

Schedule 13

Department of Education

Funding Request for The FY 2020-21 Budget Cycle

Request Title R-01 Total Program Increase

Dept. Approval By: 958 3.5 _____ Supplemental FY 2019-20
 OSPB Approval By: _____ Budget Amendment FY 2020-21
 _____ X _____ Change Request FY 2020-21

Summary Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$4,619,766,891	\$0	\$4,629,596,956	\$110,601,636	\$110,601,636
	FTE	0.0	0.0	0.0	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	\$4,157,376,783	\$0	\$4,167,217,848	\$7,393,370	\$7,393,370
	CF	\$462,379,108	\$0	\$462,379,108	\$103,208,266	\$103,208,266
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$4,619,766,891	\$0	\$4,629,596,956	\$110,601,636	\$110,601,636
	FTE	0.0	0.0	0.0	0.0	0.0
02. Assistance to Public Schools, (A) Public School Finance, (1)	GF	\$4,157,376,783	\$0	\$4,167,217,848	\$7,393,370	\$7,393,370
Public School Finance - State Share Of Districts'	CF	\$462,379,108	\$0	\$462,379,108	\$103,208,266	\$103,208,266
Total Program Funding	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Auxiliary Data			
Requires Legislation?	YES		
Type of Request?	Department of Education Prioritized Request	Interagency Approval or Related Schedule 13s:	No Other Agency Impact

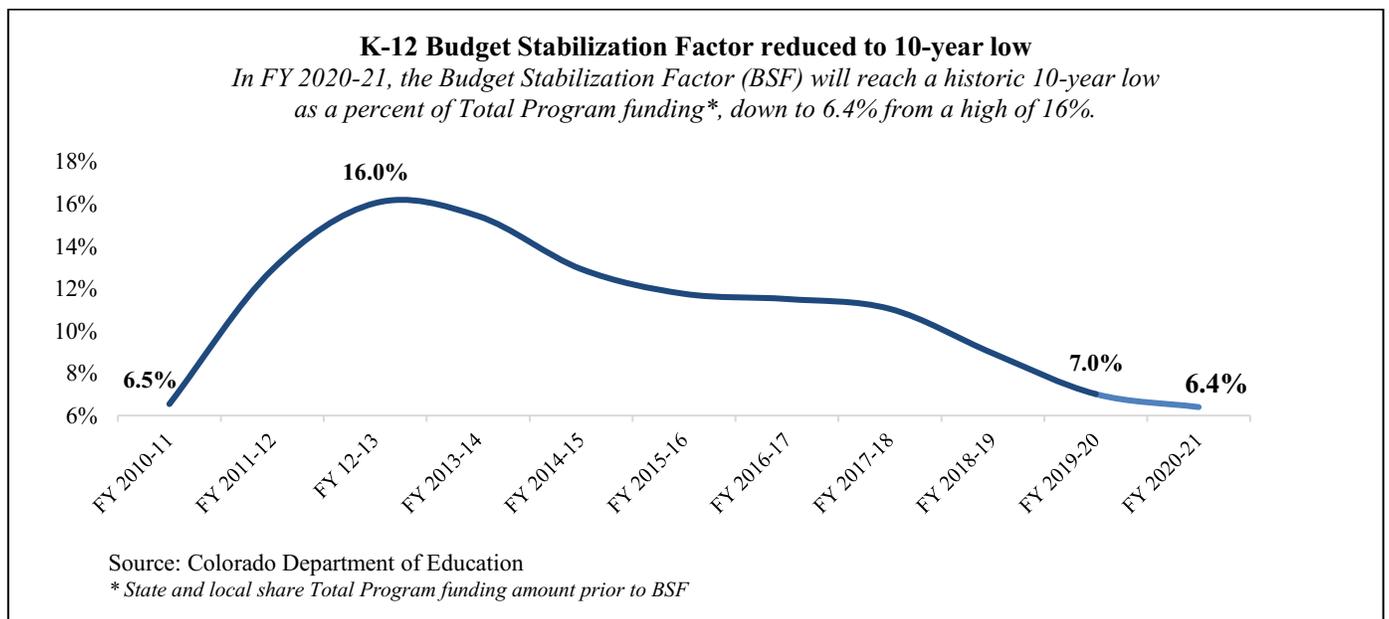


Department Priority: R-01
Request Detail: Total Program Increase

Summary of Incremental Funding Change for FY 2020-21			
	FY 2019-20	FY 2020-21	FY 2021-22
Total Funds	\$0	\$110,601,636	\$110,601,636
FTE	0.0	0.0	0.0
General Fund	\$0	\$7,393,370	\$7,393,370
Cash Funds	\$0	\$103,208,266	\$103,208,266
Reappropriated Funds	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0

Summary of Request:

The Department of Education requests an increase of \$110,601,636 total funds for the state share of the K-12 school finance formula, including \$7,393,370 General Fund, \$71,036,903 from the State Education Fund, and \$32,171,363 from the Public School Fund. The Department's request represents a 2.4 percent increase to the state share amount for K-12 funding when compared to FY 2019-20 current appropriations and preserves a \$140 million fund balance in the State Education Fund at the end of FY 2020-21. As a percentage of expenditures from the State Education Fund, this represents a 17% reserve. The Department's Total Program request also reduces the Budget Stabilization Factor by \$40 million to 6.4 percent of Total Program, reaching a new ten-year low.



Current Program:

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

Although the General Assembly sets the statewide base per-pupil amount annually, Article IX, Section 17, of the Colorado Constitution, commonly referred to as Amendment 23, requires that at a minimum, the General Assembly increase the base per-pupil amount each year by the rate of inflation. Beginning in FY 2010-11, the School Finance Act began reducing the Total Program amount proportionately across most districts by applying a new calculation called the Budget Stabilization Factor (BSF), formerly the negative factor. In FY 2019-20, the BSF reduced Total Program by approximately \$572 million (7 percent) statewide.

Proposed Solution:

The Department requests Total Program increase by \$187.2 million total funds. This increase is comprised of a \$110.6 million increase to the state share and a \$76.6 million increase to local share. The Department's estimates assume total funded pupil count will increase by 1,132 pupils (0.13 percent) and an inflationary factor of 1.7 percent based on the Office of State Planning and Budgeting (OSPB) 2019 September Forecast. The Department's Total Program request reduces the BSF by \$40 million and maintains a projected ending fund balance in the State Education Fund of \$140 million.

For FY 2020-21, the state share appropriations for Total Program from these fund sources will change as follows:

- State Education Fund appropriations for Total Program will increase from \$393.6 million in FY 2019-20 to \$464.6 million in FY 2020-21. Based on the OSPB September 2019 Economic Forecast and the State Education Fund appropriations contained in the Department's FY 2020-21 budget request, the State Education Fund is forecasted to have a FY 2020-21 ending fund balance of approximately \$140 million.
- State Public School Fund appropriations will increase from \$68.8 million in FY 2020-21 to \$101 million in FY 2020-21. The request reflects the available revenues in the State Public School Fund for Total Program. The available revenues in the State Public School Fund includes a transfer of \$24 million from Marijuana sales tax revenues pursuant to Section 39-28.8-203 (1.5) (B) as forecasted by the OSPB September 2019 revenue forecast.
- General Fund appropriations will increase by \$7.4 million from \$4.156 billion in FY 2019-20 to \$4.163 billion in FY 2020-21.

Anticipated Outcomes:

The Department’s request ensures districts will receive the funding necessary for increases in student growth and inflation in FY 2020-21. As a percent of Total Program, the BSF will decrease from 7 percent to 6.4 percent. Overall, the state share of Total Program funding will increase by 2.4 percent. Lastly, the request preserves a \$140 million fund balance in State Education Fund at the end of FY 2020-21. As a percentage of expenditures from the State Education Fund, this represents a 17% reserve.

Assumptions and Calculations:

School Finance Total Program

In FY 2020-21, pupil enrollment growth and inflation results in a \$147.2 million increase to Total Program funding. Reducing the BSF by \$40 million increases Total Program to a total request of \$187.2 million. Of this amount, \$110.6 million is state share (appropriated) and \$76.6 million is local share (non-appropriated) as shown in Table 1.

Detailed Assumptions and Calculations for Total Program:

The details for these calculations are summarized in Appendix A. Appendix B shows the OSPB estimates for State Education Fund balance at the end of FY 2020-21 with these recommendations.

Table 1: Total Program Calculation of State and Local Share	FY 2019-20 Current Appropriation	Change (FY 2020-21 Request Minus FY 2019-20)
State Share (appropriated)	\$4,618,448,750	\$110,601,636
Local Property Tax	\$2,754,074,843	\$70,239,753
Specific Ownership Tax	\$210,680,309	\$6,320,409
TOTAL	\$7,583,203,903	\$187,161,798

Proposed Statutory Changes:

The Department’s request requires the following statutory changes through the School Finance Act.

Total Program Base Per-Pupil Amount: Section 22-54-104 (5)(a) be modified and to add a new paragraph (XXVI):

(XXVI) FOR THE 2020-21 BUDGET YEAR, THE STATEWIDE BASE PER PUPIL FUNDING IS \$7,070, WHICH IS AN AMOUNT EQUAL TO \$6,952, SUPPLEMENTED BY \$118 TO ACCOUNT FOR INFLATION.

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

(J) THAT, FOR THE 2020-21 BUDGET YEAR, THE SUM OF THE TOTAL PROGRAM FUNDING FOR ALL DISTRICTS, INCLUDING THE FUNDING FOR INSTITUTE CHARTER SCHOOLS, AFTER APPLICATION OF THE BUDGET STABILIZATION FACTOR, IS NOT LESS THAN SEVEN BILLION SEVEN HUNDRED SEVENTY MILLION THREE HUNDREND SIXTY FIVE THOUSAND AND SEVEN HUNDRED DOLLARS (\$7,770,365,700); EXCEPT THAT THE DEPARTMENT OF EDUCATION AND THE STAFF OF THE LEGISLATIVE COUNCIL SHALL MAKE MID-YEAR REVISIONS TO REPLACE PROJECTIONS WITH ACTUAL FIGURES, INCLUDING BUT NOT LIMITED TO ACTUAL PUPIL

ENROLLMENT, ASSESSED VALUATIONS, AND SPECIFIC OWNERSHIP TAX REVENUE FROM THE PRIOR YEAR, TO DETERMINE ANY NECESSARY CHANGES IN THE AMOUNT OF THE REDUCTION TO MAINTAIN A TOTAL PROGRAM FUNDING AMOUNT FOR THE APPLICABLE BUDGET YEAR THAT IS CONSISTENT WITH THIS SUBSECTION (5)(G)(I)(J)). FOR THE 2021-22 BUDGET YEAR, THE DIFFERENCE BETWEEN CALCULATED STATEWIDE TOTAL PROGRAM FUNDING AND ACTUAL STATEWIDE TOTAL PROGRAM FUNDING MUST NOT EXCEED THE DIFFERENCE BETWEEN CALCULATED STATEWIDE TOTAL PROGRAM FUNDING AND ACTUAL STATEWIDE TOTAL PROGRAM FUNDING FOR THE 2020-21 BUDGET YEAR.

Appendix A: Budget Request Summary

Colorado Department of Education Public School Finance Act of 1994 Projected Fiscal Year 2020-21 Funding Summary November 2019 Budget Request			
K-12 Total Program	FY 2019-20 Estimate	FY 2020-21 Request	Change
At-risk Funded Count	293,297	292,642	(654)
ASCENT Pupil Count	500	500	-
Funded Pupil Count	894,569	895,702	1,132
Average Per Pupil Funding Before BSF	\$9,117	\$9,270	\$153
Base Per Pupil Funding	\$6,952	\$7,070	\$118
Total Program Funding Before Application of Budget Stabilization Factor	\$8,155,600,797	\$8,302,762,594	\$147,161,798
Total Program Funding Before Application of Budget Stabilization Factor	\$8,155,600,797	\$8,302,762,594	\$147,161,798
Budget Stabilization Factor (minus)	<u>-\$572,396,894</u>	<u>-\$532,396,894</u>	<u>\$40,000,000</u>
Total Revised Total Program Funding	\$7,583,203,903	\$7,770,365,700	\$187,161,798
Funding Sources of Local Share			
Property Taxes	\$2,754,074,843	\$2,824,314,596	\$70,239,753
Specific Ownership Taxes	\$210,680,309	\$217,000,718	\$6,320,409
TOTAL LOCAL SHARE	\$2,964,755,152	\$3,041,315,314	\$76,560,162
Funding Sources of State Share			
State Education Fund	393,550,471	\$464,587,374	\$71,036,903
State Public School Fund	\$68,828,637	\$101,000,000	\$32,171,363
General Fund	\$4,156,069,642	\$4,163,463,012	\$7,393,370
TOTAL STATE SHARE	\$4,618,448,750	\$4,729,050,386	\$110,601,636
Average Per Pupil Funding After Negative Factor	\$8,477	\$8,675	\$198

Increased Student Enrollment

- The Department estimates that funded pupils will increase from 894,569 in FY 2019-20 to 895,702 in FY 2020-21. This is an increase of 1,132 pupils or 0.13 percent.

Increased At-Risk Counts

- The Department estimates at-risk students will decrease from 293,297 in FY 2019-20 to 292,642 in FY 2020-21. This is a decrease of 654 students or -0.2 percent. As a percent of total funded pupils, 32.7 percent of students are considered at-risk.

Per Pupil Funding

- The request uses an inflation factor of 1.7 percent based on the OSPB 2019 September Revenue Forecast.
- The inflation rate will increase base per pupil funding by \$118 from \$6,952 in FY 2019-20 to \$7,070 in FY 2020-21. This is an increase of 1.7 percent.
- After all school finance formula factors are calculated (including the reduction to the BSF), the statewide average per pupil revenue will increase by \$198 from \$8,477 in FY 2019-20 to \$8,675 in FY 2020-21. This is an increase of 2.3 percent.

Budget Stabilization Factor

- The total BSF dollar amount in FY 2020-21 will be \$532.4 million compared to \$572.4 million in FY 2019-20, which represents a \$40 million reduction to the BSF.
- As a percent of Total Program, the BSF will decrease from 7 percent in FY 2019-20 to 6.4 percent in FY 2020-21, reaching a new ten year low for the BSF as a percent of Total Program.

Appendix B – State Education Fund Balance

Office of State Planning and Budgeting Estimated State Education Fund Balance Projected Fiscal Year 2020-21 Funding Summary November 2019 Budget Request			
	FY 2019-20 Estimate	FY 2020-21 Request	Change
Beginning Balance	\$176,017,617	\$196,657,368	\$20,639,751
Estimated Revenues (OSPB Forecast)			
Amendment 23 Revenues	\$701,277,228	\$740,703,663	\$39,426,435
Additional General Fund Revenues	\$40,326,896	\$0	(\$40,326,896)
Total General Fund Revenue Transferred	\$741,604,124	\$740,703,663	(\$900,461)
Other Revenues (Interest Earnings)	\$7,012,772	\$7,407,037	\$394,264
TOTAL Forecasted Available SEF Revenue	\$924,634,514	\$944,768,067	\$20,133,554
Estimated Expenditures (Department Request)			
Total Program SEF Expenditures	\$393,550,471	\$464,587,374	\$71,036,903
Categorical Program SEF Expenditures	\$174,734,946	\$180,481,803	\$5,746,857
Various Other Programs and Transfers	\$125,691,729	\$125,691,729	\$0
Liabilities and Statutory Transfers	\$34,000,000	\$34,000,000	\$0
TOTAL Forecasted SEF Expenditures	\$727,977,146	\$804,760,906	\$76,783,760
Projected Ending Fund Balance	\$196,657,368	\$140,007,161	(\$56,650,207)

Schedule 13

Department of Education

Funding Request for The FY 2020-21 Budget Cycle

Request Title

R-02 Categorical Programs Inflation Increases

Dept. Approval By: <u>9/23/20</u>	_____	Supplemental FY 2019-20
OSPB Approval By: <u>[Signature]</u>	_____	Budget Amendment FY 2020-21
	X	Change Request FY 2020-21

Summary Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Total		\$495,241,719	\$0	\$495,812,876	\$5,748,857	\$5,748,857
FTE		71.1	0.0	71.1	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	\$157,878,887	\$0	\$157,878,887	\$0	\$0
	CF	\$170,188,797	\$0	\$170,214,170	\$5,748,857	\$5,748,857
	RF	\$191,090	\$0	\$191,090	\$0	\$0
	FF	\$167,175,165	\$0	\$167,530,749	\$0	\$0

Line Item Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Total		\$368,812,665	\$0	\$369,158,145	\$2,897,365	\$2,897,365
02. Assistance to Public Schools, (B) Categorical Programs, (1) District	FTE	63.0	0.0	63.0	0.0	0.0
Programs Required by Statute - Special Education - Children With Disabilities	GF	\$93,572,347	\$0	\$93,572,347	\$0	\$0
	CF	\$109,128,264	\$0	\$109,128,264	\$2,897,365	\$2,897,365
	RF	\$191,090	\$0	\$191,090	\$0	\$0
	FF	\$155,920,984	\$0	\$156,266,444	\$0	\$0

Total		\$34,248,637	\$0	\$34,258,741	\$1,439,563	\$1,439,563
02. Assistance to Public Schools, (B) Categorical Programs, (1) District	FTE	4.6	0.0	4.6	0.0	0.0
Programs Required by Statute - English Language Proficiency Program	GF	\$3,101,598	\$0	\$3,101,598	\$0	\$0
	CF	\$18,892,838	\$0	\$18,892,838	\$1,439,563	\$1,439,563
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$11,254,201	\$0	\$11,264,305	\$0	\$0

	Total	\$60,930,645	\$0	\$60,936,679	\$875,806	\$875,806
02. Assistance to Public Schools, (B) Categorical Programs, (2) Other	FTE	2.0	0.0	2.0	0.0	0.0
Categorical Programs - Public School Transportation	GF	\$36,922,227	\$0	\$36,922,227	\$0	\$0
	CF	\$24,008,416	\$0	\$24,014,452	\$875,806	\$875,806
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

	Total	\$27,238,323	\$0	\$27,238,323	\$431,779	\$431,779
02. Assistance to Public Schools, (B) Categorical Programs, (2) Other	FTE	0.0	0.0	0.0	0.0	0.0
Categorical Programs - Transfer to DHE for Career and Technical Education	GF	\$17,792,850	\$0	\$17,792,850	\$0	\$0
	CF	\$9,445,473	\$0	\$9,445,473	\$431,779	\$431,779
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

	Total	\$12,897,199	\$0	\$12,706,538	\$101,283	\$101,283
02. Assistance to Public Schools, (B) Categorical Programs, (2) Other	FTE	1.5	0.0	1.5	0.0	0.0
Categorical Programs - Special Education Programs for Gifted and Talented Children	GF	\$5,500,000	\$0	\$5,500,000	\$0	\$0
	CF	\$7,197,199	\$0	\$7,206,538	\$101,283	\$101,283
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

	Total	\$1,314,250	\$0	\$1,314,250	\$1,061	\$1,061
02. Assistance to Public Schools, (B) Categorical Programs, (2) Other	FTE	0.0	0.0	0.0	0.0	0.0
Categorical Programs - Small Attendance Center Aid	GF	\$787,645	\$0	\$787,645	\$0	\$0
	CF	\$526,605	\$0	\$526,605	\$1,061	\$1,061
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Auxiliary Data			
Requires Legislation?	NO		
Type of Request?	Department of Education Prioritized Request	Interagency Approval or Related Schedule 13s:	No Other Agency Impact



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

Summary of Incremental Funding Change for FY 2020-21			
	FY 2019-20	FY 2020-21	FY 2021-22
Total Funds	\$0	\$5,746,857	\$5,746,857
FTE	0.0	0.0	0.0
General Fund	\$0	\$0	\$0
Cash Funds	\$0	\$5,746,857	\$5,746,857
Reappropriated Funds	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0

Summary of Request:

The Department requests a cash fund increase of \$5,746,857 from the State Education Fund in FY 2020-21 and subsequent fiscal years to fund a 1.7 percent inflationary increase for the education programs commonly referred to as “categorical programs.”

