

JOINT BUDGET COMMITTEE



STAFF FIGURE SETTING FY 2024-25

DEPARTMENT OF EDUCATION (Programs *other than* School Finance and Categorical Programs)

JBC WORKING DOCUMENT - SUBJECT TO CHANGE
STAFF RECOMMENDATION DOES NOT REPRESENT COMMITTEE DECISION

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HOW TO USE THIS DOCUMENT

The Department Overview contains a table summarizing the staff recommended incremental changes followed by brief explanations of each incremental change. A similar overview table is provided for each division, but the description of incremental changes is not repeated, since it is available under the Department Overview. More details about the incremental changes are provided in the sections following the Department Overview and the division summary tables. Decision items, both department-requested items and staff-initiated items, are discussed at the beginning of the most relevant division. Within a section, decision items are listed in the requested priority order, if applicable.

In some of the analysis of decision items in this document, you may see language denoting certain 'levels of evidence', e.g. theory-informed, evidence-informed, or proven. For a detailed explanation of what is meant by 'levels of evidence', and how those levels of evidence are categorized, please refer to Section 2-3-210 (2), C.R.S.

DEPARTMENT OVERVIEW

The elected members of the State Board of Education are responsible for the general supervision of public schools throughout Colorado. The Commissioner of Education, appointed by the State Board, advises the State Board concerning the operation and status of public schools and serves as the executive officer of the Department of Education. Among other tasks and responsibilities, the Department supports the Board in its duties by:

- Accrediting public schools and school districts.
- Developing and maintaining state model academic content standards and administering associated student assessments for certain subject areas and grade levels.
- Issuing school and district performance reports for every public school and school district in the state.

The Department also administers a number of education-related programs, including: educator licensure and professional development; the School Finance Act and the distribution of state and federal funds to school districts; special education for children with disabilities; English language proficiency programs; the Colorado Preschool Program; educator effectiveness and evaluation programs; and adult basic education programs.

The Department includes three independent agencies: (1) the Board of Trustees for the Colorado School for the Deaf and the Blind; (2) the State Charter School Institute Board, which is responsible for authorizing and monitoring the operations of institute charter schools located within certain school districts; and (3) the Public School Capital Construction Assistance Board, which is responsible for assessing public school capital construction needs statewide and making recommendations concerning the prioritization and allocation of state financial assistance for school construction projects.

In addition to its duties related to public schools, the Department is charged with promoting the improvement of library services statewide to ensure equal access to information, including providing library services to persons who reside in state-funded institutions and to persons who are blind or physically disabled.

SUMMARY OF STAFF RECOMMENDATIONS

Note: Only amounts that are highlighted are addressed in this figure setting packet.

DEPARTMENT OF EDUCATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$7,004,038,646	\$4,512,345,184	\$1,361,942,038	\$79,976,873	\$1,049,774,551	636.5
Long Bill supplemental	53,978,584	54,628,584	(650,000)	0	0	0.0
Other legislation	483,446,731	158,061,656	322,931,830	2,283,375	169,870	25.4
HB 24-1183 (Supplemental)	8,485,796	1,037,013	7,451,153	(2,370)	0	0.0
HB 24-1207 (Mid-year adjustment)	(23,964,790)	0	(23,964,790)	0	0	0.0
TOTAL	\$7,525,984,967	\$4,726,072,437	\$1,667,710,231	\$82,257,878	\$1,049,944,421	661.9

DEPARTMENT OF EDUCATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$7,525,984,967	\$4,726,072,437	\$1,667,710,231	\$82,257,878	\$1,049,944,421	661.9
R1/BA1 State share of total program	111,946,468	0	111,946,468	0	0	0.0
R2/BA2 Categorical programs increase	25,893,812	0	25,893,812	0	0	0.0
R3 CSI mill levy equalization	44,812,392	22,220,696	371,000	22,220,696	0	0.0
R4 Human resources capacity	280,446	280,446	0	0	0	0.9
R5 School finance system modernization	200,000	200,000	0	0	0	0.0
R6 ESSER staff closeout	571,416	571,416	0	0	0	0.0
R7 Facility school baseline model inflation	3,664,956	0	3,664,956	0	0	0.0
R9 State Board of Education operating	133,250	133,250	0	0	0	0.0
R10 CDIP enhancement	0	0	0	0	0	0.0
R11/BA6 STEM extended learning time programming	0	0	0	0	0	0.0
R12 Proactive intervention expansion	500,000	500,000	0	0	0	0.0
R13 Ed talent mentorship grant program	0	0	0	0	0	0.0
R14 Payroll office support	107,442	107,442	0	0	0	0.9
R15 CDE facility needs	77,117	77,117	0	0	0	0.9
R16 BEST term-limited FTE continuation	0	0	0	0	0	0.0
R17 Colfax security	67,116	67,116	0	0	0	0.0
R18 CSDB teacher salary increase	504,053	504,053	0	0	0	0.0
R19 CSDB deans	201,892	201,892	0	0	0	1.6
R20 CSDB preschool personnel	116,746	116,746	0	0	0	1.4
BA3 At-risk aid and audit payments	1,000,000	0	1,000,000	0	0	0.0
BA4 HSMA audit roll forward	0	0	0	0	0	0.0
BA5 Path4ward funding increase	102,835	102,835	0	0	0	0.0
Non-prioritized requests	(1,624,365)	(1,624,365)	0	0	0	0.0
Centrally appropriated line items	9,152,320	3,905,487	1,230,170	972,690	3,043,973	0.0
Technical adjustments	(23,378,842)	0	(23,376,536)	(2,306)	0	0.0
Annualize prior year legislation	(81,684,263)	(32,188,447)	(49,549,881)	0	54,065	(4.6)
Annualize prior year budget actions	(11,967,076)	(2,443,988)	(8,640,628)	(23,406)	(859,054)	(1.9)
Prop FF Annualization and adjustments Healthy School Meals for All	(15,086,119)	(15,086,119)	0	0	0	1.1
SI BEST cash grants	13,244,780	0	13,244,780	0	0	0.0
SI CSDB capital outlay	100,000	100,000	0	0	0	0.0
SI Federal FTE notation true up	0	0	0	0	0	69.4
FTE notation adjustments	0	0	0	0	0	1.4
Indirect cost adjustments	0	0	0	0	0	0.0
SI Department reorganization	0	0	0	0	0	(0.0)
SI Fund source adjustment	0	(41,581)	0	41,581	0	0.0
SI Annualize federal ESSER stimulus funds	(181,185,193)	0	0	0	(181,185,193)	0.0
SI legacy nutrition program adjustments	(1,927,374)	(1,727,374)	(200,000)	0	0	0.0
SI Statewide assessment cost reduction	(1,590,843)	0	(1,715,170)	0	124,327	0.0

DEPARTMENT OF EDUCATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SI Charter school capital construction assistance	(1,151,948)	0	(1,151,948)	0	0	0.0
TOTAL	\$7,419,065,985	\$4,702,049,059	\$1,740,427,254	\$105,467,133	\$871,122,539	733.0
INCREASE/(DECREASE)	(\$106,918,982)	(\$24,023,378)	\$72,717,023	\$23,209,255	(\$178,821,882)	71.1
Percentage Change	(1.4%)	(0.5%)	4.4%	28.2%	(17.0%)	10.7%
FY 2024-25 EXECUTIVE REQUEST	\$7,768,907,341	\$4,628,306,926	\$2,032,581,946	\$55,994,018	\$1,052,024,451	666.4
Request Above/(Below) Recommendation	\$349,841,356	(\$73,742,133)	\$292,154,692	(\$49,473,115)	\$180,901,912	(66.6)

DESCRIPTION OF INCREMENTAL CHANGES

LONG BILL SUPPLEMENTAL: The recommendation includes several supplemental adjustments for FY 2023-24, including an increase of \$56.1 million (\$24.5 million General Fund and \$31.5 million from the Healthy School Meals for All General Fund Exempt Account) for Healthy School Meals for All meal reimbursement costs. It also includes a reduction of \$900,000 General Fund and \$650,000 for legacy nutrition program costs and a reduction of \$571,416 General Fund for the Colorado High-Impact Tutoring Program related to FY 2024-25 request R6.

R3 CSI MILL LEVY EQUALIZATION [LEGISLATION OPTION]: The staff recommendation is to increase funding for Charter School Institute (CSI) Mill Levy Equalization by \$22,220,696 General Fund, for a total of \$49,220,696 General Fund to “fully fund” this program based on current law, LCS enrollment, and assessed value estimates. The FY 2023-24 School Finance Act (S.B. 23-287) requires that “beginning in the 2024-25 budget year and each budget year thereafter, the general assembly shall appropriate from the general fund the amount necessary each budget year to fund full mill levy equalization for all institute charter schools for the applicable budget year.” The statutory requirement added in S.B. 23-287 is intended to ensure that students enrolled at CSI schools receive per pupil funding equal to the district per pupil funding in each district where a CSI school is located. The Long Bill recommendation is doubled by reappropriated funds under current law (based on appropriating money into a cash fund and out of it again) and also includes an increase of \$371,000 cash funds to reflect interest on money in the cash fund, which is shown for informational purposes. *Staff also recommends that the Committee sponsor legislation that would eliminate the CSI Mill Levy Equalization Fund and thus the reappropriated funds and the cash funds.*

The request was for \$15,123,426 General Fund which would bring total General Fund support for equalization to \$42,123,426 from the current \$27,000,000 General Fund. The request as submitted shows a decrease in total funds, including a reduction of \$27,000,000 General Fund, based on a proposal to change the structure of funding for this program from a General Fund appropriation with a reappropriated funds double-count to a General Fund statutory transfer with a cash funds appropriation. Legislation would be required to implement the proposed structural change. The primary impact of the proposed structural change, other than how funding appears in the budget, would be to eliminate the need for a 15.0 percent General Fund reserve associated with the program, as transfers are not subject to the reserve requirement. *JBC staff does not recommend this change.*

R4 HUMAN RESOURCES CAPACITY: Staff recommends \$280,446 General Fund and 0.9 FTE annualizing to \$286,274 General Fund and 1.0 FTE in FY 2025-26, to hire an additional human resources position and to implement a cloud-based Human Resource Information System. The Department currently operates without a Human Resources Information System and relies primarily on spreadsheets and other ad hoc tools to manage human resources information. A new system would address employee data management, record keeping, data reporting and metrics, performance management, and onboarding. The new FTE would enable the Department to meet the increased workload. This request would support a basic cloud based system for human resources automation within the Department. The staff recommendation is slightly modified from the request based on committee common policy adjustments. Staff also recommends a request for information to obtain information on the final costs for the new HRIS system given the wide range of estimates received thus far.

