

**DEPARTMENT OF EDUCATION  
FY 2007-08 JOINT BUDGET COMMITTEE HEARING AGENDA**

**Tuesday, December 12, 2006  
9:00 am - Noon**

**STATE BOARD OF EDUCATION / DEPARTMENT OF EDUCATION**

**INTRODUCTIONS AND OPENING COMMENTS**

**9:00-9:20 QUESTIONS COMMON TO ALL DEPARTMENTS**

Performance Measures

1. How do your performance measures influence department activities and budgeting?
2. To what extent do the performance outcomes reflect appropriation levels?
3. To what extent do you believe that appropriation levels in your budget could or should be tied to specific performance measure outcomes?
4. As Commissioner of Education, how do you judge your department's performance? What key measures and targets do you use?

Implementing Legislation Concerning Illegal Immigration: H.B. 06S-1023 and H.B. 06S-1009

5. Provide a list of programs in your department that are subject to the provisions of the two bills.
6. How has your department implemented the provisions of the two bills? What problems have been encountered in implementing them?
7. Provide an estimate of the costs your department will incur in FY 2006-07 to implement the bills. Are any additional costs anticipated in FY 2007-08? If so, please elaborate.
8. Provide a summary of anticipated savings in FY 2006-07 in your department as a result of not providing services to individuals who are in the country illegally. Are any additional savings anticipated in FY 2007-08? If so, please elaborate.

Proposal to Eliminate "Cash Funds Exempt" in the Long Bill

9. *Background.* Joint Budget Committee staff has proposed eliminating the current "Cash Funds Exempt" column in the Long Bill and replacing it with a new column entitled "Transfers" effective with the FY 2008-09 Long Bill. The Joint Budget Committee has not formally voted

on this issue. For details of the proposed change, please read the Joint Budget Committee staff memo from November 15, 2006, entitled "Proposed Long Bill Format Change." To help departments understand the new format, our staff has prepared an example of the Department of Revenue FY 2006-07 Long Bill in the proposed new format. This memo, and the example from the Department of Revenue, can be downloaded from the JBC web page at the following Internet address:

[http://www.state.co.us/gov\\_dir/leg\\_dir/jbc/PLBFC11-15-06.pdf](http://www.state.co.us/gov_dir/leg_dir/jbc/PLBFC11-15-06.pdf)

*Question.* Please provide the Joint Budget Committee with a summary of any potential concerns that your department may have regarding the proposed change to the Long Bill format. Please highlight potential issues such as: implementation challenges, workload issues, and other related concerns.

### **9:20-9:30 STATE BOARD OF EDUCATION FUNDING PRIORITIES**

10. Unlike previous years, the Department's FY 2007-08 budget request does not include a side-by-side comparison of the State Board's funding initiatives and those approved by the Governor. Please describe any budget initiatives approved by the State Board that were not included in the official budget request.

### **9:30-10:10 ACCOUNTABILITY**

#### Accreditation and School Accountability Reports

11. Has the Department considered making data and information indicating districts' performance in relation to the accreditation indicators easily accessible through its website?
12. How well does the accreditation process align with the Department's overall goals and objectives? With school accountability reports?
13. The Department is required to enter into new accreditation contracts with all local school boards and the State Charter School Institute by July 1, 2007. Does the Department have the resources it needs to accomplish this task? Should the General Assembly consider allowing the Department to stagger the terms of accreditation contracts to allow the Department to enter into new contracts with fewer districts each year (thereby spreading out the workload and allowing for greater focus)?
14. Evaluate and discuss the usefulness of annual reports concerning districts' achievement in relation to the accreditation indicators (as required by Section 22-11-105, C.R.S.) and annual school accountability reports. Should the General Assembly consider shifting resources from one process to the other?
15. What savings could be achieved if the General Assembly eliminated some of the statutory specifications concerning the format of school accountability reports (e.g., the size of the

paper)? Does the Department have any specific recommendations for statutory changes that would reduce the cost of school accountability reports?

### Colorado Student Assessment Program

16. Describe the process used to select and contract with a vendor to develop, score, and report results on statewide assessments. Specifically, how does the Department enter into multi-year contracts with a vendor given that Article X, Section 20 (4) (b) of the Colorado Constitution requires voter approval in advance for the creation of any multiple-fiscal year financial obligation?
17. Statewide assessments are currently required to be conducted during the period beginning the second Monday in March and ending on the third Monday in April of each year. What additional resources would the Department require, if any, if the General Assembly delayed this testing period by three weeks? By six weeks?
18. When do school districts currently receive assessment results?
19. What additional resources, if any, would the Department require to provide assessment results to school districts by July 31 each year:
  - a) Given the existing testing period?
  - b) If the testing period were delayed by three weeks?
  - c) If the testing period were delayed by six weeks?
20. What amount of annual savings could be achieved if the General Assembly eliminated the following statewide assessments:
  - a) 9<sup>th</sup> grade assessments in reading, writing, and math
  - b) 10<sup>th</sup> grade assessments in reading, writing, math, and science
  - c) 11<sup>th</sup> grade ACT
21. Are any of the assessments listed in the above question required under federal law?