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

- Special education programs for children with disabilities;
- English language proficiency education;
- Public school transportation;
- Career and technical education programs;
- Special education programs for gifted and talented students;
- Expelled and at-risk student grants;
- Small attendance centers; and
- Comprehensive health education.

Total funding appropriated for categorical programs in FY 2019-20 is \$505,416,675. Of this amount, \$338,050,420 is state funding (General Fund and cash fund), which is subject to the inflationary increases for categorical programs each year pursuant to Section 17 of Article IX of the State Constitution. The Office of State Planning and Budgeting’s September 2019 Economic Forecast indicates a 1.7 percent inflationary rate adjustment for FY 2020-21, which results in an increase of approximately \$5.7 million. The inflationary increase is not required to be distributed to every categorical program. The Department requests that the \$5.7 million in increased funding be allocated among the programs based on the “gap” in funding between the state and federal revenues provided to the programs versus the actual reported district expenditures as reported to the Department.

Current Program:

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

- Special education programs for children with disabilities;
- English language proficiency education;
- Public school transportation;
- Career and technical education programs;
- Special education programs for gifted and talented students;
- Expelled and at-risk student grants;
- Small attendance centers; and
- Comprehensive health education.

Problem or Opportunity:

Total funding appropriated for categorical programs in FY 2019-20 is \$505,416,675. Of this amount, \$338,050,420 is state funding, which is subject to the inflationary increases for categorical programs each year pursuant to Section 17 of Article IX of the State Constitution. The Office of State Planning and Budgeting's September 2019 Economic Forecast indicates a 1.7 percent inflationary rate adjustment for FY 2020-21. This results in an increase of approximately \$5.7 million over current state funding amounts to be appropriated for the categorical programs.

Proposed Solution:

The Department requests that the \$5.7 million in increased funding be allocated among the programs based on the "gap" in funding between the state and federal revenues provided to the programs versus the actual reported district expenditures as reported to the Department. The additional funding to these programs will provide funding equal to the funding shortfall calculated for FY 2018-19.

Anticipated Outcomes:

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

Assumptions and Calculations:

The calculation for the requested increase is based on adjusting the FY 2019-20 appropriations subject to Section 17 of Article IX of the State Constitution by an inflation rate of 1.7 percent. The inflationary rate used the applicable rate for FY 2020-21 projected in the Office of Strategic Planning and Budgeting's September 2019 Economic Forecast.

Table 1: Requested Increase for Categorical Programs

	FY 2018-19 Total Fund Appropriation	Deduct Federal Funds	Deduct Reappropriated Funds	Deduct Public School Transportation Fund*	Total
All Categorical Programs	\$505,866,675	(\$167,175,165)	(\$191,090)	(\$450,000)	\$338,050,420
Applicable OSPB Inflation Factor (September 2019 Economic Forecast)					0.017
Total amount of inflation for categorical programs					\$5,746,857
*Pursuant to Section 22-51-103, C.R.S. any appropriation made from the public school transportation fund from moneys deposited from overpayments collected by the department through the audit process shall not be included in the calculation of total state funding for all categorical programs as defined in Section 22-55-102,(19) C.R.S.					

The inflationary increase is not required to be distributed to every categorical program. The Department requests that the \$5.7 million in increased funding be allocated among the programs based on the “gap” in funding between the actual reported revenue received by the programs versus the actual expenditures as reported to the Department by individual districts. The requested distribution of additional funding is outlined in Appendix A.

Appendix A

Appendix A: Requested Increase for Categorical Programs									
	Special Education Program for Children with Disabilities /1	English Language Proficiency Programs	Public School Transportation	Career and Technical Education Programs	Gifted and Talented Programs	Expelled and At-risk Student Services Grant Program	Small Attendance Center Aid	Comprehensive Health Education	Total
A. FY 17-18 Total District Expenditures	\$1,010,616,352	\$376,319,562	\$255,425,124	\$129,197,370	\$36,294,954	\$6,306,369	\$1,314,211	\$723,482	\$1,816,197,424
B. FY 17-18 Total State / Federal Revenues	<u>-359,157,732</u>	<u>-53,828,353</u>	<u>-57,985,579</u>	<u>-32,470,187</u>	<u>-11,684,557</u>	<u>-5,610,076</u>	<u>-1,076,550</u>	<u>-694,529</u>	<u>-522,507,563</u>
C. FY 17-18 Funding Gap Between District Expenditures and State / Federal Revenues	\$651,458,620	\$322,491,209	\$197,439,545	\$96,727,183	\$24,610,397	\$696,293	\$237,661	\$28,953	\$1,293,689,861
D. Proportional Percentage of Total Excess Expenditures	50.36%	24.93%	15.26%	7.48%	1.90%	0.05%	0.02%	0.00%	100.00%
E. FY 19-20 State Approps subject to inflation increase	\$202,700,611	\$22,994,436	\$60,480,645	\$27,238,323	\$12,697,199	\$9,493,560	\$1,314,250	\$1,131,396	\$338,050,420
F. R-2 Allocation of the inflation adjustment (see notes)	2,897,366	1,439,563	875,806	431,779	101,283	0	1,061	0	\$5,746,857
G. Base & Other Requests	0	0	5,155	0	7,978	5,803	0	7,135	\$26,071
H. State funds transferred from other Departments/Programs	191,090	0	450,000	0	0	0	0	0	641,090
I. FY 20-21 Est. Federal Funds	<u>155,920,964</u>	<u>11,254,201</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>167,175,165</u>
J. FY 20-21 Subtotal for the Categorical Programs adjusted by Inflation	\$361,710,031	\$35,688,200	\$61,811,606	\$27,670,102	\$12,806,460	\$9,499,363	\$1,315,311	\$1,138,531	\$511,639,603
FY 20-21 Total Request for Categorical Programs (All Funds and Request Items Included)									\$511,639,603
<i>General Fund</i>									<i>\$163,765,474</i>
<i>CF - State Education Fund & Public School Transportation Fund</i>									<i>\$180,507,874</i>
<i>Reappropriated (Transferred) Funds</i>									<i>\$191,090</i>
<i>Federal Funds</i>									<i>\$167,175,165</i>

Notes for Appendix A:

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

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

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

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

Row E: The FY 2018-19 state funds appropriation excluding federal funds, state funds appropriated from other programs, and public school transportation funds pursuant to Section 22-51-103, C.R.S.

Row F: Shows the Department's recommended distribution of the inflationary increase.

Row G: Shows the FY 2019-20 base adjustments, such as Salary Survey and other request items that impact a categorical program.

Totals: The FY 2019-20 total request for all categorical programs. This amount matches the total fund request shown on the Schedule 3s.

Schedule 13

Department of Education

Funding Request for The FY 2020-21 Budget Cycle

Request Title

R-03 Colorado School for the Deaf and Blind Salary Increase

Dept. Approval By:			Supplemental FY 2019-20
OSPB Approval By:			Budget Amendment FY 2020-21
		X	Change Request FY 2020-21

Summary Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$11,258,238	\$0	\$11,473,908	\$79,329	\$79,329
	FTE	153.1	0.0	153.1	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	\$9,587,306	\$0	\$9,804,976	\$79,329	\$79,329
	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$1,668,932	\$0	\$1,668,932	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$11,258,238	\$0	\$11,473,908	\$79,329	\$79,329
	FTE	153.1	0.0	153.1	0.0	0.0
04, School for the Deaf and the Blind, (A) School Operations, (1) School Operations - Personal Services	GF	\$9,587,306	\$0	\$9,804,976	\$79,329	\$79,329
	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$1,668,932	\$0	\$1,668,932	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Auxiliary Data			
Requires Legislation?	NO		
Type of Request?	Department of Education Prioritized Request	Interagency Approval or Related Schedule 13s:	No Other Agency Impact



Department Priority: R-03
Request Detail: Colorado School for the Deaf and the Blind Salary Increase

Summary of Incremental Funding Change for FY 2020-21			
	FY 2019-20	FY 2020-21	FY 2021-22
Total Funds	\$0	\$79,329	\$79,329
FTE	0.0	0.0	0.0
General Fund	\$0	\$79,329	\$79,329
Cash Funds	\$0	\$0	\$0
Reappropriated Funds	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0

Summary of Request:

The Colorado Department of Education requests a General Fund increase of \$79,329 in FY 2020-21 for the Colorado School for the Deaf and the Blind (CSDB) to compensate its teachers based on the teacher salary increase that was approved by Colorado Springs School District 11, as required by statute (22-80-106.5, C.R.S). This is an ongoing request and represents a 2.3% increase over the base funding amount for CSDB teacher salaries.

According to 22-80-106.5, C.R.S, CSDB is required to compensate teachers based upon the Colorado Springs District 11 salary schedule. In years that the District 11 school board votes and approves increases to teacher compensation, CSDB must make a request for the same increases for their teachers. For FY 2019-20, Colorado Springs School District 11 voted for the following changes to teacher compensation:

- Increase teacher salaries by .07%;
- Step increases based on experience; and
- Academic credit increases

To meet the requirements of 22-80-106.5, C.R.S., the Department, on behalf of the CSDB, requests a salary increase for CSDB teachers, amounting to a General Fund increase of \$79,329 for FY 2020-21.

Current Program:

Colorado School for the Deaf and the Blind (CSDB) is located in Colorado Springs. The CSDB provides educational services for children throughout the state who are deaf, hard of hearing, blind, or visually impaired, and under the age of 21. In FY 2018-19, the CSDB had an on-campus enrollment of 209 students (ages 3 to 21). In addition to the on-campus enrollment, the school provided in-home services to 336 children from birth to age 3 (and their families) through the early intervention (CO-Hears) program and 151 children from birth to age 8 through the Early Literacy Development Initiative (ELDI). The school also provided outreach services to 119 school-age students being served in local districts, supported in part by fees paid by the local school districts.

Problem or Opportunity:

According to 22-80-106.5, C.R.S, CSDB is required to compensate teachers based upon the Colorado Springs District 11 salary schedule. In years that the District 11 school board votes and approves increases to teacher compensation, CSDB must make a request for the same increases for their teachers.

For FY 2019-20, Colorado Springs School District 11 voted for the following changes to teacher compensation:

- Increase teacher salaries by .07%;
- Step increases based on experience; and
- Academic credit increases

Proposed Solution:

To meet the requirements of 22-80-106.5, C.R.S., the Department, on behalf of the CSDB, proposes a salary increase for CSDB teachers, amounting to an increase of \$79,329 for FY 2020-21. The impact of these increases by position and in total is included in the Assumptions for Calculations section below

Anticipated Outcomes:

If the funding increase is approved, the teachers will receive the base increase of .07%, the experience step increases, and the academic credit increases based upon the board-approved El Paso District 11 pay schedule.

Assumptions and Calculations:

The table below provides the impacts of the increase by position and in total:

Position Title	Salary Schedule Placement	Salary Schedule Placement	FY20 PLACEMENT	FY21 PLACEMENT	Difference
	FY20	FY21			
Teacher of the Visually Impaired	I-B	I-C	\$39,780	\$40,859	\$1,079
Teacher of the Visually Impaired	I-B	I-C	\$39,780	\$40,859	\$1,079
Teacher of the Visually Impaired	I-B	I-C	\$39,780	\$40,859	\$1,079
Teacher of the Deaf	I-B	I-C	\$39,780	\$40,859	\$1,079
Teacher of the Visually Impaired	I-B	I-C	\$39,780	\$40,859	\$1,079
Transition Teacher	I-C	I-D	\$40,576	\$41,676	\$1,100

Transition Teacher	I-C	I-D	\$40,576	\$41,676	\$1,100
Transition Teacher	I-D	I-E	\$41,388	\$42,510	\$1,122
Teacher of the Deaf	I-E	I-F	\$42,216	\$43,360	\$1,144
Teacher of the Deaf	III-E	III-F	\$47,033	\$47,335	\$302
Teacher - Physical Educ	III-E	III-F	\$47,033	\$47,335	\$302
Transition Teacher	III-H	III-I	\$48,933	\$50,233	\$1,300
Teacher of the Deaf	III-S (21)	III-S (21)	\$63,301	\$63,707	\$406
Physical Therapist	III-S (21)	III-S (21)	\$63,301	\$63,707	\$406
Special Education Teacher	II-N	II-N	\$52,779	\$53,132	\$353
Teacher of the Deaf	IV-B	IV-C	\$45,288	\$46,477	\$1,189
Teacher of the Deaf	IV-B	IV-C	\$45,288	\$46,477	\$1,189
Teacher of the Deaf	IV-H	IV-I	\$51,001	\$52,340	\$1,339
Teacher of the Deaf	IX-O	IX-P	\$70,459	\$72,237	\$1,778
Audiologist	IX-S (21)	IX-S (22)	\$79,347	\$81,351	\$2,004
Speech Therapist	V-D	V-E	\$49,027	\$50,303	\$1,276
Teacher of the Deaf	V-F	V-G	\$51,008	\$52,335	\$1,327
Teacher of the Deaf	V-F	V-G	\$51,008	\$52,335	\$1,327
Teacher of the Deaf	VI-B	VI-C	\$48,960	\$50,223	\$1,263
Teacher of the Deaf	VI-B	VI-C	\$48,960	\$50,223	\$1,263
Teacher of the Visually Impaired	VI-C	VI-D	\$49,939	\$51,227	\$1,288
Speech Therapist	VI-F	VI-G	\$52,996	\$54,363	\$1,367
Orientation & Mobility Spec	VI-F	VI-G	\$52,996	\$54,363	\$1,367
Teacher of the Visually Impaired	VI-F	VI-G	\$52,996	\$54,363	\$1,367
Teacher of the Deaf	VI-H	VI-I	\$55,137	\$56,559	\$1,422
School Counselor	VI-H	VI-I	\$55,137	\$56,559	\$1,422
Teacher of the Visually Impaired	VI-I	VI-J	\$56,240	\$57,690	\$1,450
Communication Specialist	VII-E	VII-F	\$53,905	\$55,284	\$1,379
Teacher of the Deaf	VII-E	VII-F	\$53,905	\$55,284	\$1,379
School Psychologist	VII-F	VII-G	\$54,983	\$56,390	\$1,407
Teacher of the Deaf	VII-F	VII-G	\$54,983	\$56,390	\$1,407
Teacher of the Visually Impaired	VII-H	VII-I	\$57,205	\$58,668	\$1,463
Physical Education Teacher	VII-H	VII-I	\$57,205	\$58,668	\$1,463
Teacher of the Deaf	VII-I	VII-K	\$58,349	\$61,038	\$2,689
Occupational Therapist	VIII-D	VIII-E	\$54,759	\$56,148	\$1,389
Teacher of the Visually Impaired	VIII-H	VIII-I	\$59,272	\$60,776	\$1,504
School Counselor	VIII-O	VIII-P	\$68,084	\$69,814	\$1,730
Teacher of the Deaf	VIII-O	VIII-P	\$68,084	\$69,814	\$1,730
Teacher of the Visually Impaired	VIII-P	VIII-Q	\$69,446	\$71,210	\$1,764
Educ Media Specialist	VIII-R	VIII-S (19)	\$72,252	\$74,087	\$1,835
Teacher of the Visually Impaired	VIII-S (20)	VIII-S (21)	\$75,171	\$77,080	\$1,909
Teacher of the Visually Impaired	VIII-S (22)	VIII-S (22)	\$75,171	\$77,080	\$1,909
Teacher of the Deaf	VIII-S (22)	VIII-S (22)	\$75,171	\$77,080	\$1,909
Communication Specialist	VIII-S (22)	VIII-S (22)	\$75,171	\$77,080	\$1,909

O&M Specialicist	VII-J	VII-K	\$59,516	\$61,038	\$1,522
Transition Teacher	VII-M	VII-N	\$63,158	\$64,774	\$1,616
Teacher of the Deaf	VII-N	VII-O	\$64,421	\$66,069	\$1,648
Music/Drama Teacher	VII-R	VII-S (19)	\$69,730	\$71,515	\$1,785
Teacher of the Deaf	VII-S (20)	VII-S (20)	\$72,548	\$72,945	\$397
Teacher of the Deaf	VI-J	VI-K	\$57,365	\$58,844	\$1,479
School Counselor	VI-K	VI-L	\$58,512	\$60,021	\$1,509
Transition Teacher	VI-S (20)	VI-S (20)	\$69,928	\$70,323	\$395
Transition Teacher	V-P	V-Q	\$62,178	\$63,797	\$1,619
Transition Teacher	V-P	V-Q	\$62,178	\$63,797	\$1,619
Special Education Teacher	V-S(20)	V-S(20)	\$67,304	\$67,701	\$397
					\$79,329

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Schedule 13

Department of Education

Funding Request for The FY 2020-21 Budget Cycle

Request Title R-04 Colorado School for the Deaf and Blind Utilities

Dept. Approval By:  _____ Supplemental FY 2019-20
 OSPB Approval By:  _____ Budget Amendment FY 2020-21
 _____ X _____ Change Request FY 2020-21

Summary Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$627,580	\$0	\$627,580	\$59,542	\$59,542
	FTE	0.0	0.0	0.0	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	\$627,580	\$0	\$627,580	\$59,542	\$59,542
	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$627,580	\$0	\$627,580	\$59,542	\$59,542
	FTE	0.0	0.0	0.0	0.0	0.0
04. School for the Deaf and the Blind, (A) School Operations, (1) School Operations - Utilities	GF	\$627,580	\$0	\$627,580	\$59,542	\$59,542
	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Auxiliary Data			
Requires Legislation?	NO		
Type of Request?	Department of Education Prioritized Request	Interagency Approval or Related Schedule 13s:	No Other Agency Impact



Department Priority: R-04
Request Detail: Colorado School for the Deaf and the Blind Utilities

Summary of Incremental Funding Change for FY 2020-21			
	FY 2019-20	FY 2020-21	FY 2021-22
Total Funds	\$0	\$59,542	\$59,542
FTE	0.0	0.0	0.0
General Fund	\$0	\$59,542	\$59,542
Cash Funds	\$0	\$0	\$0
Reappropriated Funds	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0

Summary of Request:

The Colorado Department of Education requests a General Fund increase of \$59,542 in FY 2020-21 and ongoing for the Colorado School for the Deaf and the Blind (CSDB) to accommodate the projected increase in utility costs for the CSDB campus in Colorado Springs. This is an ongoing request and represents a 9.49% increase over the base funding amount for CSDB utilities.

