Adult Education Library Research funding.

### **Colorado Library Consortium**

The Colorado Library Consortium is a statewide library cooperative that was formed as a successor to the seven regional library systems that existed prior to significant state funding reductions in 2003. The Consortium supports publicly-funded libraries statewide by:

- expediting the discovery, selection, and delivery of information and materials to library patrons (including courier services);
- administering a cooperative purchasing program (negotiating significant discounts on books and other library materials);
- providing and supporting learning opportunities for ongoing professional development to improve library services; and
- identifying and supporting initiatives to strengthen the Colorado library community.

The Consortium's \$1.6 million annual budget consists of state funding provided through this line item (\$1.0 million General Fund annually since FY 2006-07), courier income (\$500,000), continuing education fees (\$32,000), administrative fees related to a cooperative purchasing program (\$19,000), and other miscellaneous sources.

### **Colorado Virtual Library**

Pursuant to Section 24-90-302 et seq., C.R.S., the State Librarian is responsible for providing electronic resources through libraries to all Colorado residents, to students and staff at higher education institutions and public schools. The Colorado Virtual Library is thus a statewide, Internet-based library network that provides free access to:

- on-line catalogs of the holdings of Colorado libraries;
- locally produced databases;
- digitized collections of Colorado resources;

## Line Item Descriptions FY 2019-20 BUDGET REQUEST

- indexes and full text database products;
- an interlibrary loan system facilitating resource sharing throughout Colorado; and
- other services associated with providing computer-based library resources.

The Colorado Virtual Library is managed cooperatively by the State's library community, including the Department of Education. This line item provides funding for ongoing operations, including contract technical staff for operations and programming, contract training and user support, annual hardware and software maintenance fees, leased space, database archiving services, backup tapes, and Internet connectivity.

### **Colorado Talking Book Library, Building Maintenance and Utilities Expenses**

The Colorado Talking Book Library is part of a national library program providing Braille, audio, and large-print books for individuals of all ages who are unable to read standard print free material due visual, physical, or learning disabilities. The Colorado Talking Book Library is one of the original 19 libraries established pursuant to the federal Pratt Smoot Act in 1931. The library's recorded materials and tape machines are provided by the Library of Congress; this collection is enhanced by recordings of local materials taped by volunteers and library staff. Since 1991, the library has been located at 180 Sheridan Boulevard in Denver. The building was purchased after the General Assembly appropriated \$750,000 from the Capital Construction Fund for FY 1989-90 (H.B. 90-1297). In FY 1997-98 the General Assembly appropriated \$238,607 from the Capital Construction Fund to replace the roof of the building. This building also currently houses backup computer equipment for the Department of Education.

The Library operates in a very cost-effective manner. State funds currently support a portion of the operating expenses and some staff, the balance is supported through federal funds and volunteers. In addition, the National Library for the Blind and Physically Handicapped (NLS), within the Library of Congress, provides playback equipment and supplies, Braille and recorded books and magazines. The value of NLS support is estimated at over \$630,000 annually, and the existing inventory of materials and equipment provided by NLS is valued at over \$5.5 million. Finally, the U.S. Postal Service subsidizes mail service for materials sent to and returned from Library patrons, a savings of approximately \$2.3 million annually.

### **Reading Services for the Blind**

Pursuant to Sections 40-17-103 and 104, C.R.S., the Public Utilities Commission (PUC) is required to administer a contract for the provision of telecommunications relay services (which allow individuals who have a hearing or speech disability to communicate by

## Line Item Descriptions FY 2019-20 BUDGET REQUEST

wire or radio). The PUC is required to recover the costs of providing these services by assessing a monthly surcharge on each telephone access line to cover the following costs:

- the PUC's costs of developing, implementing, and administering telecommunications relay services (not to exceed 3.0 percent of the total costs);
- the cost to local exchange companies of imposing and collecting the surcharge; and
- the costs of providers rendering telecommunications relay services.

The PUC adjusts this surcharge annually, when necessary. Moneys collected by the local exchange companies are credited to the Colorado Disabled Telephone Users Fund. These moneys are currently authorized to be utilized by three different departments for five purposes. Specifically, the General Assembly is required to make the following annual appropriations from the Fund (FY 2010-11 Long Bill appropriations to the Department of Regulatory Agencies are noted):

- for the PUC's administration of the Fund (\$2,439,591);
- to the Reading Services for the Blind Cash Fund, for use by the State Librarian in support of privately operated reading services for the blind (\$250,000);
- to the Colorado Commission for the Deaf and Hard of Hearing Cash Fund (\$910,190); and
- to cover authorized expenses associated with the Colorado Commission for Individuals Who Are Blind or Visually Impaired (\$112,067).

Cash fund appropriations for each of these purposes are made to the PUC annually, and corresponding appropriations appear in the other relevant state agencies' budgets. Moneys in the Fund not used for the above purposes are continuously appropriated to the PUC for the reimbursement of providers who render telecommunications services.

