

MEMORANDUM

TO: Joint Budget Committee

FROM: Craig Harper (303-866-3481)

SUBJECT: Department of Education At-risk Supplemental Aid Fund Source

DATE: March 14, 2014

During figure setting for the Department of Education on March 6, 2014, the Committee approved a motion to increase funding for the At-risk Supplemental Aid line item by \$1,254,731 cash funds from the State Education Fund in FY 2014-15 to fully fund the at-risk supplemental aid formula. The current (FY 2013-14) appropriation for at-risk supplemental aid is entirely from the State Public School Fund (from interest and income earned on the Public School (Permanent) Fund).

Given the Committee's interest in increasing funding for at-risk supplemental aid, **staff recommends that the Committee fund the increase from the State Public School Fund rather than the State Education Fund.** Staff recommends:

- Increasing the appropriation for at-risk supplemental aid (above the FY 2013-14 appropriation) by \$1,254,731 cash funds from the State Public School Fund; and
- Refinancing that amount of the FY 2014-15 Long Bill appropriation for the state share of districts' total program funding with cash funds from the State Education Fund (increase the appropriation by \$1,254,731 from the State Education Fund and decrease the appropriation from the State Public School Fund by the same amount).

Staff's recommendation: (1) provides the increase for at-risk supplemental aid approved by the Committee from the fund source currently supporting the program; (2) maintains the total recommended appropriation for the state share of districts' total program funding; and (3) maintains the solvency of the State Public School Fund based on current revenue projections.