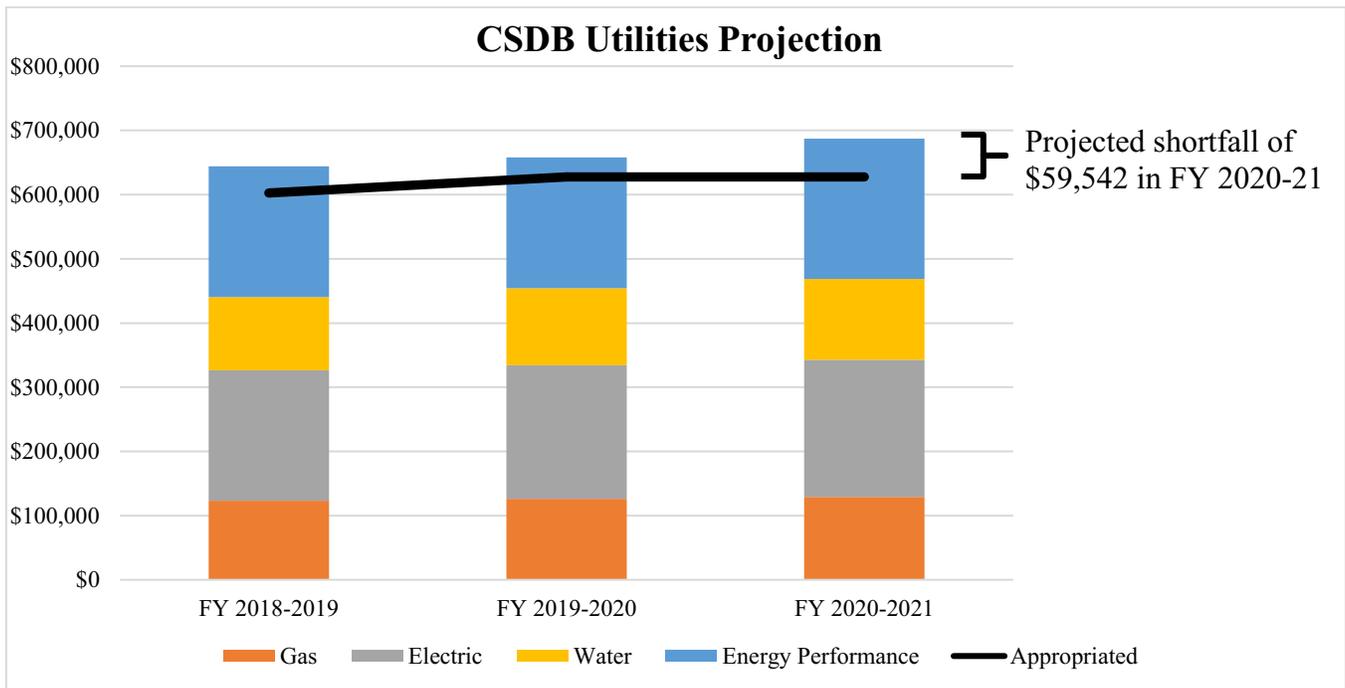
The CSDB has had a shortfall in utilities funding for FY18-19 and FY19-20. Under the most conservative estimates, CSDB projects a \$59,542 shortfall for FY20-21, holding usage rates constant and considering only a 2.5% increase in utility costs for gas and electric and 5% increase for water. CSDB has recently built energy efficient buildings and has established efficiency policies for utilities use. The requested increase to the CSDB utilities line item would ensure expenditures can be made to meet adequate heating, cooling, and lighting of classrooms, dormitory rooms, and offices, as well as adequate availability of water for the schools, dormitories, kitchen and landscaping.

Current Program:

Colorado School for the Deaf and the Blind (CSDB) is located in Colorado Springs. The CSDB provides educational services for children throughout the state who are deaf, hard of hearing, blind, or visually impaired, and under the age of 21. In FY 2018-19, the CSDB had an on-campus enrollment of 209 students (ages 3 to 21). In addition to the on-campus enrollment, the school provided in-home services to 336 children from birth to age 3 and their families through the early intervention (CO-Hears) program and 151 children from birth to age 8 through the Early Literacy Development Initiative (ELDI). The school also provided outreach services to 119 school-age students being served in local districts, supported in part by fees paid by the local school districts. The Utilities line item for CSDB covers utilities for the entire school campus, including the costs of cooling and heating classrooms and dormitories, water, and electricity.

Problem or Opportunity:

The CSDB has had a shortfall in the utilities line for the past two fiscal years and is projected to continue to have insufficient funding to support the rising costs of gas, electric, and water in FY 2020-21. The CSDB received an increase of \$25,000 for utilities in FY 2019-20; however, the School’s recent projection for utility costs through FY 2020-21 indicate the ongoing increase of \$25,000 will be inadequate to cover the rising costs of utilities for the campus, even under the most conservative estimates. Sufficient funding of the utilities line is critical to ensuring that the CSDB’s students have appropriate heating, cooling, and lighting of classrooms, dormitory rooms, and offices, as well as adequate availability of water for the schools, dormitories, kitchen and landscaping.



Proposed Solution:

The Department requests an increase of \$59,542 in FY 2020-21 and beyond to fully fund the anticipated growth in utilities costs at the CSDB campus.

Anticipated Outcomes:

An increase to the CSDB Utilities line item will ensure expenditures can be made to meet adequate heating and cooling of classrooms, dormitory rooms and offices; adequate lighting for classrooms, dormitory rooms, offices and grounds; and adequate availability of water for the schools, dormitories, kitchen and landscaping.

Assumptions and Calculations:

CSDB received an increase of \$27,000 in FY 2015-16 and \$25,000 in FY 2020-21. The school has been able to stay within the appropriation through FY 2017-18. The table below shows the actual expenses for FY 2016-17 and FY 2017-18 and estimates for FY 2019-20 through FY2020-21. The CSDB projected the growth in costs under the most conservative scenario, holding usage constant and only increasing the cost of utilities at 2.5% for gas and electric and 5% for water; this percent increase is relatively low as compared to the historic cost increases for these utilities.

	FY 2016-2017		FY 2017-2018		FY 2018-2019		ESTIMATE FY 2019-2020		ESTIMATE FY 2020-2021	
	Amount	% Change	Amount	% Change	Amount	% Change	Amount	% Change	Amount	% Change
Gas										
Avg Rate	0.4321	1.69%	0.4343	0.51%	0.434	-0.07%	0.434	0.00%	0.434	0.00%
Usage	257,236	0.28%	245,958	-4.38%	256,832	4.42%	256,832	0.00%	256,832	0.00%
Cost	\$ 112,298	6.08%	\$ 103,962	-7.42%	\$ 123,005	18.32%	\$ 126,080	2.50%	\$ 129,232	2.50%
Electric										
Avg Rate	0.0929	14.55%	0.0999	7.53%	0.096	-3.90%	0.096	0.00%	0.096	0.00%
Usage	2,158,123	11.61%	2,076,166	-3.80%	2,158,234	3.95%	2,158,234	0.00%	2,158,234	0.00%
Cost	\$ 199,709	27.24%	\$ 210,951	5.63%	\$ 203,268	-3.64%	\$ 208,350	2.50%	\$ 213,559	2.50%
Water										
Avg Rate	0.0781	1.17%	0.0816	4.48%	0.0896	9.80%	0.0896	0.00%	0.0896	0.00%
Usage	1,244,990	23.26%	1,309,700	5.20%	1,266,400	-3.31%	1,266,400	0.00%	1,266,400	0.00%
Cost	\$ 94,533	27.86%	\$ 100,825	6.66%	\$ 114,093	13.16%	\$ 119,798	5.00%	\$ 125,788	5.00%
Energy Perf	\$ 157,684	4.45%	\$ 179,178	13.63%	\$ 203,775	13.73%	\$ 203,775	0.00%	\$ 218,543	7.25%
Other	\$ 15,000									
Total Cost	\$ 579,224	18.76%	\$ 594,916	2.71%	\$ 644,141	8.27%	\$ 658,002	2.15%	\$ 687,122	4.43%
Appr	\$ 602,580		\$ 602,580		\$ 602,580		\$ 627,580		\$ 627,580	
Difference	\$ 23,356		\$ 7,664		\$ (41,561)		\$ (30,422)		\$ (59,542)	

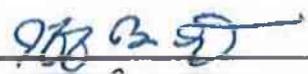
Schedule 13

Department of Education

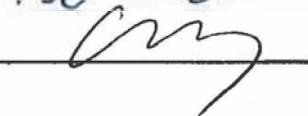
Funding Request for The FY 2020-21 Budget Cycle

Request Title

R-05 Concurrent Enrollment for Educators

Dept. Approval By: 

Supplemental FY 2019-20

OSPB Approval By: 

Budget Amendment FY 2020-21

X

Change Request FY 2020-21

Summary Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Total		\$1,500,000	\$0	\$1,500,000	\$539,190	\$539,190
FTE		0.0	0.0	0.0	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	\$1,500,000	\$0	\$1,500,000	\$539,190	\$539,190
	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Total		\$1,500,000	\$0	\$1,500,000	\$539,190	\$539,190
FTE		0.0	0.0	0.0	0.0	0.0
02. Assistance to Public Schools, (C) Grant Programs, Distributions, and Other Assistance, (4) Professional Development and Instructional Support - Career Counseling Professional Development	GF	\$1,500,000	\$0	\$1,500,000	\$539,190	\$539,190
	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Auxiliary Data			
Requires Legislation?	YES		
Type of Request?	Department of Education Prioritized Request	Interagency Approval or Related Schedule 13s:	No Other Agency Impact



Department Priority: R-05
Request Detail: Concurrent Enrollment for Educators

Summary of Incremental Funding Change for FY 2020-21			
	FY 2019-20	FY 2020-21	FY 2021-22
Total Funds	\$0	\$539,190	\$539,190
FTE	0.0	0.0	0.0
General Fund	\$0	\$539,190	\$539,190
Cash Funds	\$0	\$0	\$0
Reappropriated Funds	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0

Summary of Request:

The Governor requests a General Fund increase of \$539,190 in FY 2020-21 and beyond to provide future educators with a pathway to a low-cost teaching degree through concurrent enrollment and apprenticeship programs while students are in high school. This request was developed with the technical collaboration of the Colorado Department of Education.

The Concurrent Enrollment for Educators request will fund up to 6 pilots for at least 15 students per school district, allowing 90 students to participate in the program each year. This innovative educator pathways model provides a unique opportunity to recruit students who may not otherwise choose to enter the teaching profession, while filling open paraprofessional positions and allowing students to earn a certification and a livable wage while in high school. This program, modeled after an innovative partnership between the Cherry Creek School District and the University of Colorado Denver, will both benefit the student-participants and help address the teacher shortage in Colorado, particularly in rural areas, hard-to-serve subjects, and in preschool.

Current Program:

Cherry Creek School District has designed an innovative partnership with local higher education institutions to help train future educators and address the teacher shortage, while allowing students to earn money and fill paraprofessional roles through an innovative apprenticeship program. Students enter the program as a sophomore, take coursework in education at a higher education institution their junior and senior years, while completing their early childhood education credential for paraprofessional employment in their first year of college and potentially moving on to a full teaching certification in just three semesters at college.

Cherry Creek School District has formed a partnership with the University of Colorado Denver to conduct the program. In the 2019-2020 school year, the program will enroll 16 students. These students will earn up to 33 college credits, \$31,000 in wages while working as a paraprofessional, spend 2,592 hours in a classroom gaining valuable experience, and ultimately gain a paraprofessional certification while in high school.

Problem or Opportunity:

Colorado faces a significant teacher shortage, particularly in rural areas and hard-to-serve schools and subjects. In December 2017, the Colorado Department of Education and the Colorado Department of Higher Education conducted an in-depth study of teacher shortages in Colorado and across the country. The study found that Colorado has seen a decrease in enrollment and completion of educator preparation programs, while the demand for qualified educators rises due to career attrition and increasing numbers of retirees. As a result, the state annually licenses about 50% of teachers from out of state.¹ Recent data shows a 25% decrease in enrollment in Colorado traditional educator preparation programs from AY 2010-2011 through AY 2015-16.

The Colorado Department of Education collected official teacher shortage data from the school districts for the first time in the 2018-19 school year. They found:

- Almost 9,000 teaching and SSP positions needed to be hired for in 2018-19, representing 14% of all teaching and 19% of all SSP positions in the state.
- Of the 7,773 total teaching positions to hire, 264 (3%) remained unfilled for the school year and 933 (12%) were filled through a shortage mechanism.
- Of the 1,177 total SSP positions to hire, 103 (9%) remained unfilled for the school year and 91 (8%) were filled through a shortage mechanism.
- In core teaching subject areas, shortages of mathematics, science and special education teachers were evident statewide; additionally, shortages of English teachers in small rural and early childhood teachers in non-rural areas were reported.
- In SSP categories, shortages of school psychologists, school nurses, school social workers and school physical therapists were evident statewide.

An interactive map of this data can be found online at <http://www.cde.state.co.us/educatortalent/edshortage-surveyresults>. This map, included below, shows more detail about the educator geographical and content needs across Colorado.

¹ Colorado Department of Higher Education. Teacher Shortages across the Nation and Colorado. 2017. https://higher.ed.colorado.gov/Publications/Reports/teachereducation/2017/TeacherShortages_Nation_Colorado_Dec2017.pdf

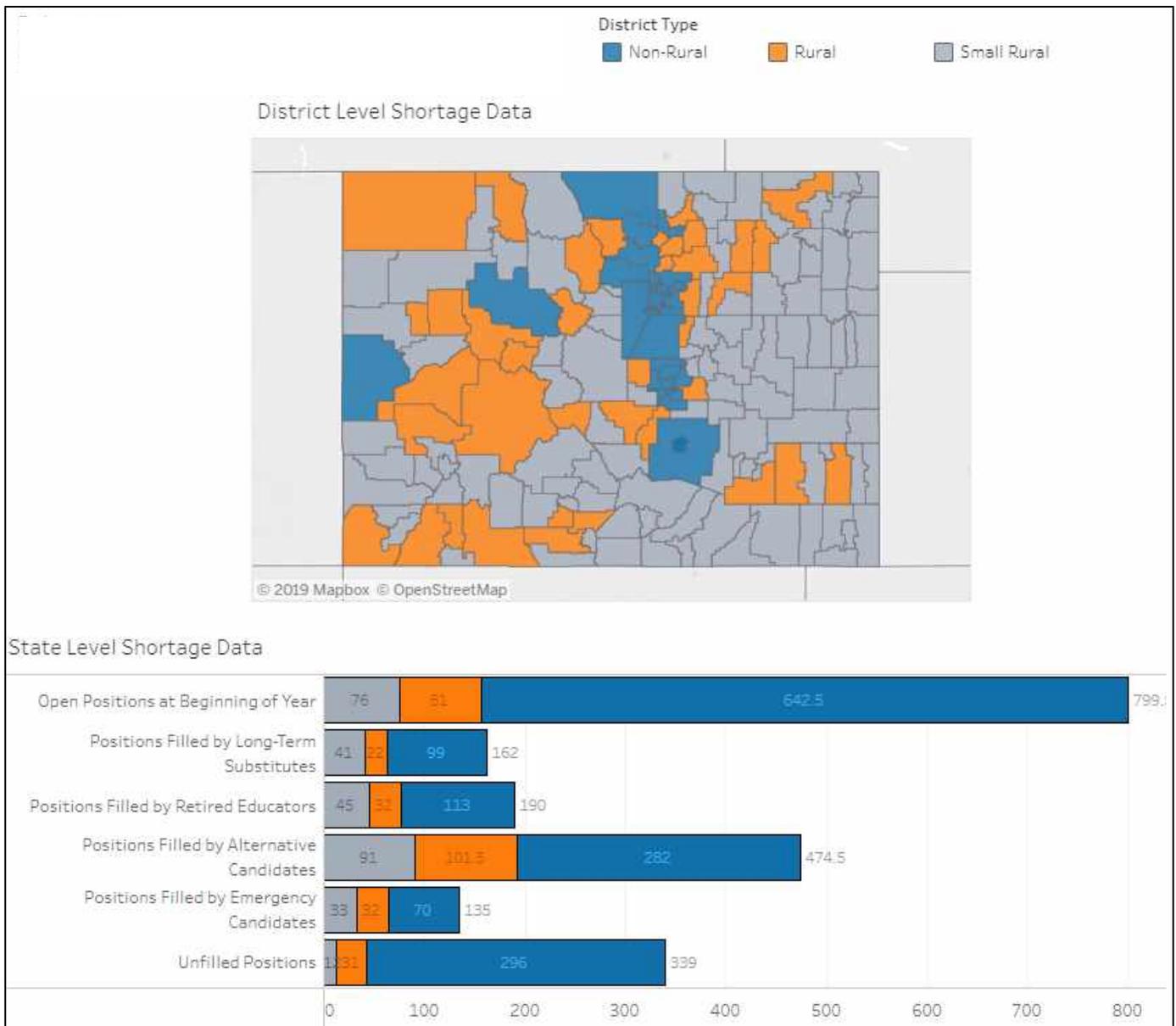


Image shows the geographical shortages across Colorado based on 2018-19 data.

The teacher shortage challenge is exacerbated for students in rural areas, where there are few educator preparation programs, and in hard to serve content areas, including special education, mathematics, English, and foreign language.² In addition, Colorado’s teaching force does not reflect the makeup of the student body. While 28% of students in Colorado are students of color, the teaching force only includes 12% teachers of color.³ Recent research from the U.S. Department of Education demonstrates that students of color benefit academically when they are taught by teachers of color.⁴

² Ibid.

³ Ibid.

⁴ U.S. Department of Education. The State of Racial Diversity in the Educator Workforce. 2016. <https://www2.ed.gov/rschstat/eval/highered/racial-diversity/state-racial-diversity-workforce.pdf>

Finally, school districts across the state face significant shortages in paraprofessionals. Paraprofessionals work alongside or under the direction of a licensed or certified educator to assist in providing instructional or non-instructional services to children, youth, and families. In particular, paraprofessionals play an important role in assisting students with disabilities and English learners to ensure that they can thrive in the mainstream classroom.⁵ Without qualified paraprofessionals, school districts must leave open paraprofessional positions in the district or use substitute teachers instead to meet these needs.

Proposed Solution:

The Cherry Creek educator pathways model provides a unique opportunity to recruit students who may not otherwise choose to enter the teaching profession, while filling open paraprofessional positions and allowing students to earn a certification and a livable wage while in high school. This program, replicated in school districts across Colorado, has the potential to help address the teacher shortage, particularly in rural areas, hard-to-serve subjects, and in preschool.

Under this program, the Colorado Department of Education will choose up to 6 pilot sites to implement this program with participating institutions of higher education (IHE). The Department will ensure that at least some of the partnerships are located in rural areas. Students will take two years of coursework at the IHE or in partnership with the IHE through concurrent enrollment, while participating in an apprenticeship program at their local school district in the second year. In the final year of the program, the student will take coursework at the partner IHE and work towards either his or her early childhood credential for paraprofessional employment or full teaching certification.