R6 ESSER STAFF CLOSEOUT: Staff recommends \$571,416 General Fund to support staff in the close out of ARPA-ESSER grants. To offset this General Fund amount, staff **also** recommends an FY 2023-24 General Fund **reduction** in the High-impact Tutoring line item, which the Department will backfill with federal ESSER funds for FY 2023-24. This will make this adjustment General Fund-neutral across two years. The Department requested a one-time appropriation to facilitate the closeout of ESSER projects and the creation of final reports after the ESSER funds no longer are available to state staff to charge to. ESSER funds, which are not under the General Assembly's control, expire September 30, 2024, but accounting will be required after the close-out. The Department requested \$571,416 federal State and Local Fiscal Recovery Funds (state-appropriated ARPA funds), but collaborated with staff on the staff-recommended alternative.

R7 FACILITY SCHOOL BASELINE MODEL INFLATION: Staff recommends an increase of \$3,664,956 from the State Education Fund in FY 2024-25 to address projected inflation and expansion in the use of facility schools. This amount modifies *and lowers* the annualization assumed in S.B. 23-219 (Supports to Students and Facility Schools; a JBC bill) for FY 2024-25 only. Because of the size, complexity, and adjustments anticipated in the annualization for S.B. 23-219, the Department submitted this change as a decision item, rather than including the fiscal note annualization amount as the second-year impact of new legislation. The Department's request was for \$2,425,756. The amount is updated in the staff recommendation but remains lower than the fiscal note. This adjustment does not change the estimate for FY 2025-26, which will be updated in the FY 2025-26 budget request.

R8 FACILITY SCHOOLS & RCCI INCLUSION IN HEALTHY SCHOOL MEALS: The Department requested legislation to include facility schools and residential child care institutions in the Healthy School Meals for All Program. The Committee is carried this legislation in its supplemental budget packet as H.B. 24-1206, and it has been sent to the Governor for signature. The cost of this change in FY 2024-25 is included in the Long Bill estimates for annualizing the Healthy School Meals for All Program in the amount of \$483,812.

R9 STATE BOARD OF EDUCATION OPERATING: Staff recommends the request from the Colorado State Board of Education for a General Fund increase of \$133,250 for Board operating-related expenses, including \$77,250 for operating costs, \$6,000 for computer replacement, and \$50,000 for IT room support. This would increase the budget for the Board by 31.3 percent.

R10 CDIP ENHANCEMENT: The Governor's Office requests \$2,000,000 in one-time General Fund to increase funding for the Career Development Incentive Program (CDIP) to allow the Department

to provide a one-time boost in the per-pupil reimbursement rates for the 2023-24 school year. The request states that this will provide an additional \$100 (approximate) per pupil enrolled in CDIP for School Year 2023-24, bringing reimbursement closer to historical reimbursement rates and the \$1,000 Tier 1 cap. Staff does not recommend this request.

R11/BA1 STEM EXTENDED LEARNING TIME PROGRAMMING: The Governor’s office initially requested \$8,000,000 in one-time State Education Fund and 0.9 FTE ongoing to bolster academic enrichment and extended learning time programming related to Science, Technology, Engineering, and Math (STEM) as part of the Colorado Academic Accelerator Grant Program established in H.B. 23-1231 (Math in Pre-Kindergarten Through Twelfth Grade). The Office subsequently withdrew the request in BA6, and staff does not recommend funding.

R12 PROACTIVE INTERVENTION EXPANSION: Staff recommends a requested increase of \$500,000 General Fund, to be continued in future years, for the School Transformation Grant Program. The requested increase would add to the \$1.0 million added and set aside in FY 2023-24 specifically for schools which are early in the accountability clock process. The request would enable the Department to fund proactive interventions for 10-12 schools per grant cycle using a set-aside of \$1.5 million, rather than serving 6-8 schools with the initial set-aside of \$1.0 million. The set-aside provides grants of up to \$100,000 (spread over 1-2 years) for schools that are “on the clock” (because they are rated priority improvement or turnaround), with the goal of avoiding having these schools remain on the accountability clock. Schools that remain on the clock require intensive (and expensive) state interventions. The School Transformation Grant Program operates with base funding of \$7.5 million General Fund and approximately \$8.0 million federal Every Student Succeeds Act Funds, but most of this money is used for schools that have remained on the accountability clock for five or more years. The request notes that the number of schools that are on the clock has grown sharply since the pre-pandemic period.

PRELIMINARY SCHOOL RATINGS – 2019 AND 2023		
	2019	2023 (FIRST FULL REINSTATEMENT OF ACCOUNTABILITY MEASURES POST-PANDEMIC)
On Watch (exiting accountability)	28	19
On Clock Y2+	64	53
Newly Identified On Clock (Y1)	86	159

R13 EDUCATOR TALENT MENTORSHIP GRANT PROGRAM [LEGISLATION REQUIRED]: Staff recommends a request that the Committee sponsor legislation to create the Teacher Mentorship Grant Program in state law. Although funding cannot be included in the Long Bill, the legislation would include \$3,132,271 General Fund and 1.2 FTE in FY 2024-25 and ongoing to sustain support for the program, which is currently funded with federal Elementary and Secondary School Emergency Relief (ESSER) funds. ESSER funds were part of federal COVID-relief funding and were distributed based on federal formulas and decisions by the State Board of Education. These funds expire September 30, 2024. The Department used \$9.5 million in FY 2022-23 and \$3.15 million in FY 2023-24 from its ESSER set-aside to fund teacher mentor grants. The ESSER funds have been used for mentor and inductee stipends, teacher release time, mentor training, technology, and other supports for teachers in year 1-3 and their mentors. The Department cites national studies indicating that mentorship programs improve new teacher retention and indicates that initial evaluation results indicate that 97 percent of teachers who participated in the ESSER-funded program intend to stay in education, with 95 percent intending to continue in teaching.

The request proposes \$3.0 million in mentorship grant awards ongoing to support 20-30 districts a year in a competitive grant process and requests 1.2 FTE for administration. It indicates that it believes the \$3.0 million requested should be sufficient to seed new mentorship programs without providing ongoing program support.

This proposal requires legislation. The Department of Education has authority to establish standards for induction programs, but no authority for a related grant program. Staff notes that the Committee could create the program but fund it at a lower level if General Fund revenue is too tight.

R14 PAYROLL OFFICE SUPPORT: Staff recommends an increase of \$107,442 General Fund and 0.9 FTE for FY 2024-25, annualizing to \$117,157 and 1.0 FTE in subsequent years, for a payroll office supervisor. The recommendation amount is lower than the request due to application of Committee common policy. As described in the Department's request, this position will enable the Department to meet the payroll processing demands associated with the Office of the State Controller's fiscal rule requiring all new employees to be put onto the bi-weekly payroll as, over time this requirement will come close to doubling the workload for the payroll office.

R15 CDE FACILITY NEEDS: Staff recommends a General Fund increase of \$77,117 and 0.9 FTE for FY 2024-25, annualizing to \$78,273 and 1.0 FTE for FY 2025-26 and ongoing, to obtain a dedicated staff member to address facility needs, including safety and security and coordination with Capitol Complex. The recommendation is lower than the request due to application of Committee common policy.

R16 BEST TERM-LIMITED FTE CONTINUATION: Staff recommends continuation of 1.0 cash-funded FTE in FY 2024-25 and ongoing to support the Public School Capital Construction Program. In FY 2022-23, a term-limited position (through FY 203-24) was approved for a fifth regional program manager for the Building Excellent Schools Today (BEST) grant program due an increase in the number and complexity of grant requests. Given continued workload and additional responsibilities, the Department requested making the position permanent. Staff recommends the position, but did not include a small net increase in funding that was included in the request. With this FTE, the Capital Construction Unit has been able to provide additional support for charter schools and rural school districts that struggle with facilities planning, grant applications, and project management.

R17 COLFAX SECURITY: Staff recommends an increase of \$67,116 General Fund to address the safety and security needs of 201 E Colfax and the Capitol Complex. The request includes increasing its current contracted security to provide two guards (rather than one) present at all times and to purchase a weapons detection system. Staff offset the increase requested by the Department (\$89,241) with an inflationary adjustment for security that was provided for FY 2023-24 but not needed.

R18 CSDB TEACHER SALARY INCREASE: Staff recommends a requested increase of \$504,053 General Fund to provide staff step increases and other adjustments, consistent with the Colorado Springs District 11 pay scale. The District 11 Board of Education and the Colorado Springs Education Association agreed to the following: a 5.0 percent increase to the salary schedule, with a BA starting at \$50,000, a one-step movement for staff who have not reached the maximum step increase (representing an approximately a 2.0 percent increase), and a 6.0 percent non-recurring compensation increase. The CSDB has requested funding to match these adjustments.

R19 CSDB DEANS: Staff recommends a request from the Colorado School for the Deaf and Blind (CSDB) for \$201,892 General Fund for the continuation of 1.6 FTE. These positions include two full-time Deans of Student, including one for the School for the Deaf and one for the School for the Blind. Currently, these positions are funded using one-time ARPA funds and this request is for state funding to sustain them. The ongoing funding will support student behavior, discipline, attendance, and restorative justice practices for preschool through age 21, and it will also help address deaf and blind students who are developmentally behind in relationship building and self-regulation. While staff recommends the request, staff notes that CSDB enrollment has fallen significantly since before the pandemic and the school has operated without deans in the past.