### Longitudinal Analysis

22. Detail the Department's accomplishments to date in implementing statutory provisions related to performing longitudinal analyses of student assessment results and providing diagnostic information to school districts. Include information concerning:
  - a) Expenditures to date and the purpose of such expenditures
  - b) The model(s) developed to date
  - c) Which field experts have been consulted or participated in the process
  - d) The current status of the Department's efforts and planned tasks

23. Specify the resources the Department needs to provide the necessary training and technical assistance to make longitudinal data useful to schools and school districts for the purpose of improving instruction. Please specify whether these resources are in addition to the existing appropriation for the Longitudinal Analyses of Student Assessment Results line item.
24. Does the Department support Joint Budget Committee staff's recommendation to eliminate the off-budget funding mechanism for longitudinal analysis [repealing Section 22-54-114 (2.5, C.R.S.)]?

Other

25. Please provide trend data concerning the number and percent of students who have individual literacy plans.

**10:10-10:30 DEPARTMENT ADMINISTRATION**

26. Please provide information about Department employees (excluding those employed by the Colorado School for the Deaf and the Blind or the State Charter School Institute), including the following information:
- a) The number of staff in each unit and a description of their duties and responsibilities
  - b) The source of funding supporting each position (e.g., General Fund, fees, indirect costs, federal funds)
  - c) Which positions are currently filled by individuals working less than full-time
  - d) Which positions which are classified as "consultants"
27. Please provide any available benchmark data that compares the Department's staffing to that of other state departments of education.
28. Please identify any positions that are currently supported by federal funds that could and should instead be supported by state funds. Further, if this were to occur, how much additional federal funding could be passed through to school districts?
29. If additional state funding were made available for Department staffing needs, what additional supports or services would the Department provide to districts?
30. Is the Department requesting a reduction in the FTE authorization associated with the Office of Professional Services (from 19.0 to 18.9)? If so, please explain why.

**10:30-10:45 BREAK**

## 10:45-11:05 SCHOOL FINANCE

### Financing the State Share

31. Is the Department concerned about the level of General Fund support requested by Governor Owens for the State Share of Districts' Total Program Funding for FY 2007-08 (\$132.5 million, or a 5.0 percent increase)? What is the Department's long-term plan for complying with the funding requirements of Amendment 23 [Article IX, Section 17 of the Colorado Constitution]?

### Local Share of Funding

32. Please provide a comparison of school district general fund mill levies that applied in the 1993-94 budget year to current mill levies. How has the dispersion of mill levies changed?

33. Please provide a list of school districts that have not received voter approval to collect revenues in excess of the district's TABOR limit ("de-Bruced").

34. Is the State Board concerned about the continuing erosion of local financial support for public schools? What solutions, if any, has the State Board discussed?

### Other

35. Does the Department support Joint Budget Committee staff's recommended statutory changes to the State Public School Fund [see the issue brief that begins on page 86 of the Joint Budget Committee Staff Budget Briefing for the Department of Education, dated December 4, 2006]?

36. Does the Department have any other recommendations or suggestions concerning the structure of funds that provide support for public schools?

37. In a February 2006 discussion paper prepared for the State Board of Education, entitled "Colorado Education: Looking into the Future", the Commissioner of Education discusses two potential areas for re-directing existing funding for public schools to improve the quality of educational services provided to students. Please discuss options the General Assembly should consider with respect to each of the following:

- a) *Funding for part-time students:* State Board rules currently allow districts to receive 100 percent per pupil funding if a student attends school as little as 720 hours per year (68 percent of the 1,056 hours of instruction time statutorily required for grades 6-12), and to receive 50 percent of per pupil funding if a student attends school as little as 180 hours per year (17 percent of the 1,056 hours of instruction time statutorily required). Should this rule be changed? If it were changed, what outcomes should one expect?
- b) *Funding for students who repeat a grade level:* Currently districts receive the same level of per pupil funding whether or not a student is repeating the same grade level. Should the

General Assembly consider re-directing some portion of funding currently provided for “repeaters” to other programs or services that have been proven to be effective at reducing the likelihood that a student needs to repeat a grade level (e.g., preschool services for at-risk children, Summer school programs for students below grade level, etc.)?

38. The State Auditor’s Office is scheduled to release a performance audit concerning online education programs December 11, 2006. Please describe and comment on findings and recommendations included in the audit that relate to the financing of public schools.
39. Does the size factor create a disincentive for small school districts to consolidate? What other barriers or disincentives exist?

**11:05-11:15 CATEGORICAL PROGRAMS**

40. What factors does the Department recommend the General Assembly consider when it allocates the annual required increase in state funding among categorical programs [see Joint Budget Committee staff’s comments related to Long Bill footnote #8, beginning on page 47 of the Joint Budget Committee Staff Budget Briefing for the Department of Education, dated December 4, 2006]?