Pilot funding under this program will be used to plan and collaborate with IHE partners, meet any need for transportation for students to the university partner, training for future educators, any additional cost for the concurrent enrollment partnership, and potentially to help subsidize paraprofessional positions, if necessary.

The Governor's Office, in partnership with the Department, will work to introduce stand-alone legislation to provide future educators with a pathway to a low-cost teaching degree through concurrent enrollment and apprenticeship programs while students are in high school. Joint Budget Committee members and staff will be updated on the status of such legislation.

Anticipated Outcomes:

This program has the potential to help 1) address the teacher shortage, especially in rural areas, hard-to-serve areas, and preschool; 2) diversify the educator workforce; and 3) address Colorado's early childhood paraprofessional shortage. The program will also evaluate student enrollment, program completion, and future employment and earnings to ensure that school districts and IHE partners are meeting intended outcomes.

Assumptions and Calculations:

Cherry Creek School District has estimated that the cost per student for participating in the program for three years is \$7,987 per student. This includes the cost of concurrent enrollment coursework, training for teachers, startup costs, support for students, and licensing fees. It is expected that school districts and IHE partners will provide not less than a 25 percent match for the program, and thus the State would provide about \$5,991 per student. The cost of 6 pilots for 15 students in each district (total of 90 students per year) is \$539,190.

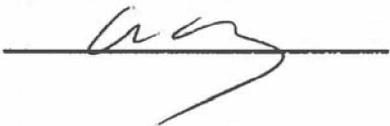
⁵ National Education Association. Paraeducator Institute. <http://www.nea.org/home/67057.htm>

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Schedule 13

Department of Education

Funding Request for The FY 2020-21 Budget Cycle

Request Title	
R-06 Colorado Preschool Program Expansion	
Dept. Approval By: <u></u>	Supplemental FY 2019-20
OSPB Approval By: <u></u>	Budget Amendment FY 2020-21
	X Change Request FY 2020-21

Summary Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$4,619,755,891	\$0	\$4,629,596,956	\$27,627,017	\$27,627,017
	FTE	0.0	0.0	0.0	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	\$4,157,376,783	\$0	\$4,176,157,439	\$27,627,017	\$27,627,017
	CF	\$462,379,108	\$0	\$453,439,517	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$4,619,755,891	\$0	\$4,629,596,956	\$27,627,017	\$27,627,017
	FTE	0.0	0.0	0.0	0.0	0.0
02. Assistance to Public Schools, (A) Public School Finance, (1) Public School Finance - State Share Of Districts' Total Program Funding	GF	\$4,157,376,783	\$0	\$4,176,157,439	\$27,627,017	\$27,627,017
	CF	\$462,379,108	\$0	\$453,439,517	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Auxiliary Data			
Requires Legislation?	YES		
Type of Request?	Department of Education Prioritized Request	Interagency Approval or Related Schedule 13s:	No Other Agency Impact



Department Priority: R-06
Request Detail: Colorado Preschool Program (CPP) Expansion

Summary of Incremental Funding Change for FY 2020-21			
	FY 2019-20	FY 2020-21	FY 2021-22
Total Funds	\$0	\$27,627,017	\$27,627,017
FTE	0.0	0.0	0.0
General Fund	\$0	\$27,627,017	\$27,627,017
Cash Funds	\$0	\$0	\$0
Reappropriated Funds	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0

Summary of Request:

The Governor’s Office requests a General Fund increase of \$27,627,017 in FY 2020-21 and beyond to expand the number of Colorado children served by the Colorado Preschool Program (CPP). This request was developed with the technical collaboration of the Colorado Department of Education. This request would expand access to half- and full-day preschool for nearly 6,000 at-risk 3- and 4-year-olds across, increasing the percent of eligible children served to about 50%.

The General Assembly established the CPP in 1988 to provide high-quality early childhood education and family support to at-risk 3- and 4-year old children and has provided regular funding increases to CPP over the past 30 years. CPP currently serves approximately 27,530 children through a combination of half- and full-day positions across 175 school districts, including through contracts with community-based organizations. However, CPP only has funding to support 41% of all potential eligible children, leaving approximately 39,483 at-risk children without access to affordable, high-quality preschool.

High-quality early childhood education has demonstrated positive outcomes across numerous indicators for both children and families in the short and long term. Rigorous experimental and quasi-experimental studies have found that participation in early childhood education leads to statistically significant reductions in special education placement (-8.1 percentage points), grade retention (-8.3 percentage points), and increases in high school graduation rates (+11.4 percentage points).¹ Separate economic analyses based on longitudinal studies of preschool programs similar to CPP have demonstrated that the benefits of early childhood education outweigh the costs of providing early educational opportunities, with seven to twelve dollars saved for every dollar invested.²



¹ McCoy, D. C., Yoshikawa, H., Ziol-Guest, K. M., Duncan, G. J., Schindler, H. S., Magnuson, K., ... Shonkoff, J. P. (2017). Impacts of Early Childhood Education on Medium- and Long-Term Educational Outcomes. *Educational Researcher*, 46(8), 474–487. <https://doi.org/10.3102/0013189X17737739>

² High Scope Perry Preschool Project. <https://highscope.org/perry-preschool-project/>

Current Program:

The General Assembly established the CPP in 1988 to provide high-quality early childhood education and family support to at-risk 3- and 4-year old children. The statute (section 22-28-108 C.R.S.) defines a set of risk factors for children to qualify for CPP; 4-year olds must meet one of these risk factors to qualify and 3-year olds must meet three of the risk factors to qualify. The risk factors include income eligibility (at or below 185% of the Federal Poverty Level), foster care placement, homelessness, abusive adult in the household, parental substance abuse, parent without a high school degree, poor social skills, need for language development, and frequent mobility. CPP serves a highly diverse population of children, including more than half (53%) Hispanic or Latino, nearly a third White, and just over 8% Black or African American.

Recognizing decades of research that has found that the quality of preschool is essential to future outcomes among participating children, the CPP statute and rules require specific quality standards, including maximum group size; child-to-staff ratios; minimum teacher qualification requirements in early childhood development; multicultural education and parent partnerships; family involvement; comprehensive health and social services; and learning plans.

Problem or Opportunity:

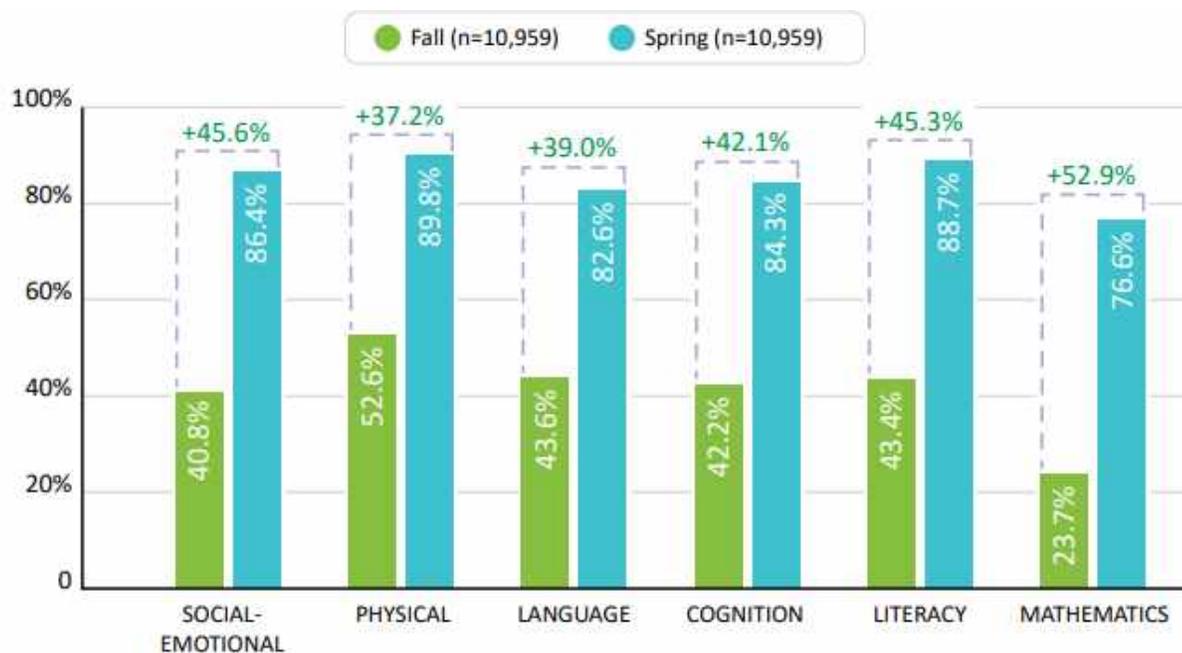
The General Assembly has provided regular increases to CPP over the past 30 years, totaling about \$122.5 million through FY 2019-20. In 2019, the passage of HB19-1262 State Funding for Full-Day Kindergarten freed-up 5,164 Early Childhood At-Risk Enhancement (ECARE) positions for districts to instead use for preschool. As a result, CPP currently serves approximately 27,530 children through a combination of half- and full-day positions across 175 school districts.

The ongoing unmet need in the CPP can be calculated through two approaches. First, the Department's current best estimate is that CPP only has funding to support 41% of all potential eligible children, leaving approximately 39,483 at-risk 3- and 4-year-old children without access to affordable, high-quality preschool. Second, there are 4,150 children on school district waiting lists for CPP. Not all districts keep waiting lists and data reporting is inconsistent. Thus, the 4,150 figure should be considered a subset of the total unmet population.

The CPP has produced positive outcomes for participating children in the short and long terms, with a strong return on investment. Last year, the Department reported that participants were less likely to be identified with a significant reading deficiency, less likely to be retained in the same grade level, and had higher on-time high school graduation rates than their peers who did not participate in the CPP. Previous CPP outcomes have included higher literacy assessment results, better college entrance exam results, and reduced special education placement. The state's observational child assessment tool, Results Matter, found substantial gains among participants from the beginning to the end of participating children's school year in the six measured outcome areas: social emotional, physical, language, cognition, literacy, and math. The graph, below, depicts the growth children enrolled in CPP made across each domain from the fall to the spring. In each area, children made significant overall gains in learning and development over the course of the school year.

Percentage of CPP Four-Year-Olds Meeting or Exceeding Widely Held Expectations

Source: *CPP Legislative Report 2019*



Proposed Solution:

The Governor's Office requests a General Fund increase of \$27,627,017 to expand half- and full-day preschool access to nearly 6,000 at-risk 3- and 4-year-olds across the state, increasing the percent of eligible children served to about 50%. This would eliminate the district-reported waitlists of 4,150 children and offer more at-risk Colorado children the opportunity to benefit from the positive learning and social outcomes that the 30-year history of this program has demonstrated.

The Governor's Office, in partnership with the Colorado Department of Education, will continue to work to identify the appropriate legislative route to increase the number of State funded CPP positions from 29,360 to 35,875, which would serve an additional 5,977 3- and 4-year-old children through a combination of full- and half-day CPP positions.

The Department will distribute these additional CPP positions through an application process that considers unmet need, district capacity and readiness for expansion, consideration of districts furthest below the state average in the proportion of the eligible population served, and the quality of the application. It is anticipated that local school districts will adjust their staffing and facility needs, as applicable, and will further strengthen potential partnerships with community-based early childhood care and education programs to increase the supply of high-quality services to additional children.

Anticipated Outcomes:

High-quality early childhood education has demonstrated positive outcomes across numerous indicators for both children and families in the short and long term. The early childhood period (birth to age 5) is a time of rapid brain development, with one million new connections forming every second. Early experiences play a large role in determining how brain connections are formed and in the “wiring” that becomes the foundation upon which all later learning is built. The learning gap between at-risk children and their peers can exist as early as 9 months of age, and at-risk children can start kindergarten as much as 18 months behind their peers. Many of these children never catch up, and are at an increased risk of dropping out of high school.

A recent national analysis of high-quality experimental and quasi-experimental studies of the impact of early childhood education conducted between 1960 and 2016 found that, on average, participation in early childhood education leads to statistically significant reductions in special education placement (-8.1 percentage points), grade retention (-8.3 percentage points), and increases in high school graduation rates (+11.4 percentage points).³ Separate economic analyses based on longitudinal studies of preschool programs similar to CPP have demonstrated that the benefits of early childhood education outweigh the costs of providing early educational opportunities, with seven to twelve dollars saved for every dollar invested.⁴

The Department will continue to measure the program outcomes on an annual basis and document the findings in the annual CPP report to the General Assembly. This report will also continue to include pre- and post-participation metrics, which historically included:

- Kindergarten readiness
- Likelihood of a reading deficiency
- Test scores
- Grade repetition
- High school graduation rates

Assumptions and Calculations:

The State estimates that there are a total of 76,410 CPP-eligible 3- and 4-year-olds in Colorado; of these, 9,397 children receive preschool through Head Start, resulting in a total of 67,013 estimated CPP eligible children. An estimated 27,530 children are served through CPP, resulting in CPP coverage of approximately 41% of CPP-eligible children. Of the approximately 39,483 remaining unserved CPP-eligible children, school districts have reported a waitlist of 4,150 children.⁵ Based on existing data, it is estimated that the average funding in FY 2020-21 for half-day CPP positions will be \$4,241 or \$8,482 for children that stack two positions to make a full-day. Assuming a mix of full- and half-day of care, an increase of \$19,182,218 would eliminate the district-reported waitlist of 4,150 children. However, since not all districts maintain waitlists, the Governor’s Office requests an increase of \$27,627,017, which would expand preschool access to nearly 6,000 at-risk 3- and 4-year-olds across the state and increase the percent of eligible children served from 41% to 50%.

³ McCoy, D. C., Yoshikawa, H., Ziol-Guest, K. M., Duncan, G. J., Schindler, H. S., Magnuson, K., ... Shonkoff, J. P. (2017). Impacts of Early Childhood Education on Medium- and Long-Term Educational Outcomes. *Educational Researcher*, 46(8), 474–487. <https://doi.org/10.3102/0013189X17737739>

⁴ High Scope Perry Preschool Project. <https://highscope.org/perry-preschool-project/>

⁵ CDE CPP Legislative Report. 2019. <https://www.cde.state.co.us/cpplegreport>

<i>Reference Data:</i>	<i>FY 2020-21</i>
Average CPP Cost per Half-Day (FY 2020-21)	\$4,240.57
Average CPP Cost per Full-Day (FY 2020-21)	\$8,481.14

<i>Request Calculations:</i>	<i>Current State</i>	<i>Eliminate Waitlist of 4,150</i>	<i>Increase Coverage to 50% Eligible</i>
Total CPP Eligible Children (<i>excludes Head Start</i>)	67,013	67,013	67,013
Total Children Served in CPP	27,530	31,680	33,507
Additional CPP Children in FY 2020-21	0	4,150	5,977
Percent Served in CPP	41%	47%	50%
Additional Funds Needed	-	\$19,182,218	\$27,627,017



Department Priority: R-07
Request Detail: Departmental Infrastructure

Summary of Incremental Funding Change for FY 2020-21			
	FY 2019-20	FY 2020-21	FY 2021-22
Total Funds	\$0	\$664,425	\$660,192
FTE	0.0	6.2	6.5
General Fund	\$0	\$318,561	\$328,438
Cash Funds	\$0	\$0	\$0
Reappropriated Funds	\$0	\$345,864	\$331,754
Federal Funds	\$0	\$0	\$0

Summary of Request:

The Colorado Department of Education (CDE) requests a total fund increase of \$664,425 and 6.2 FTE in FY 2020-21, through a combination of \$318,561 General Fund and \$345,864 reappropriated funds, to enable the Department to meet increased statutory requirements and serve school districts' ongoing programmatic needs. This amount annualizes to \$660,192 total fund and 6.5 FTE in FY 2021-2022 and beyond.

The Department's infrastructure needs have grown significantly over the last 15 years. The collective impact of legislation, updates to CDE personnel practices, the increasing complexity of human resource support and internal technology needs, and increased focus on rigorous program evaluation have cumulatively resulted in additional needs related to the infrastructure support for the Department. Each year, the General Assembly passes several pieces of legislation that impact CDE. More than 40 bills passed during the 2019 legislative session that required implementation efforts by CDE, on top of 41 similar bills in the 2018 legislative session and 27 bills in the 2017 session. While the fiscal note process is effective at addressing the resource needs directly related to the programmatic implementation of individual bills, that process does not always address the indirect impact on departmental infrastructure needs.

Over time, the identified and non-identified impacts of legislation on the infrastructural support functions of the Department, as well as the increased complexity of various systems, have cumulatively reached a level that is no longer sustainable and adversely impacts the programmatic service delivery of the Department, especially for procurement, grants fiscal management, information management, human resources, and payroll teams. The requested infrastructure support FTE will enable the Department to effectively support school districts and implement statutory requirements.

Current Program:

As with other state agencies, CDE includes various support functions that are critical to the effective functioning of the Department's programmatic service delivery. These support functions include accounting, budgeting, communications, contracting, human resources, information management, payroll, procurement, and rulemaking. Additionally, the Department's infrastructure supports also include staff supporting the processing for competitive grants, grants fiscal management, and program evaluation given the high volume of grant funding that flows through the Department to school districts. These functions comprise the departmental infrastructure and have an impact on the effectiveness of the Department to provide services to schools and districts.

Problem or Opportunity:

Each year, the General Assembly passes several pieces of legislation that impact the Colorado Department of Education. More than 40 bills passed during the 2019 legislative session that required implementation efforts by CDE, on top of 41 similar bills in the 2018 legislative session and 27 bills in the 2017 session. While the Department develops fiscal note responses to accurately reflect anticipated resource requirements for single bills, the fiscal note process does not effectively identify the indirect impact on departmental infrastructure needs that may result from multiple new grant programs and administrative duties.

At the same time, CDE has experienced updates to its personnel practices and internal technology systems as a result of rapidly changing software upgrades and security tools. In recent years, both CDE and the General Assembly have also placed a priority on rigorous program evaluation to better understand the impact of various education programs.

Overtime, the impacts of these changes on the infrastructural support functions of the Department have cumulatively reached a level that is no longer sustainable and, as a result, the programmatic service delivery of the Department to school district, educators, parents, and children may be adversely impacted.

Proposed Solution:

The Colorado Department of Education is requesting an ongoing appropriation of \$664,425 for the hiring and employment of 6.2 FTE in FY 2020-21 for infrastructure support, including \$318,561 General Fund and \$345,864 reappropriated funds to provide essential back-office support functions for the Department. Specifically, these additional FTE would be used to support the Department's increased workload resulting from statutory requirements across Purchasing, Grants Fiscal Management, Data and Information Management Systems, Human Resources, and Payroll. Upon funding, the CDE will immediately develop job descriptions and engage in hiring, training and onboarding new team members who will focus on providing the required infrastructure support needed for effective service delivery and support to school districts and implement the statutory requirements placed on the Department.