R20 CSDB PRESCHOOL PERSONNEL: Staff recommends an increase of \$116,746 General Fund to add a preschool teacher and aide at the Colorado School for the Deaf and Blind (CSDB). A section of the Preschool program is currently being funded by one-time ARPA funds and CSDB requested these positions be funded after the roll-off of ARPA funds. The recommendation does not include \$49,829 for a preschool coordinator, which was also requested.

BA4 HSMA AUDIT ROLL FORWARD: The recommendation includes roll-forward authority for up to \$400,000 General Fund Exempt through FY 2025-26 for an audit of the Healthy School Meals For All (HSMA) Program which is required by law to be completed in December 2025.

CENTRALLY APPROPRIATED LINE ITEMS: The recommendation includes adjustments to centrally-appropriated line items. Amounts shown below represent a combination of Committee common policy items that have been decided upon and request amounts where the Committee has not yet taken action.

CENTRALLY APPROPRIATED LINE ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Salary survey	\$4,104,380	\$1,508,955	\$591,681	\$457,428	\$1,546,316	0.0
Step Plan	2,163,729	908,997	312,360	205,099	737,273	0.0
PERA Direct Distribution	1,111,591	827,522	159,752	124,317	0	0.0
DPA Central services omnibus request	562,622	562,622	0	0	0	0.0
Health, life, and dental	355,931	(161,892)	119,991	34,901	362,931	0.0
Payments to OIT	328,409	184,218	65,940	78,251	0	0.0
AED	322,570	66,534	12,704	29,788	213,544	0.0
DPA Paid family leave	265,629	98,075	38,371	29,501	99,682	0.0
Capitol Complex leased space	252,229	84,694	13,398	(21,499)	175,636	0.0
Workers' compensation	115,554	55,519	15,080	3,905	41,050	0.0
ALJ services	35,988	0	35,988	0	0	0.0
CORE Operating Resources	11,220	5,609	4,346	1,265	0	0.0
Shift differential	10,080	10,080	0	0	0	0.0
Short-term disability	5,103	1,040	244	489	3,330	0.0
DPA fleet vehicle	3,571	3,571	0	0	0	0.0
NP SWICAP adjustment	2,294	0	1,227	1,067	0	0.0
AED	0	0	0	0	0	0.0
SAED	0	0	0	0	0	0.0
Health, life, dental true-up	(177,095)	(101,598)	(17,377)	(14,723)	(43,397)	0.0
CORE adjustment	(138,833)	(69,410)	(53,785)	(15,638)	0	0.0
Legal services	(126,668)	(23,435)	(128,233)	25,000	0	0.0
Risk management & property adjustment	(55,614)	(55,614)	0	0	0	0.0
Indirect cost assessment	(370)	0	58,483	33,539	(92,392)	0.0
TOTAL	\$9,152,320	\$3,905,487	\$1,230,170	\$972,690	\$3,043,973	0.0

NONPRIORITIZED REQUESTS: The recommendation includes eliminating an appropriation for the Colorado Imagination Library. The program is moved to the Department of Early Childhood in H.B. 24-1205.

TECHNICAL ADJUSTMENTS: The recommendation includes various technical adjustments, primarily in the School Finance section. (School Finance is not addressed in this figure setting packet).

ANNUALIZE PRIOR YEAR LEGISLATION: The recommendation includes adjustments for the out-year impacts of prior year legislation.

ANNUALIZE PRIOR YEAR LEGISLATION					
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	FEDERAL FUNDS	FTE
SB 24-1206 School Food Authorities	\$466,060	\$466,060	\$0	\$0	0.0
SB 23B-002 Summer EBT Program	447,870	223,935	0	223,935	1.7
SB 23-219 Supports to students	64,423	0	64,423	0	0.5
SB 23-172 Protecting workers' rights	10,648	10,648	0	0	0.0
SB 23-258 Consolidate ed prep prog	9,423	0	9,423	0	0.2
SB 23-218 Repeal School Transformation Grant Program Admin Cap	8,663	8,663	0	0	0.1
SB 23-086 Student leaders institute	744	744	0	0	0.0
SB 23-065 Career Dev Success Prog	0	0	0	0	0.2
SB 23-287 Public school finance act	(49,623,727)	0	(49,623,727)	0	(0.4)
HB 23-1231 Math in Pre-K	(26,223,638)	(26,223,638)	0	0	(3.5)
SB 23-003 Adult high school	(5,000,000)	(5,000,000)	0	0	(0.4)
HB 20-1418 Local food purchasing prog	(675,729)	(675,729)	0	0	0.0
SB 23B-002 Summer EBT Program	(339,740)	(169,870)	0	(169,870)	(1.8)
HB 23-1241 Accountability task force	(300,709)	(300,709)	0	0	(0.3)
SB 23-029 School discipline task force	(164,398)	(164,398)	0	0	(0.5)
SB 23-094 Transportation task force	(95,313)	(95,313)	0	0	(0.5)
HB 20-1032 K12 education standards review	(92,174)	(92,174)	0	0	0.0
HB 23-1009 Secondary student sbst	(49,950)	(49,950)	0	0	(0.2)
HB 23-1291 Procedures for expulsion	(48,771)	(48,771)	0	0	0.1
HB 23-1212 Promotion of apprentices	(44,000)	(44,000)	0	0	0.0
HB 23-1168 Legal representation	(13,260)	(13,260)	0	0	0.0
SB 23-087 Teacher degree apprent	(12,185)	(12,185)	0	0	0.2
HB 21-1087 Teaching & learning conditions	(8,500)	(8,500)	0	0	0.0
TOTAL	(\$81,684,263)	(\$32,188,447)	(\$49,549,881)	\$54,065	(4.6)

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The recommendation includes adjustments for the out-year impacts of prior year budget actions.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Annualize FY 24 adjustment for ESSER admin	\$571,416	\$571,416	\$0	\$0	\$0	0.0
FY 2023-24 R6 Personnel school support	17,363	11,973	5,390	0	0	0.2
FY 2023-24 R8 Evaluation support	7,291	7,291	0	0	0	0.1
FY 2023-24 R3 Translation services	6,034	6,034	0	0	0	0.1

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Annualize FY 2023-24 supplemental	(7,453,150)	0	(7,453,150)	0	0	0.0
FY 2023-24 OIT Accessibility	(2,929,144)	(2,346,830)	(582,314)	0	0	(1.8)
FY 2023-24 R9 Leased space	(1,778,658)	(598,423)	(297,775)	(23,406)	(859,054)	0.0
FY 2023-24 R5 Gifted & talented DMS	(250,000)	0	(250,000)	0	0	0.0
Prior year salary survey	(67,644)	(4,865)	(62,779)	0	0	0.0
Annualize FY 24 Educator Perception supp	(50,000)	(50,000)	0	0	0	0.0
FY 2022-23 R7 Empowering parents	(40,584)	(40,584)	0	0	0	(0.5)
TOTAL	(\$11,967,076)	(\$2,443,988)	(\$8,640,628)	(\$23,406)	(\$859,054)	(1.9)

PROP FF ANNUALIZATION AND ADJUSTMENTS HEALTHY SCHOOL MEALS FOR ALL [LEGISLATION RECOMMENDED]: The recommendation includes multiple adjustments to the Healthy School Meals for All Program for FY 2024-25. Reductions shown for FY 2024-25 are applied to the base that has been adjusted by a Long Bill supplemental for FY 2023-24. The total recommendation includes meal reimbursements totaling \$137.5 million funding for grant wage distributions that are required under current law, requiring \$46.3 million General Fund, in addition to appropriations from the HSMA General Fund Exempt Account. Staff recommends that the Committee sponsor legislation to delay implementation of grant and wage distribution programs and make other program adjustments. The recommendation also includes \$150,000 for consulting and administrative costs to assist the Department in maximizing federal revenue for meals, identifying options for containing state costs, and managing the program.

SI (STAFF INITIATED) BEST CASH GRANTS: The recommendation includes an increase of \$13.2 million for cash grants for the Building Excellent Schools Today (B.E.S.T.) program. This amount is a placeholder based on current law and projections and will be modified based on the March forecast and Committee action on legislative proposals.

SI CSDB CAPITAL OUTLAY: The recommendation adds \$100,000 General Fund one-time for Colorado School for the Deaf and Blind capital outlay. This appropriation is in lieu of a supplemental adjustment requested for FY 2023-24 and addresses various facility needs for new equipment.

SI FTE NOTATION TRUE UP: The recommendation adds 69.4 FTE in FTE notations, with no associated funding, to more accurately reflect federal staffing levels at the Department (excluding stimulus funds).

FTE NOTATION ADJUSTMENTS: The recommendation includes technical corrections to FTE notations in multiple line items.

INDIRECT COST ADJUSTMENTS: Indirect cost collections are not expected to change, but adjustments will be required to correct for the excess amount of indirect costs included in the Department request. This revenue will not be received, so additional General Fund will be required. Adjustments are pending.

SI DEPARTMENT REORGANIZATION: The recommendation includes net \$0 adjustments for the second phase of a Department reorganization.

SI FUND SOURCE ADJUSTMENT: The recommendation includes fund source adjustments for CSDB.

SI ANNUALIZE FEDERAL ESSER STIMULUS FUNDS: The recommendation includes a reduction of \$181.2 million to reflect the anticipated decline in funding distributed by the Department as ESSER funds roll-off.

SI LEGACY NUTRITION PROGRAMS ADJUSTMENTS. The recommendation includes a reduction of \$1.9 million, including \$1.7 million General Fund due to a decline in spending for legacy state nutrition programs, in the wake of the Healthy School Meals for All program.