### **State Grants to Publicly-Supported Libraries Program**

Provides grant funds to publicly-supported libraries in order to obtain education resources not otherwise available due to funding limitations.

### **Indirect Cost Assessment**

## Line Item Descriptions FY 2019-20 BUDGET REQUEST

Authorized by the Long Bill for Fiscal Year 2013-14, this line reallocates funds from line items that included the assessed funds to the new Indirect Cost Assessment line item with no change in total funding.

### **(4) SCHOOL FOR THE DEAF AND THE BLIND**

The Colorado School for the Deaf and the Blind (CSDB) is a state-funded school that was established for the purpose of providing comprehensive educational services for children under the age of twenty-two who are blind and/or deaf. Originally named the "Colorado Institute for the Education of Mutes", the School opened in a rented house in April 1874 with an appropriation from the Territorial Legislature. The student population rapidly outgrew the space available and in 1876 the School moved to its current campus, made possible with a donation of ten acres by the founder of the city of Colorado Springs. The CSDB received its initial accreditation from the Department of Education in 1961, and in 1977, the CSDB was transferred from the Department of Institutions to the Department of Education.

The CSDB currently occupies 18 buildings on 37 acres. Colorado students from the ages of birth through twenty-one are eligible to receive services either at or through the CSDB. Students enrolled at CSDB must have a documented hearing and/or vision loss and meet the enrollment criteria established by the Board of Trustees. Students may also be enrolled on a diagnostic basis in order to make an accurate determination of the student's eligibility status. A staffing team, including a CSDB staff member, the student's parents, and a local school district representative, determine if the CSDB is the appropriate learning environment based on the educational needs of the student. If a student's parents or legal guardians reside within Colorado and outside the El Paso County area, the student is eligible to participate in the residential living program during the week. There is no tuition for room and board. Out-of-state students are considered on a space available basis and are required to pay tuition.

In addition, pursuant to Section 22-80-102 (2), C.R.S. (added in 1991), the CSDB is to "be a resource to school districts, state institutions, and other approved education programs." In this capacity, the CSDB is to provide the following services:

1. Assessment and identification of educational needs;
2. Special curricula;

## Line Item Descriptions FY 2019-20 BUDGET REQUEST

3. Equipment and materials;
4. Supplemental related services;
5. Special short-term programs;
6. Program planning and staff development;
7. Programs for parents, families, and the public; and
8. Research and development to promote improved educational programs and services.

In November 2002, the CSDB estimated that 1,824 students in Colorado were deaf, hearing impaired, blind, or vision impaired-- 0.3 percent of the total number of public school students in grades one through 12. In FY 2002-03, the CSDB received per pupil funding for 197 on-campus students, representing about ten percent of the estimated total number of students with hearing or vision impairments. With respect to students who are blind/vision impaired, the CSDB gathers data from districts annually for purposes of providing Braille and large print materials to districts. The CSDB indicates that in FY 2005-06, there were a total of 836 blind/visually impaired students enrolled in 56 districts. The CSDB served 57 blind/visually impaired, or 6.8 percent of these students.

*Enrollment.* The CSDB had an on-campus enrollment of 215 students (ages 3 to 21) in the 2006-07 school year, a decrease of 4.0 percent. The CSDB's total enrollment was 562 students, including 347 children under age three. Compared to FY 2005-06, the CSDB's total enrollment increased by 74 students (15.2 percent). The most significant increase occurred with respect to deaf/hearing impaired children under age three, increasing by 87 (37.0 percent). Total enrollment included 489 deaf/hearing impaired children and 73 blind children. Of the total number of students receiving on-campus services, 113 resided at the CSDB (returning home only on weekends) and the remaining 102 students only attended classes during the day. Of the total number of students enrolled, 371 were infants, preschool students, attending classes part time in local public schools, or in the transition program, and were thus not eligible for per pupil operating revenue. As a result, the CSDB only received per pupil operating revenue for 191 students. The CSDB indicates that the per pupil operating revenue covered about 11 percent of the average costs per student (including both residential and non-residential students).

### **(A) SCHOOL OPERATIONS**

#### **Personal Services**

This line item provides funding for most School employees' salaries and wages, as well as the associated state contribution to the Public Employees Retirement Association and the state share of federal Medicare taxes. This line item also provides funding for

## Line Item Descriptions FY 2019-20 BUDGET REQUEST

certain professional and temporary services. This line item provides over 66 percent of the funding for the CSDB, supporting all school staff with the exception of those who are supported by specific grants or direct payments from districts. In addition, beginning in FY 2006-07 those staff devoted to early intervention programs are now funded through a separate line item.