Procurement/Purchasing – 2.0 FTE

For FY 2019-20, the number of Requests for Proposals (RFPs) that CDE's Purchasing Office must complete has increased 325 percent from prior fiscal years. Historically, CDE has completed between two to four RFPs per year. In FY 2019-20, CDE must complete at a minimum of 17 RFPs, and more may be required based on programmatic needs throughout the year. The increase in RFPs has come from recently passed legislation,

the administrative needs of CDE, an increased focus on evaluating the effectiveness of current and future programs, and the need for new IT systems. The RFPs that are a result from recent legislation and program evaluation include:

- Read Act Marketing Campaign RFP – SB19-199;
- Read Act Training Development RFP – SB19-199;
- Read Act Evaluator RFP – SB 19-199;
- Pilot Program Coordinator - HB1017;
- Program Evaluator - HB1017; and the
- Career Advisor RFP.

In addition, a previous statute requires the College Entrance Examination to be solicited every five years. Separately, CDE must solicit five RFPs related to administrative needs of CDE, such as for a security guard and a new roof for the Talking Book Library. One RFP came about due to the need for a new system (Teacher Licensing System RFP); one came about because the procurement code requires it to be re-solicited (ESSU Data system); one is due to programmatic and State Board of Education decisions (Computer Science Training Grant RFP); and two are due to CDE receiving grants that we will then use to contract with vendors (Training RFP for Schools of Choice; Video solicitation RFP).

In addition, these RFPs will result in Purchasing having to write and negotiate seventeen contracts. Excluding interagency agreements, leases, and BEST agreements, CDE currently has 24 contracts. Thus, the additional RFPs and contracts will result in a nearly 70 percent increase in workload both immediately and ongoing, as the contracts which will also need to be renewed and negotiated via amendments in the years moving forward. Likewise, of the 17 solicitations, between 41 to 70 percent are likely going to have to be re-solicited in five years.

Furthermore, there has been and will continue to be a significant increase in Requests for Information, a publically posted, formal request for vendors to provide information about potential costs and services. This must be completed to comply with a new statute that requires RFIs be completed prior to major information technology systems being solicited via RFPs. CDE has gone from zero RFIs previously to having to do multiple RFIs in a fiscal year, such as for teacher licensing and the ESSU data management system in FY 2018-19.

The CDE Purchasing Office currently has 3.5 FTE. The Office was struggling to keep up with the approximately four RFPs per year, the contracts, interagency agreements, BEST grant agreements, 325 purchase orders, over 100 vendor agreements, numerous documented quote solicitations, leases, High School Equivalency MOUs, Colorado Correctional Industry Waivers, Requests for Information, Covendis solicitations for IT augmentation, construction project agreements, financial system entries, and many other tasks assigned to it. The workload challenges were increased in July 2018 when CDE became delegated to draft and facilitate RFPs. Previously, RFPs were drafted and facilitated by the Department of Personnel & Administration (DPA) or DPA's delegate instead of CDE staff. The delegation to draft and facilitate RFPs has provided for greater efficiencies and greater flexibility in regards to solicitations but means that starting in FY2018-19, CDE's purchasing staff took on greater responsibilities in regards to RFPs from previous years.

Competitive Grants and Grants Fiscal Management – 1.0 FTE

During the 2019 session, the General Assembly passed 16 bills that created new competitive grant programs or changes to existing grant programs. Additionally, the number of grant programs and the associated dollar has expanded over the past several years. Some examples of grant programs added without additional Grants support:

- Colorado READ Act competitive grants (2012 session) – \$7.5 million competitive grants made in FY19-20
- School Health Professionals Grant Program – Renamed to: Behavioral Health Care Professional Matching Grant Program (2014 session); \$14 million competitive grants made in FY19-20
- Turnaround Leadership Development Program – Renamed to: School Transformation Grant Program (2014 session); \$4 million grants made in FY19-20.

Despite this increase, the staff assigned to competitive grants and grants fiscal management has remained static. In order to manage the current workload, state-funded competitive grant programs are administered by a combination of subject matter expert staff, the Competitive Grants Office, and Grants Fiscal Office. The Department requests 1 FTE to be solely devoted to grant administration to ensure consistency and conformity with statutory requirements given the over 70 different competitive grant programs. The critical nature of these processes to award grant funding requires adequate staffing and attention to detail to ensure that funds appropriated are distributed and appropriate monitoring occurs. The additional staff will allow for the appropriate level of grant management.

Human Resources – 1.0 FTE

CDE currently has 3.0 FTE providing professional Human Resources services for the department. The Department has 410.2 FTE in FY 2019-20. This equates to a ratio of 1 Human Resource professional for every 136.7 staff member. The Society for HR Management (SHRM) standard benchmark HR ratio is 1:100. Therefore, the additional HR staff will allow CDE to provide the appropriate level of support to Department staff members (1:102.5).

Additionally, this FTE would provide additional benefits to the Department across critical areas of need, including recruitment and retention, organizational development, safety, and policy development. This staff member would work to across all divisions, units and programs to identify needs and ensure appropriate level of HR support and collaboration. Multiple components of the department's strategic plan are interrelated and require an elevated level of HR support and visibility to ensure our workforce is equipped to provide the most effective support to school districts. This position will facilitate this integration and support continuous process improvement.

Payroll Support – 0.5 FTE

CDE currently has 1.0 FTE providing payroll administration for the Department. As stated above, the Department has 410.2 FTE in FY 2019-20. This far above the industry standard average ratio of one payroll administrator processing payroll for 250 employees. Likewise, the Department does not have an automated timekeeping system and payroll staff are critical to ensuring time and effort are accurately recorded. An additional part-time payroll administrator would provide CDE with the appropriate level of resources for this critical function. This position will be classified as an Accountant I position.

Information Management Systems – 2.0 FTE

The Department's growth over the past 10 years has resulted in increased need for technology support and maintenance and has put strain on existing Information Management Services (IMS) resources. More employees translates into more computers, email accounts, productivity tools and other back office tools to support. Additionally, in the rapidly changing environment of technology software—where upgrades, new tools, and new security are needed every year—it is imperative that CDE regularly invests in technology infrastructure. As a government agency, CDE strives to keep pace with the changing landscape and best practices of information management systems.

While past budget requests have provided the Department with one-time funding to pay license costs and maintain security infrastructure, the Department has not received regular IT infrastructure increases. This request will account for the internal support that has resulted from statutory changes and Department growth.

Database Developer- 1.0 FTE (IT Professional): – The Department requests funding for a database programmer who can design, implement, and validate a data presentation layer (Extract/Transform/Load-ETL Developer). The new data presentation layer is required for repeatable creation of graphic visualizations that summarize data in an easy to understand format for parents and the general public. This work is currently very manual and must be re-done for each visualization, because of the current design of CDE's data warehouse (circa 2000). This individual would accelerate the development of graphic visualizations for parents and the general public.

Enterprise Security and Integration Specialist- 1.0 FTE (IT Professional): Currently, CDE units select tools based on what they can afford, as some have dedicated funding through a grant or a fiscal note for specific applications. However, many business units do not have the budgets or economies of scale to pay for similar tools. In addition, there may be efficiency gains that result from CDE's ability to take advantage of economies of scale and utilize enterprise versions of many technology tools. However, these enterprise tools require administrators for them to run smoothly, and the department currently does not have capacity for this role. The Integration Specialist would administer enterprise tools like Office 365, Smartsheet (a spreadsheet collaboration tool), and other department-wide tools, to remove the need for individuals within educational business units to administer them. This would free up time across the Department, and allow CDE to take advantage of economies of scale that an enterprise tool can offer. Without the centralized administrator, CDE would continue to experience a larger support cost/effort because of multiple non-standard tools used across the department. Finally, the integration will also enhance technology security as this position evaluates and consolidates these applications to ensure the security and protection of the information within them.

Anticipated Outcomes:

The Department expects funding for infrastructure support FTE will enable CDE to more effectively provide programmatic support to school districts, while also implementing the new statutory requirements as determined by the General Assembly. A discussion of the specific positions that represent the outcome of this item is below. Please see the Assumptions and Calculations section for detailed costs by position and in total.

Assumptions and Calculations:

Please find the detailed FTE worksheets for each position below.

IT Database Developer and Enterprise Security/Integration Specialist

FTE Calculation Assumptions:

Operating Expenses -- Base operating expenses are included per FTE for \$500 per year. In addition, for regular FTE, annual

Standard Capital Purchases -- Each additional employee necessitates the purchase of a Personal Computer (\$900), Office

General Fund FTE -- New full-time General Fund positions are reflected in Year 1 as 0.9166 FTE to account for the pay-date

Expenditure Detail		FY 2020-21		FY 2021-22	
<i>Personal Services:</i>					
	Classification Title	Monthly Salary	FTE		FTE
	IT Professional	\$7,500	1.8	\$164,987	2.0
	PERA			\$17,984	\$19,620
	AED			\$8,249	\$9,000
	SAED			\$8,249	\$9,000
	Medicare			\$2,392	\$2,610
	STD			\$2,805	\$3,060
	Health-Life-Dental			\$20,084	\$20,084
	Subtotal Position 1, 2.0 FTE		1.8	\$224,750	2.0
	Subtotal Personal Services		1.8	\$224,750	2.0
<i>Operating Expenses:</i>					
			FTE		FTE
	Regular FTE Operating Expenses	\$500	1.8	\$917	2.0
	Telephone Expenses	\$450	1.8	\$825	2.0
	PC, One-Time	\$1,230	1.8	\$2,255	-
	Office Furniture, One-Time	\$3,473	1.8	\$6,367	-
	Subtotal Operating Expenses			\$10,364	\$1,900
<u>TOTAL REQUEST</u>			1.8	\$235,114	2.0
	<i>General Fund:</i>		<i>1.8</i>	<i>\$235,114</i>	<i>2.0</i>

Grants and Payroll Support

FTE Calculation Assumptions:

Operating Expenses -- Base operating expenses are included per FTE for \$500 per year. In addition, for regular FTE, annual

Standard Capital Purchases -- Each additional employee necessitates the purchase of a Personal Computer (\$900), Office Suite

General Fund FTE -- New full-time General Fund positions are reflected in Year 1 as 0.9166 FTE to account for the pay-date shift.

Expenditure Detail	FY 2020-21		FY 2021-22		
<i>Personal Services:</i>					
Classification Title	Monthly Salary	FTE		FTE	
Senior Consultant	\$5,000	0.9	\$54,996	1.0	\$60,000
PERA			\$5,995		\$6,540
AED			\$2,750		\$3,000
SAED			\$2,750		\$3,000
Medicare			\$797		\$870
STD			\$935		\$1,020
Health-Life-Dental			\$10,042		\$10,042
Subtotal Position 1, 1.0 FTE		0.9	\$78,265	1.0	\$84,472
Accountant I	\$4,000	0.5	\$24,000	0.5	\$24,000
PERA			\$2,616		\$2,616
AED			\$1,200		\$1,200
SAED			\$1,200		\$1,200
Medicare			\$348		\$348
STD			\$408		\$408
Health-Life-Dental			\$10,042		\$10,042
Subtotal Position 2, 0.5 FTE		0.5	\$39,814	0.5	\$39,814
<i>Subtotal Personal Services</i>		1.4	\$118,079	1.5	\$124,286
<i>Operating Expenses:</i>					
		FTE		FTE	
Regular FTE Operating Expenses	\$500	1.4	\$700	1.5	\$750
Telephone Expenses	\$450	1.4	\$630	1.5	\$675
PC, One-Time	\$1,230	1.4	\$1,722	-	
Office Furniture, One-Time	\$3,473	1.4	\$4,862	-	
Subtotal Operating Expenses			\$7,914		\$1,425
<u>TOTAL REQUEST</u>		1.4	\$125,993	1.5	\$125,711
<i>General Fund:</i>		<i>0.9</i>	<i>\$83,447</i>	<i>1.0</i>	<i>\$83,164</i>
<i>Reappropriated Funds:</i>		<i>0.5</i>	<i>\$42,547</i>	<i>0.5</i>	<i>\$42,547</i>

Human Resources and Purchasing Support

FTE Calculation Assumptions:

Operating Expenses -- Base operating expenses are included per FTE for \$500 per year. In addition, for regular FTE, annual

Standard Capital Purchases -- Each additional employee necessitates the purchase of a Personal Computer (\$900), Office Suite

General Fund FTE -- New full-time General Fund positions are reflected in Year 1 as 0.9166 FTE to account for the pay-date shift.

Expenditure Detail	FY 2020-21		FY 2021-22		
Personal Services:					
Classification Title	Monthly Salary	FTE		FTE	
HR Specialist V	\$6,659	1.0	\$79,908	1.0	\$79,908
PERA			\$8,710		\$8,710
AED			\$3,995		\$3,995
SAED			\$3,995		\$3,995
Medicare			\$1,159		\$1,159
STD			\$1,358		\$1,358
Health-Life-Dental			\$10,042		\$10,042
Subtotal Position 1, 2.0 FTE		1.0	\$109,167	1.0	\$109,167
Purchasing Agent III	\$5,277	2.0	\$126,648	2.0	\$126,648
PERA			\$13,805		\$13,805
AED			\$6,332		\$6,332
SAED			\$6,332		\$6,332
Medicare			\$1,836		\$1,836
STD			\$2,153		\$2,153
Health-Life-Dental			\$20,084		\$20,084
Subtotal Position 2, 2.0 FTE		2.0	\$177,190	2.0	\$177,190
Subtotal Personal Services		3.0	\$286,357	3.0	\$286,357
Operating Expenses:					
		FTE		FTE	
Regular FTE Operating Expenses	\$500	3.0	\$1,500	3.0	\$1,500
Telephone Expenses	\$450	3.0	\$1,350	3.0	\$1,350
PC, One-Time	\$1,230	3.0	\$3,690	-	
Office Furniture, One-Time	\$3,473	3.0	\$10,419	-	
Subtotal Operating Expenses			\$16,959		\$2,850
TOTAL REQUEST		3.0	\$303,316	3.0	\$289,207
<i>Reappropriated Funds</i>		<i>3.0</i>	<i>\$303,316</i>	<i>3.0</i>	<i>\$289,207</i>

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Schedule 13

Department of Education

Funding Request for The FY 2020-21 Budget Cycle

Request Title

R-08 CSI Mill Levy Equalization

Dept. Approval By: 

Supplemental FY 2019-20

OSPB Approval By: 

Budget Amendment FY 2020-21

X

Change Request FY 2020-21

Summary Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Total		\$14,000,000	\$0	\$14,000,000	\$10,000,000	\$10,000,000
FTE		0.0	0.0	0.0	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	\$7,000,000	\$0	\$7,000,000	\$5,000,000	\$5,000,000
	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$7,000,000	\$0	\$7,000,000	\$5,000,000	\$5,000,000
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Total		\$14,000,000	\$0	\$14,000,000	\$10,000,000	\$10,000,000
FTE		0.0	0.0	0.0	0.0	0.0
01. Management and Administration, (D) State Charter School Institute, (1) State Charter School Institute - CSI Mill Levy Equalization	GF	\$7,000,000	\$0	\$7,000,000	\$5,000,000	\$5,000,000
	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$7,000,000	\$0	\$7,000,000	\$5,000,000	\$5,000,000
	FF	\$0	\$0	\$0	\$0	\$0

Auxiliary Data

Requires Legislation? NO

Type of Request? Department of Education Prioritized Request Interagency Approval or Related Schedule 13s: No Other Agency Impact



Department Priority: R-08
Request Detail: CSI Mill Levy Equalization

Summary of Incremental Funding Change for FY 2020-21			
	FY 2019-20	FY 2020-21	FY 2021-22
Total Funds	\$0	\$10,000,000	\$10,000,000
FTE	0.0	0.0	0.0
General Fund	\$0	\$5,000,000	\$5,000,000
Cash Funds	\$0	\$0	\$0
Reappropriated Funds	\$0	\$5,000,000	\$5,000,000
Federal Funds	\$0	\$0	\$0

Summary of Request:

The Charter School Institute (CSI) requests a \$5,000,000 General Fund appropriation to the CSI Mill Levy Equalization Fund for distribution to the Colorado Charter School Institute’s charter public schools in FY 2020-21 and ongoing. This represents a 71% increase in funding and would be a step towards providing equitable public funding for all children attending public schools located within a school district, regardless of the type of public school.

Currently, children attending a district public school—whether a traditional or charter public school—have access to funding from the district’s local mill levy overrides as required by HB17-1375. To account for the fact that CSI schools do not have access to local tax revenue, this bill also established the CSI Mill Levy Equalization Fund as a mechanism to ensure children attending CSI schools had access to similar levels of funding as their district peers.

While the bill created the mechanism for funding, no dollars were immediately allocated to the CSI fund, resulting in a persistent funding difference for the 18,000+ public school children that are attending CSI schools. Over the last two years, the General Assembly has taken steps to move the level of funding for children attending CSI schools closer to that of their district peers. However, there remains a gap of \$31.5 million in Mill Levy Override funding accessible to children attending district schools and those attending CSI schools. This request for increased funding for mill levy override dollars will move Colorado closer to ensuring all public school children have access to the same public resources within their geographic regions.

Current Program:

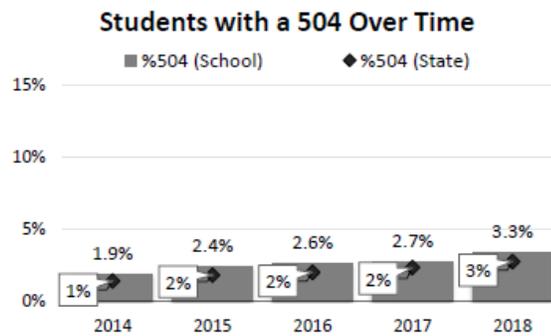
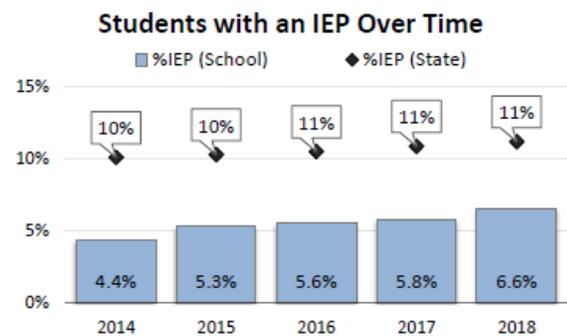
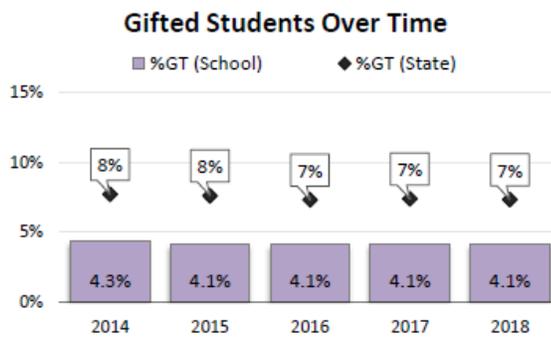
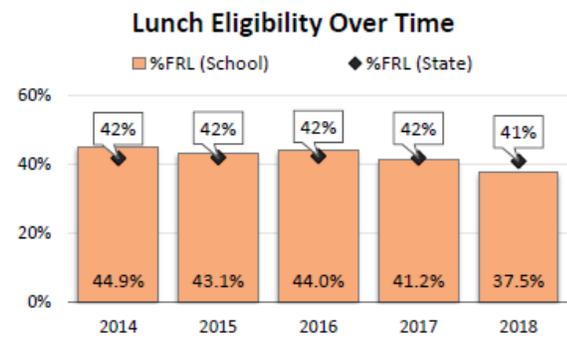
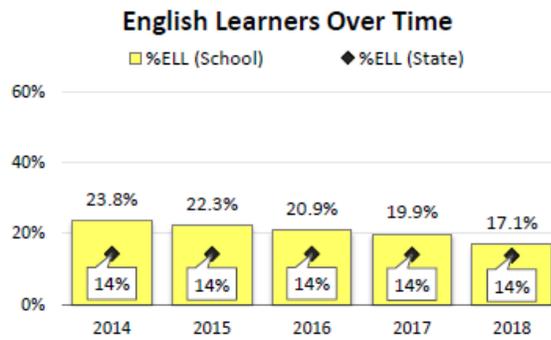
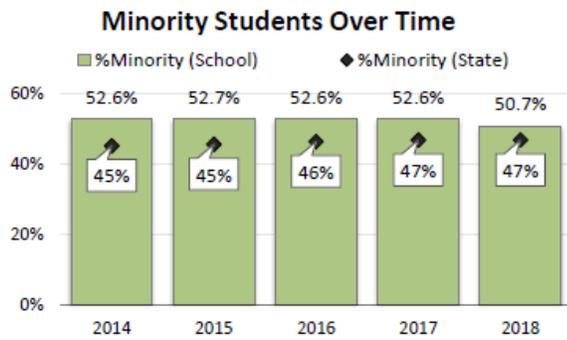
Charter schools have been part of Colorado's public school system for over 25 years, serving roughly 13% of the public school children in Colorado through 250 schools. The Colorado Charter School Institute (CSI) was created by the Legislature in 2004 in response to the growing demand for more charter public schools, the desire for innovative models serving at-risk children, and to offer an alternate mode of authorizing charter schools than the traditional district charter school authorizer.