English Language Proficiency Program

41. Please provide information indicating the grade level of students receiving services through districts’ English language proficiency programs.
42. Should the General Assembly consider allowing districts to serve additional three-year-old children through the Colorado Preschool and Kindergarten Program in order to address the needs of English language learners? Would this be a more cost-effective investment compared to increasing funding for the English Language Proficiency Act?

Transportation

43. Please describe the options available to school districts to fund public school transportation programs, and identify which districts currently take advantage of each option.

Special Education for Children with Disabilities

44. Could the Department utilize a portion of the funding it is eligible to retain under the federal *Individuals with Disabilities Education Act* to offset at least a portion of the “excess costs” paid by districts for children with disabilities in eligible facilities?

**11:15-11:30 MISCELLANEOUS QUESTIONS**

45. Given that the *Giardino* Settlement Agreement anticipated a \$20 million appropriation for capital construction assistance for FY 2007-08, please explain why the official budget request

includes only \$15.0 million General Fund for this purpose. Further, what amount did the State Board approve?

46. Please describe how the official request and the amount approved by the State Board correspond to the actual *Giardino* Settlement Agreement.
47. Although Section 22-54-124 (3), C.R.S., requires the General Assembly to appropriate an amount equal to \$5.0 million from the State Education Fund for charter school capital construction for FY 2007-08, the Department's budget request includes \$7.8 million for this purpose. Please explain.
48. Through its response to Long Bill footnote #7, the Department indicates that one factor it considered in allocating funded slots for the Colorado Preschool and Kindergarten Program is a district's ability to collaborate within the community in providing preschool services. Please explain how this factor is evaluated.
49. Will Denver voters' approval of a local sales tax increase to fund a Denver Preschool Program impact the Department's allocation of funded slots for the Colorado Preschool and Kindergarten Program? Does the Department consider the availability of locally-funded preschool programs (whether funded with local tax revenues or through the use of district general fund dollars) when it allocates state-funded slots?
50. Section 22-2-122 (3), C.R.S., requires the Department to annually allocate funds to certain boards of cooperative services using 1.0 percent (up to \$250,000) of amounts appropriated "to all education grant programs for that fiscal year". Describe the process the Department uses to determine which grant programs should contribute to this allocation. Further, please comment whether further statutory clarification is necessary to clarify the grant programs this is intended to cover.
51. Although the General Assembly increased the appropriation for national credential fee assistance from \$83,000 to \$100,000 for FY 2006-07, the Department requested an appropriation of \$83,000 for this purpose for FY 2007-08. Please explain.

## **11:30-11:50 COLORADO SCHOOL FOR THE DEAF AND THE BLIND**

### **Introductions and Opening Comments**

1. Please describe and comment on the June 2006 Strategic Plan for the School.

### Performance Measures

2. How do your performance measures influence School activities and budgeting?
3. To what extent do the performance outcomes reflect appropriation levels?
4. To what extent do you believe that appropriation levels in your budget could or should be tied to specific performance measure outcomes?
5. As the Superintendent, how do you judge the School's performance? What key measures and targets do you use?

### Implementing Legislation Concerning Illegal Immigration: H.B. 06S-1023 and H.B. 06S-1009

6. Provide a list of programs or services provided by the School that are subject to the provisions of the two bills.

*If applicable, please answer the following:*

7. How has the School implemented the provisions of the two bills? What problems have been encountered in implementing them?
8. Provide an estimate of the costs the School will incur in FY 2006-07 to implement the bills. Are any additional costs anticipated in FY 2007-08? If so, please elaborate.
9. Provide a summary of anticipated savings in FY 2006-07 for the School as a result of not providing services to individuals who are in the country illegally. Are any additional savings anticipated in FY 2007-08? If so, please elaborate.

### Approved Funding Increase for Early Literacy Development Programs

10. Please describe how the School is using the \$462,620 General Fund approved for FY 2006-07 for early literacy development programs. Please include a discussion of the education and other outcomes that you anticipate tracking to evaluate the effectiveness of the programs.

## **11:50-Noon STATE CHARTER SCHOOL INSTITUTE**

### **Introductions and Opening Comments**

#### Performance Measures

1. How do your performance measures influence the Institute's activities and budgeting?
2. To what extent do the performance outcomes reflect appropriation levels?
3. To what extent do you believe that appropriation levels in your budget could or should be tied to specific performance measure outcomes?
4. As the Executive Director, how do you judge the Institute's performance? What key measures and targets do you use?

#### General

5. Please provide information about the charter schools that have been authorized by the State Charter School Institute to date. Include information about student enrollment and the amounts that are being withheld from state equalization payments to the accounting district for each authorized school in FY 2006-07.
6. Please provide details concerning the Institute's budget and staffing levels for FY 2005-06 and FY 2006-07. Further, please identify the sources of funding that support the Institute's budget (i.e., differentiate donations, grants, and amounts withheld from state equalization payments).