SI STATEWIDE ASSESSMENT COST REDUCTIONS: The recommendation includes a reduction of \$1.6 million, including \$1.7 million from the State Education Fund for statewide assessments, due to the reprourement of various exams.

SI CHARTER SCHOOL FACILITIES ASSISTANCE: The recommendation includes a reduction of \$1.2 million cash funds for capital assistance for charter school facilities based on formulas in current law. This is a placeholder pending updated marijuana revenue forecast information.

MAJOR DIFFERENCES FROM THE REQUEST

The recommendation includes the following major differences from the *request* for the portions of the Department budget addressed in this figure setting packet. This list highlights only the largest dollar changes and items that may be of particular interest. Other changes are included throughout the packet.

- The recommendation adds a FY 2023-24 supplemental increase of \$56.1 million (\$24.5 million General Fund and \$31.5 million from the Healthy School Meals for All General Fund Exempt Account) for Healthy School Meals for All (HSMA) meal reimbursement costs. The Department submitted a supplemental request for \$30.0 million.
- The higher HSMA base carries into FY 2024-25. The recommendation for the program for FY 2024-25 is \$156.8 million (\$46.3 million General Fund and \$110.4 million from the HSMA General Fund Exempt Account). The Department's request did not include FY 2024-25 adjustments other than those projected in the original Prop FF fiscal note and thus requested \$101.4 million from the HSMA General Fund Exempt Account. This is a difference of \$55.4 million, including \$46.3 million General Fund. The staff recommendation proposes statutory changes to help address costs for this program.
- The recommendation also includes \$7.1 million General Fund more than the request, and a different funding structure, for CSI Mill Levy Equalization, to comply with current law.

DECISION ITEMS AFFECTING MULTIPLE DIVISIONS

➔ STAFF INITIATED (SI) DEPARTMENT REORGANIZATION

REQUEST: The Department did not formally request this change but has cooperated closely with staff in the development of the proposal and is supportive of the proposed changes.

RECOMMENDATION: Staff recommends that the Committee authorize staff to make changes to the Long Bill structure to:

- Add a new Grants Administration line item; and
- Move federal funding shown for informational purposes for some grants into the divisions where these grants are administered.

Please note that the numbers pages include the federal funding changes recommended. **Staff will create the Grants Administration line item and reflect associated funding in it if the JBC approves this structural change.**

ANALYSIS:

Grants Administration Line Item

Last year the JBC approved a substantial reorganization of the Department of Education Long Bill, which involved restructuring the Long Bill to reflect the Department of Education's functional administration groups. To facilitate these changes, staff and the Department agreed that line items would, with few exceptions, be kept intact and simply moved to new, more logical locations. At the time, staff noted to the Committee that this was expected to be part 1 of a two-part reorganization. This "Part 2" is far more modest, but does involve breaking apart some existing line items.

Department staff have indicated that creating a new "Grants Administration" line item will significantly reduce their workload, because the current grants administration team (which already exists) must presently track its expenses to multiple different line items. The following is a Department description of the benefits.

"Currently, within CDE, there are two units that have primary responsibility for grant administration. The goal of these units was to create uniform processes for awarding and administering grants so as to create consistency for Local Education Agencies (LEAs) when dealing with CDE's many grant programs. These units are called Grants Program Administration (GPA), which deals with the awarding of competitive and formula grants, and Grants Fiscal Management Unit (GFMU), which deals with the processing of awards once awarded, making the payments, and fiscal monitoring of awards.

The consistency of grant processes has helped the LEAs when working with the various grant programs but has created some internal accounting challenges within CDE. For example, some staff within Grants Program Administration and the Grants Fiscal Management Unit work with upwards of 12 or more grant programs in a given month. On their timesheet, they are thus required to track and allocate their time to

all of those various grant programs and funding sources. The payroll system, at present, isn't actually even able to accommodate using this large number of codes in a given month, creating additional complexity in correctly charging their time (frequently can result in overcharging some in one month and not charging to those in the next to even things out correctly).

The consolidation of the state grant program grant administration into a single line item will enable these staff to reduce the number of codes they use significantly and simplify the payroll process for these staff.

Additional benefits include a simplified approach to budgeting their units, creating a separate line item for their fiscal note impacts on new grant programs allowing the administration to be more cleanly shown in the Long Bill, and others. We are currently exploring the feasibility of doing the same thing on the federal side as well.

Finally, creating a single line item for these staff to charge their time is more consistent with how CDE budgets for other central, operational support staff, such as accounting, budgeting, contracts and purchasing, and human resources. Each of these units, similar to the GPA and GFM units, supports programs across the department.”

The portion of various line items that would be reallocated to this new Grants Administration line item are shown below. A few of these programs (in italics) are currently funded through roll-forwards or continuously appropriated amounts, so there would be no change for those item.

DIVISION	APPROPRIATION DESCRIPTION	TOTAL DOLLARS
Administration		
	Department Administration GF	\$249,620
Assessments		
School District Ops		
	Nutrition FF Admin GF Exempt	\$9,271
	Public School Finance Admin GF	\$26,798
	Smart Start cash approp	\$3,516
	Chld Nutrition Lunch Protect-Cash	\$9,271
	Building Excellent Schools Today (BEST)	\$4,459
Educator Talent		
	Educator Effectiveness Unit Administration	\$21,781
Student Learning		
	Early Literacy Technical Assistance & Monitoring	\$27,096
	Computer Science Education Grants	\$11,806
	Accelerate Grant - High Impact Tutoring Program	\$3,110
	Facilities Schools Unit & Board	\$1,115
	<i>School Bullying Prevent Fund</i>	\$15,881
School Quality and Support		
	Supplemental Online	\$1,834
	Local Accountability System Grant Program	\$7,390

DIVISION	APPROPRIATION DESCRIPTION	TOTAL DOLLARS
Student Pathways	School Transformation Grant Program	\$7,872
	State Adult Education	\$18,376
	Ninth Grade Success Grant Program	\$11,806
	College and Career Readiness	\$15,655
	Career Development Success Program	\$1,050
	Accelerated College Opportunity Exam Fee Grant Program	\$2,884
	Educational Stability Grant	\$9,140
	John W. Buckner Automatic Enrollment Grant Program	\$3,999
	K-5 Social & Emotional Health Program	\$8,472
	Behavioral Health Professionals Match Grant	\$28,456
	Dropout Prevention	\$11,806
	School Counselor Corps Grant Program	\$21,523
	Comprehensive Health Education	\$23,413
	Expelled Students	\$22,172
	<i>FAFSA/CASFA Completion Grant (PWRCE)</i>	<i>\$1,834</i>
	<i>Colorado Academic Accelerator Grant (HB23-1231)</i>	<i>\$44,039</i>
	High School Innovative Learning Opportunities	\$5,573
	Library	
	State Grants to Libraries	\$4,459
	Total	\$635,477

Transfer of Selected Federal Funding Streams to Appropriate Department Division

JBC staff has noted that it can be difficult to understand the scale of department staffing and support in many divisions because a large share of the Department’s federal funds are consolidated in a single line item called “Appropriated Sponsored Programs”.

These funds are not subject to state appropriation, but including them in appropriate divisions, to the extent feasible, increases transparency. In response to staff questions, the Department has identified three ongoing federal funded programs that could be moved into appropriate divisions without creating challenging administrative headaches within the Department (e.g., because funding that is tied to a particular budget function from a state perspective relates to a single federal grant). The amounts that staff proposes to reduce from the Appropriated Sponsored Programs line item and reflect in relevant divisions at this time are:

- Accountability and Improvement Planning (Title II) - \$514,937 federal funds and 3.2 FTE
- School Transformation (Title I Direct Svcs) - \$769,725 federal funds and 4.2 FTE
- Adult Education - \$9,193,475 and 8.9 FTE

➔ STAFF INITIATED (SI) INDIRECT COST ADJUSTMENTS

REQUEST: The Department did not request an update to indirect cost adjustment amounts. However, it provided all the detail necessary to update calculations in the Long Bill.

RECOMMENDATION:

- Staff recommends that the Indirect Cost Recovery line items in the Long Bill be updated consistent with the table below, which reflects information provided by the Department. As shown, total collections estimated for FY 2024-25 are essentially flat compared to the FY 2023-24 Long Bill.

DEPARTMENT INDIRECT COST ASSESSMENT RECOMMENDATION				
DIVISION	TOTAL	CF	RF	FF
Management and Administration	\$885,271	\$509,752	\$0	\$375,519
Assistance to Public Schools	\$3,847,010	\$25,000	\$89,110	\$3,732,900
Library Programs	\$55,327	\$0	\$0	\$55,327
Total FY 2024-25 Recommendation	\$4,787,608	\$534,752	\$89,110	\$4,163,746
Management and Administration	826,788	451,269	0	375,519
Assistance to Public Schools	3,905,863	25,000	55,571	3,825,292
Library Programs	55,327	0	0	55,327
Total FY 2023-24 Appropriation	\$4,787,978	\$476,269	\$55,571	\$4,256,138
Increase (Decrease) FY2023-24 to FY2024-25	(\$370)	\$58,483	\$33,539	(\$92,392)

- Staff recommends that the indirect cost recovery amounts above (\$4.8 million total for FY 2024-25) **plus \$600,000 from the Indirect Cost Excess Recoveries Fund** be used to offset General Fund otherwise required in Department line items. The request as submitted appears to incorporate substantial reappropriated funds for common policy line items without a specified fund source. Staff assumes that these amounts can only come from indirect cost recoveries. Given this, **staff anticipates that approximately \$600,000 more General Fund will be required than the recommendation as currently reflected. Final adjustments are pending figure setting for common policy line items.** The fund balance in the indirect cost recovery fund was \$1,425,199 at the end of FY 2022-23; staff and the Department expect to spend this down over several years as pandemic stimulus funding ebbs.