In Colorado, charter schools can be authorized by school districts retaining exclusive chartering authority or by the Charter School Institute (CSI), Colorado's only statewide authorizer. Currently, 172 of the 178 school districts in Colorado retain exclusive chartering authority (ECA). CSI authorizes charter schools 1) in districts that do not retain ECA and 2) in districts that retain ECA and either release the charter to CSI or waive ECA. Currently, CSI authorizes 41 public charter schools within 17 school districts across the state, from Grand Junction to Colorado Springs, Durango to Steamboat Springs, collectively serving over 18,000 children from preschool through Grade 12. For the small percentage of applicants that can seek authorization by CSI, only about half have been approved in CSI's history.

A fundamental premise behind charter schools is that increased autonomy with greater accountability can lead to improved outcomes for children. The CSI approach to authorizing charter schools balances autonomy and accountability. CSI offers its schools the flexibility to choose the educational models and methods that best meet the unique needs of their students and communities and holds them accountable to clear expectations for academic, financial, and organizational performance. Higher performing schools benefit from increased autonomy and lower performing schools receive additional interventions and supports that seek to guide them towards improvements.

One primary way in which CSI holds its schools accountable is through regular review and analysis of student and school outcome data. Due in part to the wide variety of models – ranging across Alternative Education, Classical, Dual-Language, Early College, Montessori, Project-based, and Waldorf – and geographies, CSI does not evaluate a school's outcomes in comparison to other CSI schools unlike most school districts. Instead, CSI compares the performance of its schools to schools that those children might otherwise attend and evaluates the school's outcomes in comparison to the outcomes the geographic district or the schools nearest to the CSI school. This is seen in both the CSI annual evaluation that determines a school's accreditation rating as well as the annual review and associated programming related to special populations.

The statutory mission of CSI is to foster high-quality charter schools that demonstrate high academic performance with a particular focus on service to at-risk children. In the 2018-2019 school year, 38 of the 39 CSI schools earned one of the state's highest two ratings for academic performance—Performance and Improvement—and collectively served children of color, English Learners, and children eligible for free or reduced price lunch, and children with a 504 Plan at rates similar to that of the state.



Note on Data Source: Data included in this report comes from the annual student October Count files.

Furthermore, CSI continues to prioritize service to and outcomes for at-risk children and has sought to target student needs through a variety of mechanisms. In 2015, CSI passed Board Resolution 1549, which affirmed CSI's commitment to closing the achievement gap and charged staff with increasing and improving service for students. The following year, CSI commissioned a Special Education Report to review the state of its special education programs and services and provide recommendations for moving forward. In 2017, CSI collaborated with the National Center for Special Education in Charter Schools to develop the Student Services Screener and Tiers of Support to both assess and support schools in providing equal access and quality programs to students who qualify for specialized supports. More recently, CSI has expanded its special education initiatives by working collaboratively with schools to increase financial resources for students with special needs as well as to expand capacity-building strategies for special education staff. This renewed commitment to serving all students reflects the original mission and vision of CSI.

Problem or Opportunity:

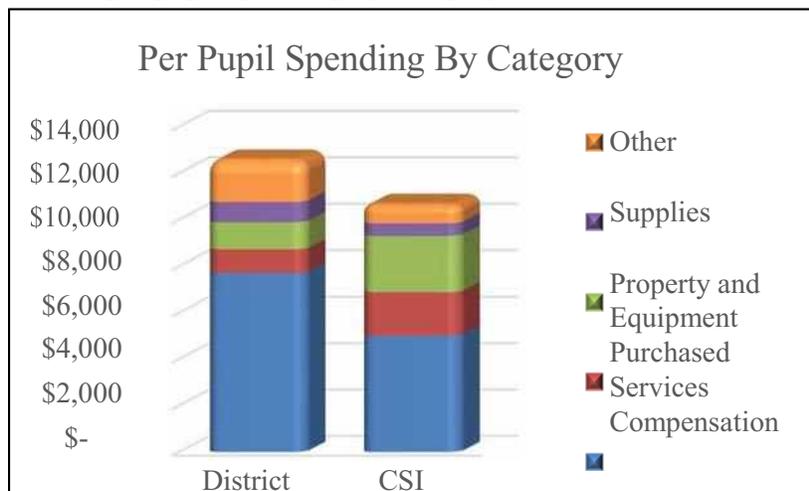
Mill levy overrides will generate over \$1.3B of local property tax revenue in Fiscal Year 2019-20 for use by public schools across the state. Historically, a district-authorized charter school’s access to local mill levy override revenues has varied greatly depending on decisions made by the authorizing school district. In the 2017 legislative session, however, there was a concerted, bipartisan effort to ensure that all public school children have access to an equitable share of public school funds, regardless of what type of public school they attend.

As a result, House Bill 17-1375 was signed into law on June 2, 2017. HB 17-1375 requires school districts to distribute funding they receive from local property taxes generated by Mill Levy Overrides (MLO) on an equal per pupil basis to district charter schools beginning in the 2019-2020 year. Additionally, out of recognition that schools authorized by the Colorado Charter School Institute (CSI) have no access to local tax revenue, the bill created the Mill Levy Equalization Fund, a mechanism for providing equitable funding to CSI students. While the bill created the mechanism for funding, no dollars were immediately allocated to the CSI fund, resulting in a persistent funding gap for the 18,000+ public school children that are attending CSI schools.

To address the persisting funding gap for CSI students, the Governor’s FY 2018-19 budget included a \$5.5 million transfer from the state’s general fund to the CSI Mill Levy Equalization fund to be distributed to CSI schools in the 2018-2019 school year. In FY 2019-20, the JBC approved an additional \$1.5M transfer to the CSI Mill Levy Equalization fund, bringing the current base fund total to \$7M. Both increases have been incremental steps towards funding equity for children attending public charter schools within the same geographic boundary. However, the remaining gap to full equalization for FY 2020-21 is expected to be \$33.9 million. With no additional State funding allocated to the CSI Mill Levy Equalization Fund, CSI students will have access to \$1,392 per pupil (79 percent) less Mill Levy funding than their district peers.

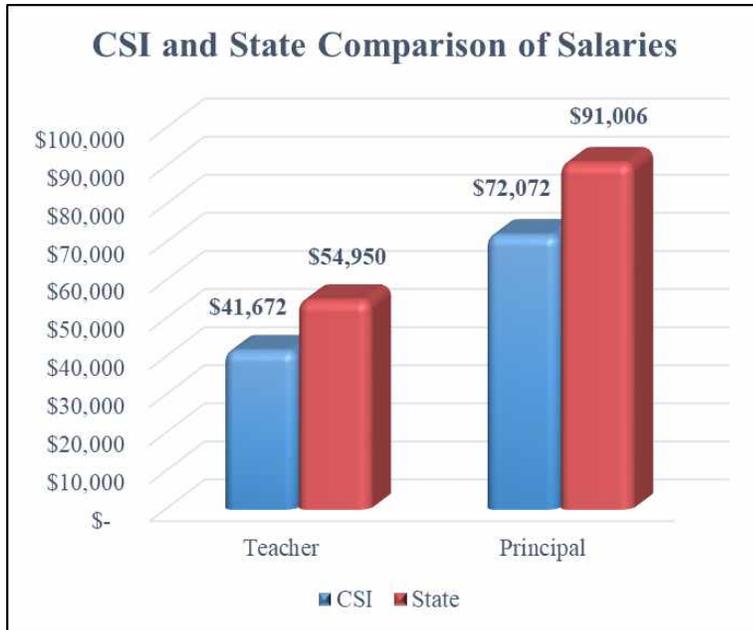
Without equitable funding and without a legal mechanism to raise local funding, CSI students, teachers, and communities will continue working towards the same academic standards, but will do so with fewer resources for CSI students, including limited facilities and transportation options, in addition to higher staff turnover and recruitment abilities due to lower salaries.

On a per pupil basis, CSI schools spend less on staff compensation and more on facility costs than district schools. The effects of the reduced access to public school funding are illustrated in the following graph which compares FY 2016-17 per pupil spending by category between Colorado School Districts and CSI.

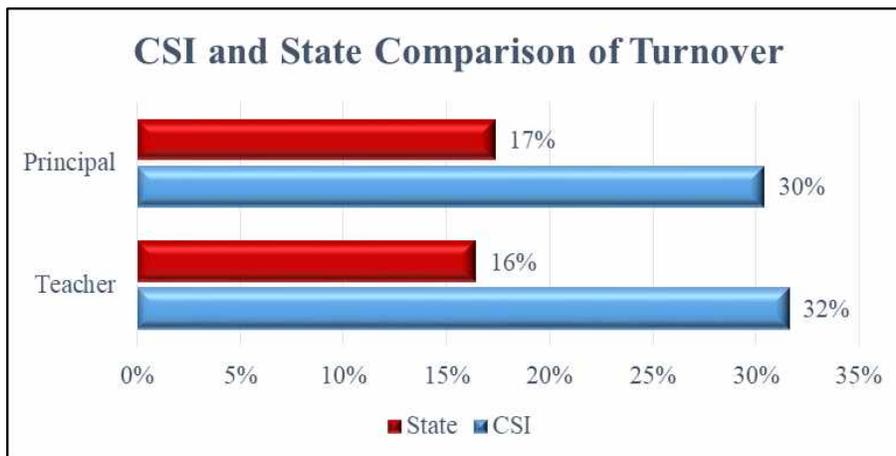


Some of the greatest challenges, which could be addressed in part with mill levy equalization dollars, CSI schools face include:

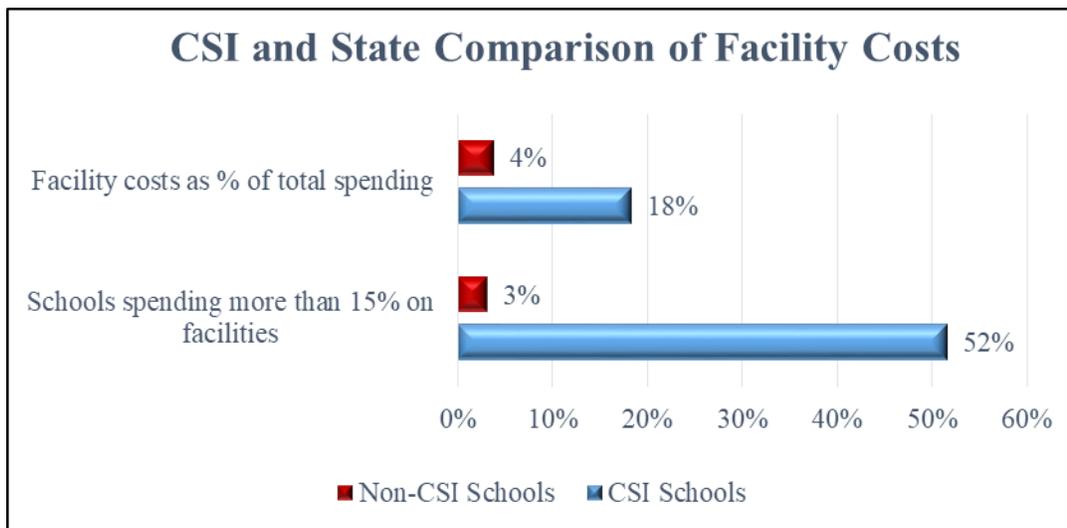
- **Lower Teacher Salaries:** As compared to school district peers, CSI charter school teachers and principals receive over \$10,000 less in salary per year. While teachers often choose to work at a charter school because of its mission, its model, and the students it's serving, the lack of adequate compensation leads teachers to take on multiple jobs, find roommates, or ultimately leave the charter school in order to keep up with the cost of living.



- **Higher Teacher Turnover:** The teacher turnover rate of CSI charter schools is nearly double that of the state's public schools as a whole, with non-competitive compensation likely a factor in this turnover.



- **Expensive School Facilities:** Facility costs make up 18.3 percent of total spending for CSI schools as compared to only 3.8 percent of total spending for non-CSI schools.



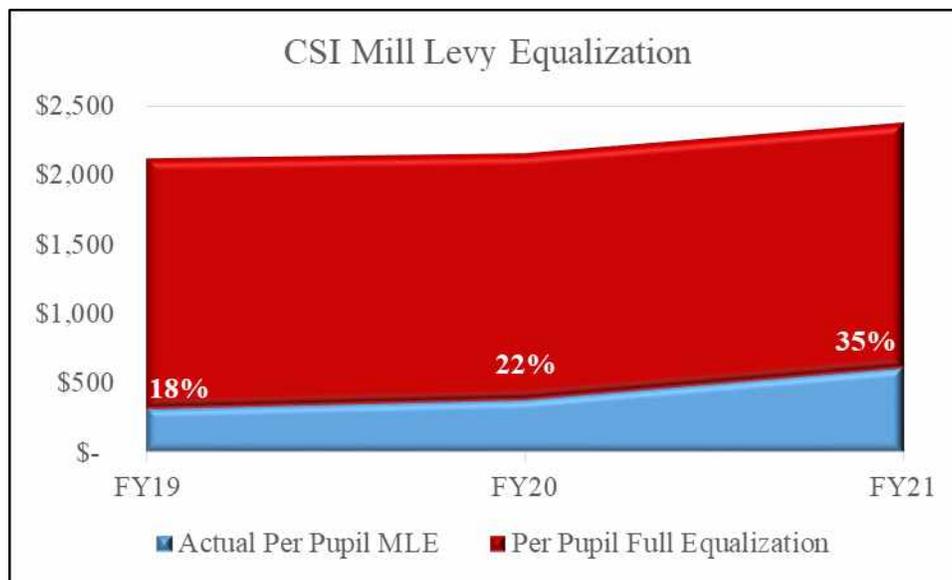
- Limited Transportation and Food Services:** Inequitable funding compounds the heightened challenges CSI schools face when it comes to offering additional services like transportation and lunch programs. Less than half of CSI schools have the ability to offer regular transportation services between school and homes, and many cite the high costs of starting up a transportation program as a limiting factor. Generally, district-run charter schools work with their districts to receive a full service food service program through them; however, CSI charter schools don't always have the opportunity for this coordination with their district and many times seek non-district School Food Authorities (SFA's) to support their food service program.

Proposed Solution:

CSI requests a \$5,000,000 General Fund appropriation to the CSI Mill Levy Equalization Fund for distribution to the Colorado Charter School Institute's charter public schools. This increase to the existing \$7M base amount of the Mill Levy Equalization Fund will directly benefit the more than 18,000 students attending CSI schools. It is expected that funding will help to address the impacts of the challenges (e.g., staffing, facilities, programming) described throughout this request, all of which can be evaluated through publically available data on the Colorado Department of Education's website.

Anticipated Outcomes:

As the intent of HB 17-1375 was to ensure all public school students, regardless of public school type, had equal access to mill levy override dollars, funding this request will move the state closer to fulfilling the intent of the Legislature. The increase of \$5,000,000 General Fund for the Mill Levy Equalization Fund is expected to decrease the per pupil funding gap by \$258, moving from an gap of \$1,392 to \$1,134 per pupil, as demonstrated in the graph below.



CSI expects additional resources will lead to increased access to high quality education opportunities through increases in recruitment and retention of high quality teachers and staff, reduction in staff turnover, reduced challenges associated with facilities, in addition to an increased ability to implement programming such as food and transportation services. As a charter school authorizer, CSI will continue to encourage its schools to allocate its resources in a way to best meet the unique needs of its school community while also being accountable for delivery positive outcomes. Charter schools generally are granted greater autonomy in decision making, and CSI schools are no different. It is expected that each school will prioritize its greatest needs and allocate resources accordingly.

Assumptions and Calculations:

The calculations are based on the sum of the total mill levy equalization for each CSI school.

The total mill levy equalization for each CSI school is calculated using the most recent available information for the following data points and the following formula as described in statute:

- FY 2018-19 Mill Levy Override Revenues for each respective accounting district
- FY 2019-20 District projected funded pupil count
- FY 2019-20 CSI projected funded pupil count



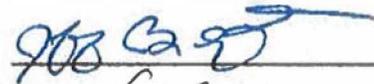
Schedule 13

Department of Education

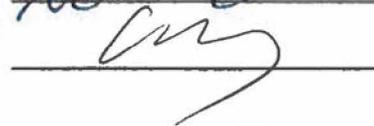
Funding Request for The FY 2020-21 Budget Cycle

Request Title

R-09 Empowering Parents with School Information

Dept. Approval By: 

Supplemental FY 2019-20

OSPB Approval By: 

Budget Amendment FY 2020-21

X

Change Request FY 2020-21

Summary Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$811,072	\$0	\$765,973	\$499,745	\$232,869
	FTE	4.1	0.0	4.1	1.8	2.0
Total of All Line Items Impacted by Change Request	GF	\$513,072	\$0	\$467,973	\$499,745	\$232,869
	CF	\$298,000	\$0	\$298,000	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$811,072	\$0	\$765,973	\$499,745	\$232,869
	FTE	4.1	0.0	4.1	1.8	2.0
01. Management and Administration, (C) Assessments and Data Analyses, (1)	GF	\$513,072	\$0	\$467,973	\$499,745	\$232,869
Assessments and Data Analyses - Longitudinal Analyses of Student Assessment Results	CF	\$298,000	\$0	\$298,000	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Auxiliary Data			
Requires Legislation?	NO		
Type of Request?	Department of Education Prioritized Request	Interagency Approval or Related Schedule 13s:	No Other Agency Impact



Department Priority: R-09
Request Detail: Empowering Parents with School Information

Summary of Incremental Funding Change for FY 2020-21			
	FY 2019-20	FY 2020-21	FY 2021-22
Total Funds	\$0	\$499,745	\$232,869
FTE	0.0	1.8	2.0
General Fund	\$0	\$499,745	\$232,869
Cash Funds	\$0	\$0	\$0
Reappropriated Funds	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0

Summary of Request:

The Governor’s Office requests a one-time General Fund increase of \$499,745 and 1.8 FTE in FY 2020-21, as well as an ongoing General Fund increase of \$232,869 and 2 FTE in FY 2021-22 and beyond, to contribute to significant improvements in data quality, accessibility, and transparency in the State’s school and district dashboard, SchoolView. This request has been developed with the technical collaboration of the Colorado Department of Education and builds on work already undertaken by CDE. This request is also a key priority identified by the bipartisan Education Leadership Council in the 2018 “State of Education” report.