### **Early Intervention Services**

Since April 2001, the "Colorado Home Intervention Program" (called "CHIP") has been operating within the CSDB. This program was first started with federal grants in 1969, and it operated within the Colorado Department of Public Health and Environment from 1975 through March 2001. This home-based, family-centered early intervention program serves hearing impaired children (ages zero to three), and their parents. The program involves a facilitator: working with the child to develop language skills; providing parents with information and counseling to identifying strategies to use in communicating with their child; and assessing the dynamics of the parent-child interaction and providing support to improve it.

Prior to FY 2006-07, this program was supported by existing personal services funding, as well as various federal grants, donations, and in-kind services. For FY 2006-07, the CSDB requested an increase of \$462,620 General Fund and 1.8 FTE to continue and expand two early literacy development programs. These programs involve specially trained fluent sign language instructors/tutors (many of whom are deaf or hard of hearing themselves) visiting families weekly to provide support and instruction in techniques to build the child's literacy. One program (the Shared Reading Program) is designed for families who rely on American Sign Language; the second program (Integrated Reading Program) is designed for families who use English-based sign language and some speech. In addition, these initiatives involve coordinating with preschool and elementary school teachers so they may reinforce the family's use of early literacy strategies, thereby easing the child's transition into public school. The General Assembly approved the request. In addition, Long Bill appropriations were modified to separately identify funds and staff associated with early intervention programs.

### **Shift Differential**

This line item is used to pay for the adjustment to compensate employees for work performed outside a Monday through Friday, 8:00 a.m. to 5:00 p.m. work schedule. Currently, the State pays percentage increases for shift differential (7.5 percent for second shift and 10.0 percent for third shift). Unlike the other awards, the entire base budget and any increases have historically been included in the

## Line Item Descriptions FY 2019-20 BUDGET REQUEST

centrally-appropriated budget line at 80.0 percent of the total estimated costs. This Department uses its shift differential to provide 24-hour staff coverage for residential students at the CSDB.

### **Operating Expenses**

This line item provides funding for supplies and materials, as well as for certain services that are not covered by other line items such as capital outlay<sup>29</sup>, custodial services, equipment rental, storage, dues and subscriptions, and printing.

### **Vehicle Lease Payments**

This line item provides funding for annual payments to the Department of Personnel and Administration for the cost of administration, loan repayment, and lease-purchase payments for new and replacement motor vehicles [see Section 24-30-1117, C.R.S.]. The current appropriation covers costs associated with a total of 12 vehicles that are all utilized at the CSDB.

### **Utilities**

This line item provides funding for the CSDB's water and sewer, electricity, and natural gas expenses.

### **Allocation of State and Federal Categorical Program Funding**

The CSDB receives an allocation of state and federal moneys available for special education services for children with disabilities based on its December pupil count. In addition, the CSDB may receive allocations from other categorical programs (e.g., in recent years the CSDB has received allocations related to English language proficiency programs, special education for gifted and talented children, and the Expelled and At-risk Student Services Grant Program).

### **Medicaid Reimbursements for Public School Health Services**

Similar to school districts, the CSDB is authorized to enter into contracts and receive federal matching funds for moneys spent in providing student health services [i.e., preventive, diagnostic, therapeutic, rehabilitative, or palliative items or services that are furnished to students by a school district, a board of cooperative services, or a state educational institution pursuant to the S.B. 97-101 Public School Health Services program]. It is staff's understanding that the CSDB has been participating in this program since FY



## Line Item Descriptions FY 2019-20 BUDGET REQUEST

2000-01, and receives federal Medicaid moneys annually based on claims submitted. Section 26-4- 531 (2) (b), C.R.S., states that "any moneys provided to a school district pursuant to a contract entered into under this section shall not supplant state or local moneys provided to school districts" for:

- (a) special education services for children with disabilities;
- (b) the Colorado preschool program; or
- (c) the School Finance Act.

Based on this provision, the CSDB has used the additional federal Medicaid moneys available to increase special education services to its students (e.g., providing an additional day of occupational or physical therapy, in accordance with a student's individual education program).

### **(B) SPECIAL PURPOSE**

#### **Fees and Conferences**

This line item provides spending authority for the Department to receive fees charged and received for various conferences or meetings held at the CSDB. Examples of conferences include the annual statewide deaf symposium, nursing conferences, and summer camps. These fees offset additional custodial, maintenance, and security costs incurred.