INDIRECT COST RECOVERIES OFFSET FOR GENERAL FUND IN LONG BILL MULTIPLE LINE ITEMS			
	TOTAL	GENERAL FUND	REAPPROPRIATED FUNDS (INDIRECT COST RECOVERIES)
FY 2024-25 Estimated Recoveries	\$0	-4,787,608	4,787,608
Indirect Cost Excess Recoveries Fund Reserves	0	-600,000	600,000
Total Offset for FY 2023-24	\$0	-5,387,608	5,387,608

- Of the total indirect cost recovery amount, a portion will be identified as statewide indirect cost recoveries, consistent with the statewide indirect cost plan, when those figures are specified.

ANALYSIS:

The Department's indirect cost plan is negotiated annually with the federal Department of Education. State cash funds are generally treated in a manner consistent with the federal plan. The details of the plan are included in an appendix to this document and so are not repeated here.

Similar to action last year, staff is recommending use of \$600,000 from reserves that have accumulated in the Indirect Costs Excess Recoveries Fund to offset General Fund otherwise required.

The Indirect Cost Excess Recoveries Fund holds the difference between the amount of indirect cost recoveries received and expended each year. It covers shortfalls when annual revenues fall below projections and receives excess funds when revenues exceed expenditures. As of the end of FY 2021-22, the Department's Fund held a balance of \$1,855,130. Based on growth that was evident last year, JBC Staff and the Department agreed that a spend-down of approximately \$500,000 a year would be appropriate and help avoid a steep "cliff effect" in which General Fund would be required to backfill the difference once indirect cost recoveries in the fund were exhausted. This process began in FY 2022-23.

Indirect cost recovery revenue and expenditures were closely matched in FY 2021-22, so most of the growth occurred prior to FY 2022-22. The Department has indicated that the spend down plan appears to be on target, based on revenues and expenditures from indirect cost recoveries at the end of FY 2022-23, but the spend down was slightly less than planned: \$429,935. The table below shows the Department's projection for annual indirect cost recoveries (as opposed to revenue in the Excess Recoveries Fund) when this approach was planned in FY 2021-22. As shown, while growth was expected for FY 2023-24 and included in appropriation amounts for this year, the Department anticipated a modest decline in indirect cost recovery revenue in FY 2024-25 compared to its FY 2023-24 recoveries based on the formulas determined by the federal Department of Education.

	Cash/Other	Federal	Total
FY 2021-22	\$316,414	\$4,047,238	\$4,363,652
FY 2022-23 Proj	\$360,000	\$4,040,000	\$4,400,000
FY 2023-24 Proj	\$490,000	\$4,180,000	\$4,670,000
FY 2024-25 Proj	\$500,000	\$4,100,000	\$4,600,000

→ STAFF-INITIATED CORRECTIONS TO FTE NOTATIONS

RECOMMENDATION: For multiple line items, the staff recommendation includes small corrections to the FTE notation (not the dollar amount) reflected in a line item. This includes instances in which an appropriation was eliminated, consistent with changes in law, but the Department did not remove the FTE notation in its request. It also includes instances in which a fiscal note indicated that an FTE should be reflected and the Department made salary-related adjustments, but no FTE notation was shown. As FTE are not appropriated by the General Assembly and these notations do not change department administration of programs, **staff has not included separate decision items for these corrections but requests the Committee's permission to make the changes as outlined in the line item detail.**

(1) MANAGEMENT AND ADMINISTRATION

This section includes funding for the State Board of Education, the Commissioner of Education, and general department administrative responsibilities including human resources, budgeting, accounting, and information technology management.

The following table summarizes the staff recommendation for this division.

MANAGEMENT AND ADMINISTRATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 Appropriation						
SB 23-214 (Long Bill)	\$44,971,270	\$21,830,147	\$9,227,677	\$6,128,219	\$7,785,227	83.8
Other legislation	583,428	583,428	0	0	0	1.2
HB 24-1183 (Supplemental)	767,030	771,397	(1,997)	(2,370)	0	0.0
TOTAL	\$46,321,728	\$23,184,972	\$9,225,680	\$6,125,849	\$7,785,227	85.0
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$46,321,728	\$23,184,972	\$9,225,680	\$6,125,849	\$7,785,227	85.0
SI Department reorganization	0	0	0	0	0	0.0
Indirect cost adjustments	0	0	0	0	0	0.0
R4 Human resources capacity	280,446	280,446	0	0	0	0.9
R9 State Board of Education operating	133,250	133,250	0	0	0	0.0
R14 Payroll office support	107,442	107,442	0	0	0	0.9
R15 CDE facility needs	77,117	77,117	0	0	0	0.9
R17 Colfax security	67,116	67,116	0	0	0	0.0
Centrally appropriated line items	9,196,455	3,891,836	1,230,170	938,084	3,136,365	0.0
Technical adjustments	0	0	0	0	0	0.0
Annualize prior year legislation	(252,900)	(252,900)	0	0	0	(0.7)
Annualize prior year budget actions	(7,394,344)	(3,842,069)	(1,576,070)	(39,906)	(1,936,299)	(1.6)
TOTAL	\$48,536,310	\$23,647,210	\$8,879,780	\$7,024,027	\$8,985,293	85.4
INCREASE/(DECREASE)	\$2,214,582	\$462,238	(\$345,900)	\$898,178	\$1,200,066	0.4
Percentage Change	4.8%	2.0%	(3.7%)	14.7%	15.4%	0.5%
FY 2024-25 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	(\$2,532,004)	(\$1,311,685)	(\$276,789)	(\$213,160)	(\$730,370)	1.8

DECISION ITEMS – MANAGEMENT AND ADMINISTRATION

GENERAL BACKGROUND:

The Department submitted multiple requests for individual staffing increases, most of which increase the Department's General Department and Program Administration line item. To put these requests in context, staff requested a breakdown of how the Department's primary central administration line

item is used. The allocation of FTE and personal services funds, based on the FY 2023-24 budget, is shown below. FY 2024-25 requests would add three new FTE and over \$550,000 to these figures.

FY 2023-24 BUDGET FOR GENERAL DEPARTMENT AND PROGRAM ADMINISTRATION ¹	FTE	PS EXPENDITURES
Commissioner/Deputy/Operations/Leadership	6.5	\$1,373,377
Policy/Evaluation	2.4	365,664
IT Management/Data Team	5.7	935,729
Misc Program/Grants (Native Am Liaison, GFMU/GPA, fee funded, field service, etc.)	5.6	772,518
Communications Team	4.3	502,100
Accounting/Budget/Procurement	20.0	2,598,928
Human Resources	4.0	515,921

¹Includes centrally-appropriated and grant funds and thus includes more FTE and dollars than is shown in the Long Bill line item.

→ R4 HUMAN RESOURCES CAPACITY

REQUEST: The Department requests \$298,662 of General Fund and 0.9 FTE in FY 2024-25, annualizing to \$296,433 General Fund and 1.0 FTE in FY 2025-26, to hire an additional human resources position and to implement a cloud-based Human Resource Information System. The Department currently operates without a Human Resources Information System and relies primarily on spreadsheets and other ad hoc tools to manage human resources information. A new system would address employee data management, record keeping, data reporting and metrics, performance management, and onboarding. The new FTE would enable the Department to meet the increased workload. This request would support a basic cloud based system for human resources automation within the Department.

RECOMMENDATION: Staff recommends the request, but consistent with Committee common policy, staff has used LCS calculations, which assume staff begin in August, and excluded centrally-appropriated amounts in the first year.

HR STAFF AND HRIS SYSTEM				
	FY 2024-25		FY 2025-26 AND ONGOING	
	FTE	AMOUNT	FTE	AMOUNT
Human Resources Spec. IV (with PERA, Medicare)	0.9	\$69,294	1.0	\$76,994
Standard Operating		1,152		1,280
Capital Outlay		2,000		0
HRIS Cost - annual		208,000		208,000
Total		\$280,446		\$286,274
Centrally appropriated estimate				\$18,135

Staff also recommends:

- CDE be asked to report on the actual cost of the final HRIS system acquired. The Department has received two very different quotes. The requested funding would be insufficient to cover both the ongoing and front-end costs in the first year for one of the quotes and would be more than three times the amount needed for the other. If final costs include front-end amounts that are

above the funds appropriated, staff assumes the Department will stage implementation to begin part way through the year. If final costs are far below the budgeted amount, the Committee could consider annualizing out some of the increase or deliberately redirecting it to other Department administrative needs (rather than simply allowing the Department to do this without consultation).

- “Truing up” federal FTE reflected in the Long Bill for informational purposes, given the large gap between actual FTE and the numbers shown for informational purposes in the Long Bill. This adjustment will not have a functional effect on Department administration, but it may assist JBC staff, legislators, and members of the public if they are trying to understand the size of this department. **The “true up” recommended is based on an estimate of non-stimulus federally-funded FTE.** Staff is also considering a related true-up of federal funds dollar estimates but will bring a comeback if that seems appropriate.

	Long Bill	To reflect current Non-ESSER levels
Library	23.8	24.8
Assessments	12.5	15.9
SPED	62	99
Appr Spons	55.1	75.1
Nutrition	8.1	16.1

ANALYSIS: The need for this request is described in some detail in the Department’s hearing responses, included below. The Human Resources Capacity request is made up of two related – but different – requests. The first is for a human resources information system (HRIS) and the second is additional human resources personnel to increase the capacity for the Department’s human resources team.