The dashboard was initially created in 2010 to provide access to data for policy-makers, researchers, communities, and districts themselves. The system uses Oracle Application Development Framework technology and tools from 2008 and is difficult and costly for the Department to maintain due to the technology’s complexity. Under Federal law, all states are required to have school, district, and state report cards that provide parents, students, educators, and the general public with easily accessible information about school performance, the performance of specific groups of students and data about student conduct. The existing SchoolView tool is out of date and no longer supports the current School Accountability Frameworks.

This request would support the improvement of the SchoolView site, making it easy for parents to find and understand information about schools and districts, and increasing the accessibility of the data for people with disabilities. Ultimately, the investment in new SchoolView will empower parents and the public to make more informed decisions about education.

Current Program:

New federal requirements in 2001 mandated all states provide parents, students, educators and members of the public additional education-related data, including school, district, and state-level data on school performance. Additionally, state law required numerous data elements to be publicly reported, including overall school performance, the performance of key student groups, and measures of student conduct, including absences, suspensions and expulsions. As a way to fulfill this requirement, Colorado began investing in data reporting infrastructure and reporting tools as early as 2001, adding new functionality and addressing new state and federal reporting requirements over the years. Introduced in 2010, SchoolView was an outcome of the additions and modifications of the initial 2001 technology. It was intended to serve district administrators and other audiences with a high level of technical and institutional knowledge. The SchoolView suite of tools provides a mechanism for education stakeholders to see limited information on school demographics and school program offerings. Unfortunately, CDE has not had the resources (human or financial) to perform a wholesale re-write of the infrastructure supporting SchoolView, nor was the Department able to update the reporting tools themselves until 2018 when CDE asked for and received funds to do just that. Funding is needed to target one last segment of the Data Warehouse still in need of modernization.

Since 2014, assessments used by CDE have changed, and currently the school performance data is split across multiple internal systems and comes from different assessment vendors. For this reason, the existing SchoolView is only capable of displaying data up thru 2014 without significant modifications. The Department manages the full lifecycle of SchoolView data, including collection, storage, processing, reporting, and training, and all of these phases need continual support and upgrades to maintain accuracy and functionality. Because it has become a patchwork of different legacy systems, the effort required to maintain and update the overall system is extensive.

Problem or Opportunity:

The existing SchoolView application was developed with the then-current CDE data warehouse, originally designed for the sole purpose of generating static federally mandated reports. Over the past ten years, technology and data demands have changed significantly. The expectation of easy access to static data reports has changed to a more demanding requirement for interactive reporting that provide easily accessible visual representations for more efficient decision making. The existing SchoolView system was modified and adjusted to try and meet this need, but still cannot keep up with current demand.

Schools and their communities are more data driven today than they were in the past. As a result, the demand for school performance measurements has increased while state and federal requirements are also evolving. Under Federal law, all states are required to have school, district, and state report cards that provide parents, students, educators, and the general public with easy-to-find information about school performance. However, the current system, SchoolView, was designed and built before the 2015 Every Student Succeeds Act (ESSA) passed. ESSA added more requirements for data reporting and easy navigation to critical data often accessed by parents. In addition, because the current system is older and more complex, it is time consuming and expensive to maintain. Parents and community members struggle to find and interpret key information required by ESSA and necessary for educational decisions, including achievement data for all of the federally required disaggregated student groups, discipline data, and per-pupil expenditures. Although SchoolView adheres to the letter of the law, CDE wants to make it easier for parents and communities to find and understand critical information about their schools so they can make informed decisions about their children's education.

In addition, the Office of Civil Rights found SchoolView to be out of compliance with the accessibility requirements of the Americans with Disabilities Act. Since the system uses older technology it is difficult and expensive to meet these accessibility needs with existing technology. The bipartisan Education Leadership Council identified this as a top priority request in its 2018 State of Education Report. CDE has done foundational work to update the tool and would like to be able to continue and accelerate the process via the resources in this budget request.

Over the past 7 years, the Department strategically improved sections of the data infrastructure to align with various modernization efforts as funding became available. For example, resources were requested and received for CDE to build a Business Intelligence team and to invest in a new data reporting tool (Tableau Server). Two new positions were hired, and the new reporting tool was purchased and implemented. Because the Data Warehouse itself is very old, staff have improved various design aspects of it as they could, however, there still remains a critical layer within the Warehouse yet to be upgraded, including the data presentation layer. The additional development resources will start the process of building a more easily accessible Data Warehouse by the Business Intelligence team, moving towards direct access to the Data Warehouse data, automation of this process, and fully utilizing the new reporting capabilities available to us via the Tableau Server. In conjunction with the new developer, CDE will hire two specialized experts to provide the majority of the buildout of this presentation layer and to help with management of the effort. A temporary influx of technical help will enable the Department to complete this last phase of the modernization efforts. The new permanent FTE will work closely with the contractors and existing staff to ensure knowledge transfer and documentation is completed so that maintenance and sustainability is possible with CDE resources. Without additional funds to build out this presentation layer, every report must be designed, configured, constructed and tested as a “one-off”, taking much more time than the alternative automation would allow. This presentation layer within the Data Warehouse is the last significant segment of the Data Warehouse requiring upgrade.

Proposed Solution:

The requested \$499,745 and 1.8 FTE will support extensive infrastructure upgrades to the State’s SchoolView site. Specifically, in the first year of funding, the Department will hire an Extract/ Transform/ Load developer (i.e. a Data Warehouse designer/developer) FTE and Web Development FTE (term-limited to 2 years) to develop an information exchange layer between the existing warehouse that stores school and district-level student data and the SchoolView reporting tool. These FTE will offer technical expertise that are unique from existing staff responsible for SchoolView reporting, as well as enable Department staff to conduct testing necessary to understand what types of information are necessary for parents to make informed decisions.

The Department will use the additional funding beyond that which is needed for the 1.8 FTE in FY 2020-21 to contract externally for specialized skills necessary to help expedite the SchoolView improvement process in the first year of funding.

The updated SchoolView site will be intuitive for parents, students, educators, and the public to use, offering centralized access to interactive data that meets all state and federal ESSA requirements. The new system will provide not just access to education data, but also information for parents about the resources that the school offers for their child.

Anticipated Outcomes:

There will be positive outcomes across three key stakeholder groups from SchoolView's improved data quality, accessibility, and transparency:

1. Parents would be able to make more informed school choice decisions based on school performance and available resources, such as after-school or summer programs, access to arts, music, and preschool.
2. Policymakers and advocacy groups would better understand the gaps in Colorado's education system, particularly among certain disaggregated student groups, such as racial and ethnic minorities, students with disabilities, and English learners, and more efficiently direct resources for school improvement.
3. The State would reduce its risk of becoming non-compliant with Federal data transparency requirements under ESSA and the Office of Civil Rights.

Assumptions and Calculations:

The table below summarizes the total costs for this request, and the assumptions are below the table.

Description	Amount
Payroll (including benefits)	\$213,381
Contractors	\$276,000
Operating	\$10,364
Total:	\$499,745

- Payroll: Please see the FTE template below for details on the payroll. The payroll costs include benefits.
- Contractors: The Department will need approximately 2,760 hours from contractors to complete this work. The Department's estimated and usual rate for this type of IT expertise is \$100/hr.
- Operating: Please see the FTE template for operating costs.

FTE Calculation Assumptions:

Operating Expenses -- Base operating expenses are included per FTE for \$500 per year. In addition, for regular FTE,

Standard Capital Purchases -- Each additional employee necessitates the purchase of a Personal Computer (\$900), Office

General Fund FTE -- New full-time General Fund positions are reflected in Year 1 as 0.9166 FTE to account for the pay-date

Expenditure Detail		FY 2020-21		FY 2021-22		
Personal Services:						
	Classification Title	Monthly Salary	FTE		FTE	
	IT Professional	\$6,667	0.9	\$73,328	1.0	\$80,000
	PERA			\$7,993		\$8,720
	AED			\$3,666		\$4,000
	SAED			\$3,666		\$4,000
	Medicare			\$1,063		\$1,160
	STD			\$1,247		\$1,360
	Health-Life-Dental			\$10,042		\$10,042
	Subtotal Position 1, 1.0 FTE		0.9	\$101,005	1.0	\$109,282
	IT Professional	\$7,500	0.9	\$82,494	1.0	\$90,000
	PERA			\$8,992		\$9,810
	AED			\$4,125		\$4,500
	SAED			\$4,125		\$4,500
	Medicare			\$1,196		\$1,305
	STD			\$1,402		\$1,530
	Health-Life-Dental			\$10,042		\$10,042
	Subtotal Position 2, 0.5 FTE		0.9	\$112,376	1.0	\$121,687
	Subtotal Personal Services		1.8	\$213,381	2.0	\$230,969
Operating Expenses:						
			FTE		FTE	
	Regular FTE Operating Expenses	\$500	1.8	\$917	2.0	\$1,000
	Telephone Expenses	\$450	1.8	\$825	2.0	\$900
	PC, One-Time	\$1,230	1.8	\$2,255	-	
	Office Furniture, One-Time	\$3,473	1.8	\$6,367	-	
	Subtotal Operating Expenses			\$10,364		\$1,900
	TOTAL REQUEST		1.8	\$223,745	2.0	\$232,869
	<i>General Fund:</i>		<i>1.8</i>	<i>\$223,745</i>	<i>2.0</i>	<i>\$232,869</i>



Department Priority: R-10
Request Detail: Educator Evaluations

Summary of Incremental Funding Change for FY 2020-21			
	FY 2019-20	FY 2020-21	FY 2021-22
Total Funds	\$0	\$500,000	\$500,000
FTE	0.0	0.9	1.0
General Fund	\$0	\$500,000	\$500,000
Cash Funds	\$0	\$0	\$0
Reappropriated Funds	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0

Summary of Request:

The Governor’s Office requests a General Fund increase of \$500,000 and 0.9 FTE in FY 2020-21 to improve evaluations and supports for Colorado educators. This request annualizes to \$500,000 and 1.0 FTE in FY 2021-22 and beyond. This request was developed with the technical collaboration of the Colorado Department of Education and includes three components: 1) training for evaluators in best practices in educator observation and evaluation; 2) support for differentiated evaluation rubrics through the Colorado State Model Performance Management System called “RANDA”; and 3) funding for innovative approaches to evaluating educators, including utilizing peer evaluations.

The General Assembly passed SB10-191 in 2010 with the goal to annually evaluate all educators and principals and use such evaluations to improve instructional practice. While SB10-191 is flexible in a district’s approach to evaluation and improvement, the flexibilities in the law have gone unrecognized, and many teachers do not have faith in their evaluation system. Concerns have been raised about many aspects of the evaluation system, including that teachers are being evaluated based on collective measures that they cannot control, school district evaluators do not have the funding to implement innovative approaches to evaluation, such peer evaluations, and that educators do not have faith in their evaluators to evaluate them effectively. A strong teacher evaluation system not only helps teachers improve their practice, which in turn improves student learning, but can also help promote teacher retention.¹ Studies have shown that teachers who are given opportunities to grow in the profession are more likely to stay in education.² Innovative types of educator evaluations such as peer assistance and review have been shown to increase teacher retention, instruction, and are likely to have a positive impact on student achievement.³



¹ <https://www.ecs.org/wp-content/uploads/Mitigating-Teacher-Shortages-Teacher-leaders.pdf>

² <https://fedauth.colorado.edu/idp/profile/SAML2/POST/SSO?execution=e2s1>

³ <https://journals.sagepub.com/doi/abs/10.1177/0895904811417584>

Current Program:

The General Assembly passed SB10-191 in 2010 with the goal to annually evaluate all educators and principals and use such evaluations to improve instructional practice. The law put in place a number of requirements, including that teachers and principals are evaluated annually based on 1) student growth and 2) observed professional practice. The law stipulated that teachers in tested grades and subjects through the Colorado Mathematics, English Language Arts, Science, and Social Studies Assessments (CO CMAS) would need to use growth on these assessments as a component of evaluation.

Problem or Opportunity:

While SB10-191 is flexible in a district's approach to evaluation and improvement, the flexibilities in the law have gone unrecognized, and many teachers do not have faith in their evaluation system. Concerns have been raised about many aspects of the evaluation system, including that teachers are being evaluated based on collective measures that they cannot control, school district evaluators do not have the funding to implement innovative approaches to evaluation, such as student surveys or peer evaluations, and that educators do not have faith in their evaluators to evaluate them effectively.

As evidence of this, Colorado's 2015 Teaching, Empowering, Leading, and Learning (TELL) survey demonstrated that only 44% of educators agreed that the components of the teacher evaluation process accurately identified effectiveness, and only 51.7% agreed that the teacher evaluation process improves teacher instructional strategies. In addition, the 2018 Teaching and Learning Conditions Colorado (TLCC) survey, which replaced the TELL survey, shows a great discrepancy between what school leaders and teachers believe about their evaluation system. The survey found that 91% of school leaders indicate that the teacher evaluation process provides teachers with actionable feedback for improvement, compared to 70% of teachers who agree.

A strong teacher evaluation system not only helps teachers improve their practice, which in turn improves student learning, but can also help promote retention. Studies have shown that teachers who are given opportunities to grow in the profession are more likely to stay in education.⁴ In contrast, an evaluation that does not accurately predict teacher effectiveness may run counter to both of those goals. A recent study indicated that teachers' perceived legitimacy of evaluation policies is positively correlated with their likelihood of taking actions to improve their instruction.⁵ In addition, a nationwide survey by Rand found that "teachers are more likely to value and respond constructively to feedback from an evaluation system that they feel is fair and insightful and holds expectations that can be supported by school resources."⁶

Proposed Solution:

There are three improvements that emerged as priority budgetary solutions for improving educator evaluations during the consensus-building meetings with Senate education leaders, executive policy staff, and external stakeholder groups in summer 2019:

- 1) **Training for evaluators in best practices in observation:** The request is for \$282,788 and 1 FTE to provide free trainings for school district evaluators. Currently, school districts must pay for these trainings, leading many school districts to opt-out. CDE estimates that approximately 2,000 educator

⁴ <https://www.ecs.org/wp-content/uploads/Mitigating-Teacher-Shortages-Teacher-leaders.pdf>

⁵ <https://fedauth.colorado.edu/idp/profile/SAML2/POST/SSO?execution=e2s1>

⁶ https://www.rand.org/pubs/research_briefs/RB10023.html

evaluators over two years of training will be served through this training program. CDE further estimates that it will take approximately 20 regional-based trainings annually to ensure trainings are offered to all educator evaluators at times in which they can feasibly attend. Funding will be allocated to the following areas: 1) \$60,000 for professional learning experts to conduct regionally-based, high quality training for all evaluators; 2) \$110,000 for convening expenses including space, food, and materials (handouts, etc.); 3) \$28,000 for travel of CDE staff to oversee regional trainings across the state for two years. This funding will help ensure evaluators have the knowledge and skills to evaluate educators effectively.

- 2) **Differentiated rubrics through the Colorado RANDA system:** The request is for \$66,000 to offer a repository of differentiated rubrics for school districts to leverage based on their unique evaluation needs. The Colorado model evaluation system (RANDA) currently houses rubrics that CDE has developed to evaluate educators and school support personnel. If a school district has created their own rubric, they pay \$10,800 for individual rubric development to RANDA to develop and an annual maintenance fee of \$2,400 to house and update the rubric. This limits districts' ability to share rubrics that may be helpful to their unique populations. This request provides \$66,000 for CDE to design, develop, and integrate model evaluation rubrics for particular populations. CDE will engage stakeholders in the education community to determine the best five rubrics to share across RANDA that will assist in more meaningful evaluations.
- 3) **Pilot program for innovative approaches to evaluating educators:** The request is for \$151,212 to support school districts' use of innovative approaches to teacher evaluation, including video evaluations and allowing peers or departmental leads to evaluate educators. These innovative evaluation approaches have been proven to be predictive of student achievement gains and can be more reliable than classroom observations and student growth measures for educator evaluations; however, they require protected release time for educators or additional staff or more expensive equipment, such as for video evaluations. This would provide \$151,212 for CDE to provide grants to school districts that want to experiment with these approaches. In addition, because school districts would be required to evaluate their work, this grant would also help CDE understand the benefits of peer or other types of innovative evaluations that could be scaled statewide. Finally, CDE will ensure that a variety of school districts are supported with such funds, including rural and small school districts.

The Governor's Office, in partnership with the Department, will work to introduce stand-alone legislation to improve educator evaluation and provide funding for innovative educator evaluation models. Joint Budget Committee members and staff will be updated on the status of such legislation.

Anticipated Outcomes:

The proposed solution will improve the State's educator evaluation and effectiveness system, and help build trust between educators and their evaluators. Teachers are the number one school-based factor that affects student learning and long-term life outcomes.⁷ Students assigned to high-value-added teachers were likely to graduate from high school, go to college, be employed, and earn higher wages.⁸

⁷ <https://www.rand.org/education-and-labor/projects/measuring-teacher-effectiveness/teachers-matter.html>

⁸ http://www.equality-of-opportunity.org/assets/documents/teachers_wp.pdf

Likewise, studies have shown that effective teaching is best assessed through on-the-job performance, as high-quality teaching cannot be predicted by background or other factors.⁹ The expectation is that this proposal will result in teachers receiving more meaningful, actionable feedback on their practices, which will ultimately be translated into their educational performance. In addition, this proposal is likely to increase teacher retention, as many teachers cite the teacher evaluation system as a reason for leaving the classroom. Finally, teachers will have more faith in their evaluation system as a result of trusting their evaluators to accurately capture their performance.

Assumptions and Calculations:

The training costs associated with this request include an assumption that training will occur annually for a minimum of 2 years in order to meet the need of educator evaluators in the state on an annual basis. The annual cost breakdown for the total training annually includes:

- \$12,000 startup development costs for educator evaluation training, specifically to contract with a professional development expert to create the training.
- \$48,000 at a daily rate of \$1,200 for professional learning experts to contract with and conduct 20 regionally-based annual trainings. All travel costs are included in this daily rate.
- \$110,000 training expenses are assumed and include, meeting space, meeting materials such as handouts, and meeting food costs for participants. It is estimated that each training will include approximately 50 participants.
- \$28,000 travel expenses are included to ensure CDE educator effectiveness regional consultants are also in attendance at all trainings to support the in classroom design and deeper individual learning and practice of the evaluators.
- Finally \$84,788 in FTE and related costs. Please see the FTE template below for detail.