Currently, the CSDB hosts an annual Symposium on Deafness, Language and Learning. Each attendee pays a conference fee. The last two professional development conferences held in the fall of 2006 and 2007 generated \$53,467 and \$44,883, respectively. Thus, this conference generates about two-thirds of the allowable revenues annually. Several Colorado programs have requested additional conferences. If this request is approved, the CSDB anticipates hosting additional conferences, such as those listed below:

- *Educational Interpreter Conference – Interpreter Skill Building* (estimated revenue of \$10,000 from 60 attendees). This is a new conference requested of the Department Consultant on Deafness, as well as educational interpreters statewide, to improve the skills of interpreters for students who are deaf or hard of hearing.
- *Early Literacy Development Initiative (ELDI) Conference – Serving Colorado Home Intervention Program facilitators, Integrated Reading Program instructors and Shared Reading Program tutors* (estimated revenue of \$12,000 from 75 individuals). The first ELDI

## Line Item Descriptions FY 2019-20 BUDGET REQUEST

conference occurred in 2007. This professional development conference is for Colorado Home Intervention Program facilitators, Integrated Reading Program instructors and Shared Reading Program tutors.

- *Conference on Blindness and Visual Impairment – Professional Development Conference* (estimated revenue of \$10,000 from 60 individuals). This is a proposed professional development conference for service providers of students with blindness or visual impairment.
- *Leadership Academy Conference* (estimated revenue of \$8,000 from 45 students). This is a proposed conference for high school students who are deaf/hard of hearing or blind/visually impaired.

The CSDB also collects other fees, including fees paid for counseling services provided to students who are deaf/hard of hearing or blind/visually impaired in schools throughout Colorado (approximately \$10,000). Service providers, parents, and school administrators throughout the state, as well as the children and youth who are deaf/hard of hearing or blind/visually impaired will benefit from these conferences.

### **Outreach Services**

This line item was established in the 2009 Long Bill as a result of the approval of Decision Item # 7 in the department's FY 2009-10 Request.

The CSDB is statutorily (Section 22-80-102 C.R.S.) charged with being a resource to school districts by providing several services, including: assessment and identification of educational needs; special curricula; equipment and materials; and staff development. Districts currently transfer federal funds to the CSDB for three purposes:

- The CSDB occasionally accepts students from Colorado school districts for extended diagnostic periods prior to the student meeting School enrollment criteria. Typically, these students require a one-on-one aide who must be supplied by the home school district. Often the districts themselves are unable to find qualified applicants willing to work for district level salaries while living in the Colorado Springs area. Due to union agreements, however, districts are unable to pay these employees more than other district employees. To address this issue, this line item provides spending authority for the CSDB to hire these professionals using federal special education funds transferred from school districts.
- School employees travel to districts to provide training for district staff and/or to provide direct support to students. Districts pay the CSDB for their staff time and travel expenses.

## Line Item Descriptions FY 2019-20 BUDGET REQUEST

- Each district pays a flat amount (e.g., \$200/student) for each blind/visually impaired student enrolled in the district. These moneys are collected by the CSDB and paid to the Colorado Instructional Materials Center (CIMC) to provide Braille and large print materials for students.

In order to fulfill this statutory mandate, in FY 2009-10, it was necessary to increase the spending authority for cash reimbursements that CSDB collects from Colorado school districts and BOCES. Authorized FTE were also increased. To properly describe this increase and subsequent operations, the Long Bill line item previously titled “(4) School for the Deaf and Blind, (B) Special Purpose, Federal Funds Transferred from School Districts” was modified to “(4) School for the Deaf and Blind, (B) Special Purpose, Outreach Services”.

### **Tuition from Out-of-State Students**

The CSDB is statutorily authorized to admit students from other states "...upon payment to the superintendent of such a sum quarterly as the board of trustees determines, to be not less than the total cost per capita of the students for the year immediately preceding the year in which the application is made." [See Section 22-80-110, C.R.S.] The CSDB is not allowed to admit a student from another state, however, to the exclusion of any Colorado resident. Tuition payments are generally used for curriculum, technology, and dorm furniture.

Historically, the CSDB has admitted students from Wyoming who cannot be appropriately served in their home school district. Wyoming does not have a state school to serve children who are deaf and/or blind. Prior to FY 2007-08, the CSDB required Wyoming to pay their students' tuition using federal funds (available under the federal *Individuals with Disabilities Education Act*), which were treated as cash funds exempt and are not subject to the limitation on state fiscal year spending imposed by Section 20 of Article X of the State Constitution ("TABOR"). Beginning in FY 2007-08, the CSDB has been authorized to accept tuition payments from other states for up to four students using state, rather than federal funds. [Apparently Wyoming school districts would prefer to use state funds to pay the tuition for students attending the CSDB, because the State of Wyoming reimburses school districts for 100 percent of their costs of providing special education services to students with disabilities.] This authorization ensures that children from neighboring states can be served at the CSDB (given available space) if it is determined that it is the best setting for the child. Tuition paid with state funds are subject to TABOR.

### **Grants**

Line Item Descriptions FY 2019-20 BUDGET REQUEST

This line item provides spending authority for the CSDB to receive various federal grants transferred from other line items within the Department. This spending authority excludes amounts related to categorical programs and Medicaid reimbursements for public school health services, as these amounts are now appropriated through separate line items.