Human Resource Information System (HRIS)

The Department states that the acquisition and implementation of an HRIS is intended to consolidate personnel data, position data, and performance management into one centralized and secure system – which, in turn, will also provide the Department access to enhanced features to better analyze, report, and respond to the ongoing changes across the industry and the workforce as whole. Currently employee data – such as hiring paperwork, employee start/end data, position descriptions, performance management planning and evaluations, and employee training completion (such as cybersecurity training, HR training, etc.) – are housed in a variety of sources including Google docs, Moodle, Smartsheet, Excel spreadsheets, and an internal Web system. The HRIS will consolidate these data in a more secure environment, strengthen the utility of these data for basic personnel management functions, improve the Department’s ability to respond to personnel-related reporting requests (e.g., vacancy reporting, time in classification) and provide supervisors with timely access to necessary and consistent information. The critical human resource functions that will be improved by this HRIS include, but are not limited to, the following:

- Creating, monitoring, tracking, and reporting on employee performance management;
- Initiating, approving, tracking, and reporting on all personnel actions;
- Generating critical HR Metrics such as turnover (by division, units, offices, etc.), Equal Pay for Equal Work Act compliance, EDI/Demographic Reporting, and succession planning data;

- Providing visibility for supervisors into their staff 's information such as wages, performance, education, etc.
- Tracking and reporting employee education and certifications;
- Providing, tracking, and reporting on required employee training;

While the HRIS is a data collection and storage tool that helps track, organize, and report on essential data about employees; it does not replace the need for humans in the HR function. The power of an HRIS is the single source of accurate data about everyone across the organization, which is then used by HR staff and supervisors to perform their work. An HRIS allows us to redirect our focus to providing necessary supports to the workforce.

Lack of a Statewide HRIS

In response to Committee questions, the Department provided the following in its hearing responses: “There is not, currently, a statewide human resources information system (HRIS). The State continues to use severely outdated systems for critical processes such as payroll, and has never had a centralized HRIS. As a result, many state agencies have created their own system to manage the hiring process and track employee data. CDE currently does not have any such system. The Department is requesting funds to purchase an HRIS that will allow CDE to have the type of system other agencies have implemented.

It is important to note that the State has a payroll modernization project in the works; however, this statewide effort currently does not include any module for personnel management and there are no imminent plans to create a centralized HRIS for the State.

Historically, the closest thing to a statewide HR data system has been the State’s Central Payroll Processing System (CPPS); however, it was never designed for nor can it function as an HRIS. Every agency has a different method of recording and tracking personnel data based on the resources/funding they have available. Data included in the CPPS system is very limited to its intended payroll function and does not provide the consolidated approach necessary for effective human resource data management (e.g., longitudinal position and employee data, performance management).”

Additional HR Capacity

The request for an additional human resource staff member is designed to improve the Department’s capacity in carrying out essential human resource functions such as talent management (recruitment and retention), change management, organizational and performance management, training and development, and compensation analysis all while ensuring that the Department remains compliant with the evolving federal and State personnel laws and State rules.

In response to staff questions, the Department has provided the following information regarding actual positions and, for FY 2023-24, budgeted positions. As shown, the Department indicates that it is currently operating with 4.0 HR staff budgeted. **This figure was built through a combination of 0.5 FTE added by the JBC in FY 2022-23 and internal resource re-allocation by the Department of 0.5 FTE.**

FISCAL YEAR	FY 2019-20 ACTUAL	FY 2020-21 ACTUAL	FY 2021-22 ACTUAL	FY 2022-23 ACTUAL	FY 2023-24 BUDGET
FTE	2.8	3.0	3.2	3.75	4.0

Determining how these staff relate to the number of Department FTE has been surprisingly difficult for JBC staff. **Department responses and HRIS quotes are based on assuming 570.0 department employees.** In the process of researching this request, it became clear to staff that the Department’s budget submissions have not included accurate data on FTE used over multiple years; FY 2022-23 appears to be the first actual submission with real data.

Based on additional information provided by the Department, staff has created a rough estimate of FTE that are in the Long Bill (or should be) versus human resources staff. This is shown below. As shown, staff believes that the Department’s 570 FTE estimate may be an over-estimate, but the resulting ratios still appear reasonable.

ESTIMATES OF DEPARTMENT OF EDUCATION FTE - STATE AND FEDERAL			
	FY 2023 ACTUAL	FY 2024 ESTIMATE	FY 2025 w/o STIMULUS
CDE Actual Reported	680.2		
Current Approp/Request		661.9	666.4
Less (incorrect) Long Bill FTE estimates for federal funded staff		(161.5)	(161.5)
Plus CDE estimates of current federal funds staff		244.3	
CDE estimate of federal funds staff excluding stimulus positions			230.9
Less CSDB	(169.9)	(177.2)	(180.6)
Less CSI	(17.8)	(17.8)	(17.8)
Revised CDE FTE Estimate	492.5	549.7	537.4
Human Resources FTE - Actual and Requested	3.8	4.0	5.0
CDE HR FTE per 100 Dept FTE	0.8	0.7	0.9

Department FTE figures have been challenging to reconcile, in part because federal funds FTE estimates in the Long Bill are poor. The table above represents staff’s best effort, which generally indicates that the Department’s ratios are somewhat better than the figures cited in the request, but not to a large degree. The Department provided comparative information for other departments indicating that most other departments have higher ratios, with others ranging from 0.9 human resources FTE per 100 staff (DOC) to 3.5 human resources FTE per 100 staff (CDEC).

Staff Observations

In Support of the Request

- The appropriate ratio between HR staff and number of employees is clearly highly dependent upon the size and type of organization. Staff has found a range of “best practice” ratios available for HR staffing which adjust based on the size of organization.¹ That said, the Department’s per employee figures do appear to be on the low side for an organization of the Department’s size, and staff agrees that moving to 5.0 FTE will bring it into closer alignment with national averages and other state departments.

¹ See, for example: <https://www.sesamehr.com/blog/hr-to-employee-ratio/>

- Staff agrees that an organization of the size of the Department of Education should have an automated human resources system, which is standard practice for an entity of this size. It is past time for the Department to transition from spreadsheets, google sheets and ad hoc databases.

Reservations

- The Department provided quotes it has received indicating that prices for this service are based on staffing. The Department provided one quote that is aligned with the request for ongoing costs and was greater if first-year costs were included, but the Department has also been able to demonstrate a far less expensive option (less than \$60,000 per year, rather than over \$200,000).
- The General Assembly increased HR staff in FY 2022-23 by 0.5 FTE but the Department indicates that its HR staff is still under strain. JBC Staff notes that much of this increase has been driven by pandemic-era funding increases (staff funded by ESSER and other federal stimulus funds), as well as broader economic and social trends that created high turnover during “the great resignation”. If the Department returns to 50-70 recruitments per year, will it still feel a need for 5.0 HR staff?

DEPARTMENT OF EDUCATION RECRUITMENTS					
	2018-2019 FY	2019-2020 FY	2020-2021 FY	2021-2022 FY	2022-2023 FY
Replacements	45	53	32	72	69
New Positions	5	15	15	50	24
Term-Limited	0	1	23	18	13
Promotional	0	0	4	34	36
Positions with Multiple Postings	0	0	7	10	6
Total Recruitments	50	70	81	184	148

➔ R9 STATE BOARD OF EDUCATION OPERATING

REQUEST: The Colorado State Board of Education requests a General Fund increase of \$133,250 for Board operating-related expenses, including \$77,250 for operating costs, \$6,000 for computer replacement, and \$50,000 for IT room support. This would increase the budget for the Board by 31.3 percent.

RECOMMENDATION: Staff recommends the request for an ongoing increase of \$133,250 for State Board operating costs. Although the request is large, it seems reasonable that an elected Board such as the SBE should have access to state-supported technology and sufficient travel funds available that members can adequately represent their regions. *Staff assumes that if the full appropriation is not required, unspent funds will revert.*

ANALYSIS:

Background: The State Board of Education (SBE) is comprised of nine members, representing each of the state's Congressional Districts and a statewide member. The members serve without pay. Article IX of the State Constitution provides that there shall be one member elected from each of the state's congressional districts and that, if that results in an even number, an additional member shall be elected from the state at large. Within the limits of its jurisdiction, the Board appoints the Commissioner of

Education and makes rules and regulations that apply to school districts, accredits public school districts, and regulates educator licensing, among other duties. The Board typically meets once per month for two days, but schedules additional extraordinary meetings as needed.

Board Member Expenses: Board members may not be paid for their work but can request reimbursement for any expenses necessary to do their job as an elected official, including conference registrations, mileage to and from board meetings and events, and lodging and meals when appropriate.

Data previously provided to staff indicated that costs were historically in the range of \$7,000 per Board member per year. However, the request states that “now that the board has expanded and inflation has increased, the board is feeling the effects”. The increase of \$77,250 provides an average increase of \$8,583 per Board member for travel costs and assumes that Board members will require \$15,000 to \$19,000 per year for travel and related expenses. The request highlights that the next State Board election is in 2024 and, of the four seats up for election, all could qualify for overnight stays in Denver for regular board meetings, depending on where they reside. Staff suspects that not all Board members will require travel costs at this level. However, staff agrees that Board members should be given sufficient financial flexibility to explore and represent their districts to the extent they are able.

Computer Replacement: The board began using laptops after the pandemic to aid in remote meetings. The request states that replacing these computers will be an ongoing need. Based on the request for \$6,000 for this purpose on an ongoing basis, staff assumes that the Board plans to replace computers for the nine board members and 2.5 Board staff on a rotating basis (e.g., 3-4 per year). Staff believes that computers represent a necessary tool that should be part of the materials offered to board members.

IT Room Support: The request states that the SBE board room renovation has required ongoing funds to maintain the technology that was incorporated. This will require a contract with an outside vendor as this is not something the SBE can do internally.

Recent Increases: In FY 2022-23, the State Board requested an increase related to adding operating costs for two new Board members, as well as funding for two troopers for board meetings and a 0.5 FTE IT staff person. The General Assembly added \$101,988 (a 29.5 percent increase). This request acknowledges this increase, but notes that prior to this increase the Board had not requested an increase for at least ten years.

→ R14 PAYROLL OFFICE SUPPORT

REQUEST: The Department requests \$130,056 and 0.9 FTE for FY 2024-25 from the General Fund, and an annual allocation of \$142,203 and 1.0 FTE in subsequent years. This request for a payroll office supervisor will enable the Department to meet the payroll processing demands associated with the Office of the State Controller’s fiscal rule requiring all new employees to be put onto the bi-weekly payroll as, over time this requirement will come close to doubling the workload for the payroll office.