***Also Please Note:** The Department is requesting rent as this staff person will be located outside of Capital Complex, which makes these costs more difficult to absorb.

⁹ Ibid.

FTE Calculation Assumptions:

Operating Expenses -- Base operating expenses are included per FTE for \$500 per year. In addition, for regular FTE, annual **Standard Capital Purchases** -- Each additional employee necessitates the purchase of a Personal Computer (\$900), Office **General Fund FTE** -- New full-time General Fund positions are reflected in Year 1 as 0.9166 FTE to account for the pay-date

Expenditure Detail	FY 2020-21		FY 2021-22	
Personal Services:				
	Monthly			
Classification Title	Salary	FTE	FTE	
Ed Prep Principal Consultant	\$5,250	0.9	1.0	\$63,000
PERA				\$6,867
AED				\$3,150
SAED				\$3,150
Medicare				\$914
STD				\$1,071
Health-Life-Dental				\$10,042
Subtotal Position 1, 1.0 FTE		0.9	1.0	\$88,194
Subtotal Personal Services				
		0.9	1.0	\$88,194
Operating Expenses:				
		FTE	FTE	
Regular FTE Operating Expenses	\$500	0.9	1.0	\$500
Telephone Expenses	\$450	0.9	1.0	\$450
PC, One-Time	\$1,230	0.9	-	
Office Furniture, One-Time	\$3,473	0.9	-	
Rent*	\$4,430	0.9	1.0	\$4,430
Subtotal Operating Expenses				\$5,380
TOTAL REQUEST		0.9	1.0	\$93,574
<i>General Fund:</i>		<i>0.9</i>	<i>1.0</i>	<i>\$93,574</i>

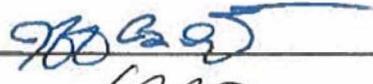
Schedule 13

Department of Education

Funding Request for The FY 2020-21 Budget Cycle

Request Title

R-11 Grants for Early Childhood Facilities

Dept. Approval By: 

Supplemental FY 2019-20

OSPB Approval By: 

Budget Amendment FY 2020-21

X

Change Request FY 2020-21

Summary Information	Fund	FY 2019-20	FY 2020-21		FY 2021-22	
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Total		\$25,000,000	\$0	\$0	\$10,000,000	\$10,000,000
FTE		0.0	0.0	0.0	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	\$0	\$0	\$0	\$0	\$0
	CF	\$25,000,000	\$0	\$0	\$10,000,000	\$10,000,000
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2019-20	FY 2020-21		FY 2021-22	
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Total		\$25,000,000	\$0	\$0	\$10,000,000	\$10,000,000
02. Assistance to Public Schools, (C) Grant Programs, Distributions, and Other Assistance. (2)	FTE	0.0	0.0	0.0	0.0	0.0
Capital Construction - Full-Day Kindergarten Facilities	GF	\$0	\$0	\$0	\$0	\$0
	CF	\$25,000,000	\$0	\$0	\$10,000,000	\$10,000,000
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Auxiliary Data			
Requires Legislation?	YES		
Type of Request?	Department of Education Prioritized Request	Interagency Approval or Related Schedule 13a:	No Other Agency Impact



Department Priority: R-11
Request Detail: Grants for Early Childhood Facilities

Summary of Incremental Funding Change for FY 2020-21			
	FY 2019-20	FY 2020-21	FY 2021-22
Total Funds	\$0	\$10,000,000	\$10,000,000
FTE	0.0	0.0	0.0
General Fund	\$0	\$0	\$0
Cash Funds	\$0	\$10,000,000	\$10,000,000
Reappropriated Funds	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0

Summary of Request:

The Governor’s Office requests \$10,000,000 total funds, through earmarking \$10,000,000 of existing cash funds appropriated to the Building Excellent Schools Today (BEST) program for preschool facilities, to provide Colorado school districts and community-based organizations with grants to expand buildings for quality early childhood care and education programs. This request is reallocation of a \$10 million from the existing \$160 million that was appropriated to the BEST grant program for FY 2020-21 from HB 19-1055 Public School Cap Construction Financial Assistance. This request was developed with the technical collaboration of the Colorado Department of Education and is ongoing.

Pre-K-12 advocates across the state have expressed concerns that their districts and communities lack sufficient facilities to operate safe and quality early childhood care and education programs. Under state law (C.R.S. 22-43.7-107(2)(f)), expansion of preschool services is among several facility needs that are eligible for BEST grant funds. However, BEST has not funded discrete preschool programs to-date.

Currently, child care centers, family child care homes, and preschools can only accommodate about 60% of the total estimated need for child care in Colorado, both as a result of facilities and workforce shortages in the State. Child care and education programs are predominantly small businesses and operate with low margins, largely due to high operating costs with low public reimbursement. As a result, early childhood care and education programs have limited access to capital or new lines of credit to build new facilities or expand, repair, or renovate existing buildings. It is anticipated that the requested \$10 million allocation of BEST grants for preschool facilities would result 7 to 10 grants annually to support an increase of early childhood center construction, expansion, and renovation, particularly in the State’s most underserved and lowest capacity areas.

Current Program:

In 2008, the General Assembly enacted the Building Excellent Schools Today Act (BEST) to address the limited capacity for many Colorado public schools to renew, or replace rapidly deteriorating facilities with their own local resources. BEST grants are available to Colorado public school districts, charter schools, boards of cooperative services (BOCES), and the Colorado School for the Deaf and Blind. Funding is provided from the State Land Trust, Colorado Lottery spillover funds, recreational marijuana excise taxes, the applicants' matching monies, and interest accrued within the Assistance Fund itself. Since 2008, BEST has funded \$2.1 billion in construction, renovation, equipment, and repairs for K-12 education buildings throughout the state. By providing these services, the BEST program hopes to meet students' fundamental educational needs throughout Colorado.

Problem or Opportunity:

Pre-K-12 advocates across the state have expressed concerns that their districts and communities lack sufficient facilities to operate safe and quality early childhood care and education programs. Under state law (C.R.S. 22-43.7-107(2)(f)), expansion of preschool services is among several facility needs that are eligible for BEST grant funds. However, BEST has not funded discrete preschool programs to-date; instead, BEST grants have only been used to indirectly support preschool facilities as part of broader school building awards that also include primary and secondary education classrooms.

Currently, child care centers, family child care homes, and preschools can only accommodate about 60% of the total estimated child care need in Colorado, both as a result of facilities and workforce shortages in the State. According to state early childhood desert maps, some areas of the state lack any preschool facilities and other areas have too few spaces to serve the need. In addition, early childhood care and education programs throughout the state are in need of facility renovations to ensure safe, healthy, and quality services for young children.

Child care and education programs are predominantly small businesses and operate with low margins, largely due to high operating costs with low public reimbursement. Like most states, Colorado's reimbursement rates pay only a percentage of the market rate. As a result, early childhood care and education programs have limited access to capital or new lines of credit to build new facilities or expand, repair, or renovate existing buildings.

Proposed Solution:

The Governor's Office, in partnership with the Department, will work to introduce stand-alone legislation to rewrite the existing authority under BEST for full-day kindergarten facility needs to allocate \$10 million of the existing \$160 million that was appropriated to the BEST grant program for FY 2020-21 to be used specifically for the improvement and development of early childhood care and education facilities. Joint Budget Committee members and staff will be updated on the status of such legislation.

The grant process would be based on the current BEST process, including by requiring a local match, but would be revamped to address current preschool needs. The law would also be amended to allow for community-based early childhood programs that commit to meet the criteria under the Colorado Preschool Program to apply for BEST preschool facility grants, in addition to

school districts. Recipients of the BEST preschool facility grants would continue to provide a local match, which averages about 40% statewide, but varies based on statutory provisions that consider districts' per-pupil assessed valuation, median income, free and reduced lunch eligibility, bond mill levy and bond capacity remaining, recent bond education outcomes, and unreserved general fund balance.

Construction of a new Prek-8 or Prek-12 building has typically cost between \$10 and \$30 million. To fund the construction, renovation, or expansion of preschool-only classrooms or buildings, school districts and community-based programs could use smaller grants of \$2-3 million, which would include a match for some of those funds. With a \$10 million appropriation, approximately 7 to 10 grants could be funded, prioritized by the greatest need, as determined by the Public School Capital Construction Assistance Board (CCAB). Prior to issuing grant applications, the CCAB would administer a statewide survey of school districts to ascertain which districts have the greatest unmet early childhood facility needs, as well as whether school districts would intend to contract out early childhood education to community-based programs. The CCAB will work with CDHS to determine the current need regarding community-based providers for preschool.

Anticipated Outcomes:

It is anticipated that the requested \$10 million allocation of BEST grants for preschool facilities would result 7 to 10 grants annually to support an increase of early childhood center construction, expansion, and renovation, particularly in the State's most underserved and lowest capacity areas.

The use of \$10 million for early childhood care and education facilities development and improvement would also provide economic development boosts to local areas across the State because the construction projects would increase local workforce purchasing and hiring.

Finally, the facility needs assessment that CCAB would conduct in partnership with CDHS prior to awarding BEST grants would result in an increased State understanding of current early childhood care and education facility needs. In determining which applications get funded, CCAB will evaluate and determine the greatest need among the applications in regard to which district or program would most benefit from facility construction, expansion, or renovation.

Assumptions and Calculations:

It is estimated that the \$10 million fund could support 7 to 10 preschool facility grants per year at approximately \$1-\$1.5 million each, which the district or program would match to increase the total amount of each grant. The \$10 million in BEST grants preschool facility fund would be administered by CDE through the BEST Capital Construction Assistance Board. The Department anticipates that the administration of these BEST grants for preschool facilities would be absorbed by existing staff.

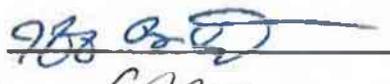
Schedule 13

Department of Education

Funding Request for The FY 2020-21 Budget Cycle

Request Title

R-12 Expanding Eligibility for School Improvement Funds

Dept. Approval By:  _____ Supplemental FY 2019-20

OSPB Approval By:  _____ Budget Amendment FY 2020-21

_____ X _____
Change Request FY 2020-21

Summary Information	FY 2019-20			FY 2020-21		FY 2021-22
	Fund	Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Total		\$4,317,145	\$0	\$4,435,995	\$1,000,000	\$1,000,000
FTE		3.0	0.0	3.0	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	\$2,314,027	\$0	\$2,431,221	\$1,000,000	\$1,000,000
	CF	\$2,003,118	\$0	\$2,004,774	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	FY 2019-20			FY 2020-21		FY 2021-22
	Fund	Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
02. Assistance to Public Schools, (C) Grant Programs, Distributions, and Other Assistance, (4) Professional Development and Instructional Support - School Transformation Grant Program	Total	\$4,317,145	\$0	\$4,435,995	\$1,000,000	\$1,000,000
	FTE	3.0	0.0	3.0	0.0	0.0
	GF	\$2,314,027	\$0	\$2,431,221	\$1,000,000	\$1,000,000
	CF	\$2,003,118	\$0	\$2,004,774	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Auxiliary Data			
Requires Legislation?	YES		
Type of Request?	Department of Education Prioritized Request	Interagency Approval or Related Schedule 13s:	No Other Agency Impact



Department Priority: R-12
Request Detail: Expanding Eligibility for School Improvement Funds

Summary of Incremental Funding Change for FY 2020-21			
	FY 2019-20	FY 2020-21	FY 2021-22
Total Funds	\$0	\$1,000,000	\$1,000,000
FTE	0.0	0.0	0.0
General Fund	\$0	\$1,000,000	\$1,000,000
Cash Funds	\$0	\$0	\$0
Reappropriated Funds	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0

Summary of Request:

The Governor’s Office requests a General Fund increase of \$1,000,000 in FY 2020-21 and ongoing for expanding access to existing and new evidence-based supports for schools identified as underperforming under the Colorado state accountability system. The request was developed with the technical collaboration of the Colorado Department of Education and would be an 8% increase to overall school improvement funding and a 23% increase to existing state funding.

Under the state system, schools are assigned four ratings: Performance (highest), Improvement, Priority Improvement, and Turnaround (lowest). Schools identified as Priority Improvement or Turnaround are eligible for state (but not necessarily federal) support; however, under current law, schools identified in the Improvement category are not eligible for School Transformation Grant resources, despite some being very close to being identified as Priority Improvement or Turnaround. The lack of fund eligibility for Improvement schools has implications for educational equity in Colorado. Persistent achievement gaps indicate that Improvement-rated schools need funding to improve student outcomes.

This funding, along with complementary enhancements to the school improvement system, will help ensure that additional schools and school districts have the resources they need to improve and serve students and families well and prevent schools from falling into Priority Improvement or Turnaround status. The complimentary enhancements to the school improvement system include increasing eligibility for support to schools identified as Improvement under the state accountability system. In addition to requiring that all interventions funded through the program meet a high bar for evidence, CDE has conducted an evaluation of the program that demonstrates that schools that participate in CDE-offered supports come off the state’s “accountability clock,” are no longer identified as underperforming, and stay off the clock at a higher rate than schools that do not participate.



Current Program:

Under current law, schools are evaluated based on two different identification systems: the federal system under the Every Student Succeeds Act (ESSA) and the state's accountability system (state system). Each system includes similar, but slightly different metrics by which schools (ESSA and the state system) and school districts (state system) are held accountable. The goal of both of these systems is to ensure that schools and school districts have the support and oversight to ensure all students receive a high-quality education that prepares them for college, career, and life.

Under the state system, schools are assigned four ratings: Performance (highest), Improvement, Priority Improvement, and Turnaround (lowest). Schools identified as Priority Improvement or Turnaround are eligible for state (but not necessarily federal) support. ESSA identifies schools for comprehensive support and improvement (CSI), which are the lowest-performing 5% of Title I schools, high schools with graduation rates below 67%, and schools with chronically low-performing disaggregated student groups (such as African American students or students with disabilities). ESSA also identifies any school with at least one consistently underperforming disaggregated student group as a "targeted support" school and additional targeted support schools as any school with at least one disaggregate group that, on its own, meets the criteria for CSI.

In 2018-2019, 79 schools were identified using the state accountability criteria, 249 schools were identified under the ESSA accountability criteria and 86 schools were identified under both. However, under federal law, the 79 schools identified for state support, but not federal support, are not eligible for federal monies. The state identified schools face the strongest consequences in that if they remain on the "accountability clock" for five years the State Board of Education is required to direct one of four statutory options.

For schools identified by either the state or federal system, CDE has a single application for state and federal school improvement funds called the Empowering Action for School Improvement (EASI) application. This application uses a needs-based approach to award services and funding. Approximately \$10 million is available for award through ESSA and \$4 million for the state School Transformation Grant. The amount of funding a school district may apply for is dependent on the chosen route(s):

- Exploration Supports for districts interested in funds and/or services to better understand the needs of the school and community and planning to address those needs;
- District designed and led for districts that already have a plan or are already implementing a plan that meets school(s) needs and are interested in pursuing grant funds to support activities.
- Offered supports for districts that are interested in applying for an existing CDE-sponsored program or support aimed at improving school systems. These opportunities include implementing Connect for Success, the Turnaround Network, multi-tiered systems of support (CO-MTSS), and the school turnaround leaders' development program.
- Continuation for implementing a route chosen previously.

In 2017-18 and earlier, prior to the passage of HB-18-1355, state school improvement funds could only support turnaround leadership development programs. In 2018-2019, HB 18-1355 expanded the use of state school improvement dollars to support interventions beyond just leadership development. The Governor's FY 2019-20 Budget included increased funding and additional supports to schools identified as Priority Improvement and Turnaround. This money is anticipated to be awarded in January 2020. Prior to 2018, 45% of identified schools were served through the school turnaround leadership development grant. In 2019, with

expanded options for support, but without addition funding, 48% of identified schools were funded. Updates on the percent awarded funds for 2020 will be available after January.

Problem or Opportunity:

The goal of a school accountability system is to identify schools and school districts that are struggling and provide them with the support they need to improve. Currently, approximately 52% of schools identified for support receive no actual monetary support, though they do receive very limited staff support.

In addition, in October 2019, the State Board of Education (SBE) voted to increase expectations for schools to meet the Performance category beginning in 2021. Based on current performance, an estimated 256 additional schools may receive an Improvement rating instead of Performance. Under current law, schools identified in the Improvement category are not eligible for School Transformation Grant resources, despite some being very close to being identified as Priority Improvement or Turnaround. The lack of fund eligibility for Improvement schools has implications for educational equity in Colorado. Persistent achievement gaps indicate that Improvement-rated schools need funding to improve student outcomes.

Proposed Solution:

The Governor's Office proposes that this funding be used to provide additional resources for schools identified under the state accountability criteria to improve performance. The Governor's Office, in partnership with the Department, will work to introduce stand-alone legislation to expand eligibility to allow struggling schools identified as Improvement under the state system to apply for School Transformation Grant funds. These schools would be prioritized based on the greatest needs and strongest commitment to use the funds to improve student achievement and ultimately help the school meet state-determined exit criteria. Joint Budget Committee members and staff will be updated on the status of such legislation

Importantly, all of the support provided to schools and school districts under the EASI program will need to meet strong evidence requirements to ensure these supports are working for students and families. These requirements are dictated by the Every Student Succeeds Act,¹ but CDE has adopted them for the state system as well. Early evaluations demonstrate that schools that participate in CDE-offered supports (specifically the Turnaround Network and Connect for Success) come off the clock and stay off the clock at a higher rate than schools that do not participate. In addition, CDE is in the beginning stages of establishing a more rigorous evaluation of supports for low-performing schools. This request is aligned with the bipartisan Education Leadership Council "State of Education" recommendation to prioritize differentiated support for low-performing schools.

If not approved, Colorado will continue to have wide gaps in the performance of disaggregated groups of students. If schools do not receive support and interventions early, then intervening later when schools and school districts may be at the end of the accountability clock only get more expensive and extreme over time.

Anticipated Outcomes:

It is anticipated that expanding access to School Transformation Grant funds to Improvement-rated schools will lead to more schools applying for support under the EASI program and, ultimately, decrease the number of schools and school districts identified for support under the state or ESSA accountability systems. The

¹ <http://www.results4america.org/wp-content/uploads/2016/11/ESSA-evidence-provisions-explainer-7.22.16-Update.pdf>

Department estimates that the proposed increase of \$1,000,000 would support 19 additional schools (assuming an average of \$50,000/school/year). The Department also anticipates that expanding access to School Transformation Grant funds will help reduce the student achievement gap, which could result in long-term benefits, particularly for underserved students, such as improved postsecondary enrollment, preparation, and completion, increased earnings and family economic security, and reduced crime. With more schools coming off the clock, there will be fewer schools that are ultimately subject to more rigorous, expensive interventions.

Assumptions and Calculations:

The Department uses an average of \$50,000/school/year to determine how many schools can be served with the additional funding. School Transformation Grant funding appropriates 5% for administration of the grant. With the remaining \$950,000, the Department will be able to support 19 additional schools through these resources.

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