RECOMMENDATION: Staff recommends the request with adjustments to comply with Committee common policy. Specifically, staff has excluded centrally-appropriated amounts in the first year and reflected 0.9 FTE to reflect hiring in August. Staff applied the range mid-point for the salary level, as the Department has indicated a need for a person with at least 10 years of experience, and staff notes

that the Department has had considerable difficulty with accountant vacancies due to high demand in the market. *While staff recommends the request, JBC staff is dismayed that statewide policies requiring lagged bi-weekly pay for new employees is driving inefficiencies and resulting in a need for additional Departmental staff. Neither the professional staff employed by CDE nor Department administration is likely to benefit from this payroll structure. Likewise the lack of an adequate electronic timekeeping system is clearly problematic in any agency that, like this department, is supported by multiple funding sources and is responsible for multiple grant programs.*

PAYROLL FTE				
	FY 2024-25		FY 2025-26	
	FTE	AMOUNT	FTE	AMOUNT
Accountant III (range mid-point; with PERA, Medicare)	0.9	\$104,290	1.0	\$115,877
Standard Operating		1,152		1,280
Capital Outlay		2,000		0
Total Appropriation		\$107,442		\$117,157
Centrally appropriated estimate				\$21,780

ANALYSIS:

- As reflected in the request, new Office of the State Controller fiscal rules require new hires to be on bi-weekly lagged payroll, as well as requiring the Department to offer existing employees this option.² As a result, CDE is looking at potentially significant increases in total payroll transactions over the next few years, as these changes will ultimately double the number of biweekly payroll transactions handled in the payroll office, which is currently at approximately 520³. Per the request, “due to the increased levels of payroll requirements, complexity of our current manual process and fiscal rules from the DPA, the department needs an experienced Accountant to manage the payroll unit.” This position will also “support the Controller and Deputy Controller in high level financial summaries, projections, reporting, and reconciling accounting data”.
- Additional information provided as part of Department hearing responses and requested by staff note that neither the State nor the Department has an effective time-and-effort tracking/electronic timekeeping system in place for staff whose work is billed to multiple different sources and grants. As a result, Department staff apparently use spreadsheets and similar tools to track this. This is a component of the current workload demand for the payroll office, but the Department states that the new position it is requesting will also play a role in any future electronic timekeeping system implementation.

Background on Implementation of Electronic Timekeeping System: Staff’s understanding from Department of Personnel Request R2 is that DPA accepted a proposal for a new time and leave system in June 2022 (an update to the previous KRONOS system) and is in the process of migrating multiple departments to this new system. However, the Department of Education is not part of this conversion in the near-term. Because the Department is not a current user of the KRONOS system, it would only be added after existing users have been converted. Further, the Department

² Staff’s understanding is that the State has entered into a contract for the new payroll system with a provider that *only* offers a biweekly pay structure, and this has been offered as the rationale for this change. JBC Staff also assumes that this is part of the Executive Branch strategy for unwinding the “paydate shift” that, for the last 20 years, has moved the June 30 payroll for state-funded staff to July 1 of the next fiscal year.

³ As noted pursuant to other requests, it is surprisingly difficult to pin down the number of FTE in this department. The request for HR staff is based on 570 employees.

indicates that the new system being implemented is not fully compliant with accessibility standards, and the Department is concerned about legal liability in moving to a system that is not fully compliant. The Department notes that it is very eager to make the conversion, but the process has been “stop-start” with DPA for the last couple of years.

The Department of Education has also noted that agencies are barred from “attaching” to the current legacy statewide payroll system (CPPS), and this has inhibited its ability to implement its own separate electronic timekeeping system. The Department seems to expect that it will ultimately be able to use the new statewide electronic timekeeping system (or potentially attach a Department electronic timekeeping system to a new statewide payroll system), but it remains unclear when this might occur. The Executive Branch has also submitted a capital IT request for a new statewide payroll system, but, if approved, this will take time to implement too.

→ R15 CDE FACILITY NEEDS

REQUEST: The Department requests a General Fund increase of \$95,662 and 0.9 FTE for FY 2024-25, annualizing to \$98,443 and 1.0 FTE for FY 2025-26 and ongoing to obtain a dedicated staff member to address facility needs, including safety and security and coordination with Capitol Complex.

RECOMMENDATION: Staff recommends the request with adjustments to comply with Committee common policy. Specifically, staff has excluded centrally-appropriated amounts in the first year and reflected 0.9 FTE to reflect hiring in August. Staff believes the request is reasonable but also notes that this is #15 in the Department’s list. If the Committee determines the budget is too tight, this item could be avoided or delayed, and JBC staff assumes the Department would continue to coordinate facility-related activities as it has in the past.

FACILITY NEEDS FTE				
	FY 2024-25		FY 2025-26	
	FTE	AMOUNT	FTE	AMOUNT
Administrator IV (with PERA, Medicare)	0.9	69,295	1.0	76,993
Standard Operating		1,152		1,280
Capital Outlay		6,670		0
Total Appropriation		\$77,117		\$78,273
Centrally appropriated estimate				18,718

ANALYSIS:

The Department reports that it has not ever had a single staff person hired specifically to address the building operations needs of the agency’s facilities. Currently the responsibility of managing the operations, maintenance, and security of the Department’s historic Capitol Complex location, the Colorado Talking Book Library, and space used by the Department within the State Services Building is being split across multiple positions, diverting those staff from other duties, sometime inappropriately as the funding source for those staff is not aligned with general administrative work. Given the size of the Department, this is no longer viable, and the Department is seeking a staff member to manage these roles.

The duties identified include:

- Managing building maintenance at all three Department locations
- Liaising with Capitol Complex staff
- Managing construction and improvement projects
- Managing the security contract and emergency plans for 201E Colfax
- Managing and coordinating shared office space (hoteling); and
- Serving as the primary contact for CDE capital project procurement.

JBC Staff notes that one driver of this request—though not the most important one, according to the Department—is the Department’s decision to downsize into smaller space and implement a hoteling model, leaving many of its staff remote. While the change to more remote work and more compressed office space was expected to provide savings, the need for additional management does partially offset such savings.

→ R17 COLFAX SECURITY

REQUEST: The Department requests a General Fund increase of \$89,241 for FY 2024-25 and \$89,645 for FY 2025-26 and ongoing to address the safety and security needs of 201 E Colfax and the Capitol Complex. The request includes increasing its current contracted security to provide two guards (rather than one) present at all times and to purchase a weapons detection system. The request also notes that the Department is exploring having Colorado State Patrol provide security similar to what is provided at other state locations but State Patrol has informed the Department that such a change could only be implemented after FY 2024-25 and this option is more expensive than continued use of a private security contract.

RECOMMENDATION: Staff recommends \$67,116 in FY 2024-25 increasing to \$67,520 in FY 2025-26 to add an additional contracted security officer for the Department’s Capitol Complex locations. Staff concurs with the Department that adding an additional position will bring Department security in line with security at other Capitol Complex locations,. Further, the current system of using contracted security appears to be significantly less expensive than using security from the Department of Public Safety (troopers). However, based on further communication with the Department, staff determined that funding the JBC added in FY 2023-24 for an inflationary adjustment for security staff was not required, because the Department found a less expensive vendor. In light of this, the recommendation includes the following components:

BREAKDOWN OF REQUEST	FY 2024-25	FY 2025-26
Evolv Express Single Lane Weapons Detector (subscription)	\$26,883	\$25,099
Increase staffing with Current Vendor by 1	62,358	64,546
Offset – remove FY 2023-24 inflationary increase for security	(22,125)	(22,125)
Total Request	\$67,116	\$67,520

ANALYSIS:

In its hearing response, the Department noted that this request focuses solely on safety and security of the facility located at 201 E. Colfax in the Capitol Complex. This request would bring the Department in line with other state agencies within the Capitol Complex by providing a weapons

detection system and an additional security staff member that would allow the front doors to be covered at all times if the other security staff member needs to perform a security check of the building, or during breaks or while eating a meal.

In response to staff questions, the Department reported that using state troopers for State Board of Education meetings costs \$90 per hour. At that rate, using state troopers for this function would cost just under \$200,000 per year for just a single trooper. Further, the Department of Public Safety has indicated that it has little capacity to add coverage of the Department's building to their existing responsibilities.

The Department has received other increases for security in recent years, all of which appear to be in line with the types of security enhancements added at other Capitol Complex buildings and (for the State Board of Education) with the security for other elected officials. The General Assembly added \$39,960 to the Department's budget in FY 2022-23 to have state troopers at State Board of Education meetings. It has also continued support for a contracted security officer, adding \$22,125 in FY 2023-24 to address an increase in the contract cost. It ultimately did not need this increase, so staff has applied it as an offset to the FY 2024-25 figure.

In response to Committee questions, the Department noted there have also been capital investments approved and requested for security and safety. The Department has a current controlled maintenance request that includes \$70,000 at the Colorado Talking Book library to replace windows damaged by bullet holes. In FY 2023-24, it received \$1.6 million in controlled maintenance funding for safety, security and electrical upgrades at the Talking Book Library, and the Department of Personnel received and \$1.4 million for adding bullet resistant glazing on first-floor windows of the Department's building (similar to what was done at the Capitol).

→ PENDING NON-PRIORITIZED AND COMMON POLICY ITEMS

The following common policy and non-prioritized items were pending at the time this figure setting packet was submitted for printing. In these instances the request is reflected, even though the Committee's decision is pending. **Staff requests permission to incorporate the Committee's policy when it has made decisions on these items.**

- Worker's Compensation (DPA)
- Payment to Risk Management & Property Funds (DPA)
- Vehicle Lease Payments (DPA)
- Payments to OIT (GOV)
- Legal Services (LAW)
- Administrative Law Judge Services (DPA)
- Capitol Complex Leased Space (DPA)
- CORE Operations (DPA)
- Multiple new line items (DPA)

In addition, **if Committee common policy is modified after this document is printed, staff requests permission to make related adjustments to any affected line item.**

LINE ITEM DETAIL — MANAGEMENT AND ADMINISTRATION

(A) ADMINISTRATION AND CENTRALLY-APPROPRIATED LINE ITEMS

STATE BOARD OF EDUCATION

The Colorado Constitution charges the State Board of Education with the "general supervision of the public schools of the state". The Board has numerous powers and duties specified in state law. Each congressional district elects one Board member; the Board also includes on at-large member in years when Colorado has an even number of congressional districts. Members serve six-year terms without compensation but are entitled to reimbursement for any necessary expenses incurred in the performance of their duties as members. These expenses generally include: (1) travel (in state and out of state, mileage, meals and lodging); (2) attendance at official functions; and (3) reimbursement for office related expenses.

STATUTORY AUTHORITY: Section 22-2-107, C.R.S.

REQUEST: The Department requests \$575,805 General Fund and 2.5 FTE, including an increase of \$133,250 for R9 (State Board of Education Operating) and \$16,995 to annualize prior year salary survey.

RECOMMENDATION: The staff recommendation is shown in the table below.

MANAGEMENT AND ADMINISTRATION, ADMINISTRATION AND CENTRALLY-APPROPRIATED LINE ITEMS, STATE BOARD OF EDUCATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$425,560	\$425,560	\$0	\$0	\$0	2.5
TOTAL	\$425,560	\$425,560	\$0	\$0	\$0	2.5
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$425,560	\$425,560	\$0	\$0	\$0	2.5
R9 State Board of Education operating	133,250	133,250	0	0	0	0.0
Annualize prior year budget actions	16,995	16,995	0	0	0	0.0
TOTAL	\$575,805	\$575,805	\$0	\$0	\$0	2.5
INCREASE/(DECREASE)	\$150,245	\$150,245	\$0	\$0	\$0	0.0
Percentage Change	35.3%	35.3%	0.0%	0.0%	0.0%	0.0%
FY 2024-25 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

GENERAL DEPARTMENT AND PROGRAM ADMINISTRATION

This line item provides funding and staff for the management and administration of a variety of education and library-related programs, and for general department administration, including human resources, budgeting, accounting, and information management. As a “program line,” This line item supports both personal services and operating expenses. The source of cash funds for this line item is general education development (GED) program fees. Sources of reappropriated funds are indirect cost recoveries.

STATUTORY AUTHORITY: Article IX of the State Constitution; Sections 22-2-105 through 109, C.R.S.; and much of Title 22 of the Colorado Revised Statutes.

REQUEST: The Department requests an appropriation of \$6,863,846 total funds (including \$3,235,636 General Fund) and 45.9 FTE, including the following changes from the FY 2023-24 appropriation:

- An increase of \$298,662 General Fund and 0.9 FTE for R4 Human resources capacity
- An increase of \$130,056 General Fund and 0.9 FTE for R14 Payroll office support
- An increase of \$95,662 General Fund and 0.9 FTE for R15 CDE facility needs
- An increase of \$89,241 General Fund for R17 Colfax security
- A reduction of \$507,665 General Fund to annualize FY 2022-23 Request R9 (Leased Space)
- An increase of \$6,034 General Fund and 0.1 FTE to annualize FY 2023-24 R3 (Translation Services) and an increase of \$7,291 General Fund and 0.1 FTE to annualize FY 2023-24 R8 (Evaluation Support)
- An increase of \$10,648 General Fund to annualize SB 23-172 (Protecting Workers’ Rights)
- An increase of \$463,226 total funds to annualize prior year salary survey

RECOMMENDATION: The staff recommendation is shown in the table below. Differences between the request and recommendation have previously been discussed. Staff requests permission to work with Department staff to calculate the allocation of indirect cost recoveries in this line item and the associated centrally appropriated line items if changes are necessary based on the Committee’s common policies.⁴

MANAGEMENT AND ADMINISTRATION, ADMINISTRATION AND CENTRALLY-APPROPRIATED LINE ITEMS, GENERAL DEPARTMENT AND PROGRAM ADMINISTRATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$6,248,491	\$2,943,674	\$186,807	\$3,118,010	\$0	42.6
Other legislation	\$22,200	\$22,200	\$0	\$0	\$0	0.4
TOTAL	\$6,270,691	\$2,965,874	\$186,807	\$3,118,010	\$0	43.0
FY 2024-25 RECOMMENDED APPROPRIATION						

⁴ These centrally appropriated line items include the following: Health, Life, and Dental; Short-term Disability; AED; SAED; Salary Survey; Workers’ Compensation; Payment to Risk Management and Property Funds; and Capitol Complex Leased Space.

MANAGEMENT AND ADMINISTRATION, ADMINISTRATION AND CENTRALLY-APPROPRIATED LINE ITEMS, GENERAL DEPARTMENT AND PROGRAM ADMINISTRATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 Appropriation	\$6,270,691	\$2,965,874	\$186,807	\$3,118,010	\$0	43.0
R4 Human resources capacity	280,446	280,446	0	0	0	0.9
R14 Payroll office support	107,442	107,442	0	0	0	0.9
R15 CDE facility needs	77,117	77,117	0	0	0	0.9
R17 Colfax security	67,116	67,116	0	0	0	0.0
Annualize prior year legislation	10,648	10,648	0	0	0	0.0
SI Department reorganization (pending)	0	0	0	0	0	0.0
Annualize prior year budget actions	(31,114)	(354,507)	1,788	321,605	0	0.2
TOTAL	\$6,782,346	\$3,154,136	\$188,595	\$3,439,615	\$0	45.9
INCREASE/(DECREASE)	\$511,655	\$188,262	\$1,788	\$321,605	\$0	2.9
Percentage Change	8.2%	6.3%	1.0%	10.3%	0.0%	6.7%
FY 2024-25 EXECUTIVE REQUEST	\$6,863,846	\$3,235,636	\$188,595	\$3,439,615	\$0	45.9
Request Above/(Below) Recommendation	\$81,500	\$81,500	\$0	\$0	\$0	0.0

GRANTS ADMINISTRATION [ANTICIPATED NEW LINE ITEM]

RECOMMENDATION: Consistent with the staff initiated recommendation for Department reorganization, staff expects to create a new line item for approximately \$650,000 total funds that consolidates grants administration for the Department. This adjustment, if approved, has a net \$0 impact department-wide.

HEALTH, LIFE, AND DENTAL

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

STATUTORY AUTHORITY: Pursuant to Section 24-50-611, C.R.S., and defined in Section 24-50-603 (9), C.R.S.

REQUEST: The Department requests \$9,281,752 total funds, including \$3,420,106 General Fund. The request includes:

- An increase of \$12,239 to annualize S.B. 23-221 (Healthy School Meals for All)
- An increase of \$225,173 total funds for OSPB common policy adjustment.

RECOMMENDATION: The staff recommendation is calculated consistent with Committee common policy and is reflected in the table below. For purposes of the calculation, staff has incorporated the increase in the portion of total funding that is anticipated to be from the General Fund Exempt Account, but total funding is based on common policy.

MANAGEMENT AND ADMINISTRATION, ADMINISTRATION AND CENTRALLY-APPROPRIATED LINE ITEMS, HEALTH, LIFE, AND DENTAL						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$8,879,482	\$3,660,444	\$1,359,475	\$948,184	\$2,911,379	0.0
Other legislation	\$34,100	\$34,100	\$0	\$0	\$0	0.0
TOTAL	\$8,913,582	\$3,694,544	\$1,359,475	\$948,184	\$2,911,379	0.0
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$8,913,582	\$3,694,544	\$1,359,475	\$948,184	\$2,911,379	0.0
Centrally appropriated line items	178,836	(263,490)	102,614	20,178	319,534	0.0
Annualize prior year legislation	12,239	12,239	0	0	0	0.0
Technical adjustments	0	0	0	0	0	0.0
Indirect cost adjustments	0	0	0	0	0	0.0
TOTAL	\$9,104,657	\$3,443,293	\$1,462,089	\$968,362	\$3,230,913	0.0
INCREASE/(DECREASE)	\$191,075	(\$251,251)	\$102,614	\$20,178	\$319,534	0.0
Percentage Change	2.1%	(6.8%)	7.5%	2.1%	11.0%	0.0%
FY 2024-25 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	\$46,337	\$46,337	\$0	\$0	\$0	0.0

SHORT-TERM DISABILITY

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

STATUTORY AUTHORITY: Pursuant to Section 24-50-611, C.R.S., and defined in Section 24-50-603 (13), C.R.S.

REQUEST: The Department requests an appropriation of \$89,078 total funds, including \$32,266 General Fund/General Fund Exempt. The request includes:

- An increase of \$186 to annualize S.B. 23-221 (Healthy School Meals for All)
- An increase of \$5,638 for OSPB common policy adjustments

RECOMMENDATION: The staff recommendation is calculated consistent with Committee common policy and is reflected in the table below. For purposes of the calculation, staff has incorporated the increase in the portion of total funding that is anticipated to be from the General Fund Exempt Account, but total funding is based on common policy.

MANAGEMENT AND ADMINISTRATION, ADMINISTRATION AND CENTRALLY-APPROPRIATED LINE ITEMS, SHORT-TERM DISABILITY						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$82,905	\$31,117	\$12,546	\$9,345	\$29,897	0.0
Other legislation	\$349	\$349	\$0	\$0	\$0	0.0
TOTAL	\$83,254	\$31,466	\$12,546	\$9,345	\$29,897	0.0

MANAGEMENT AND ADMINISTRATION, ADMINISTRATION AND CENTRALLY-APPROPRIATED LINE ITEMS, SHORT-TERM DISABILITY						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$83,254	\$31,466	\$12,546	\$9,345	\$29,897	0.0
Centrally appropriated line items	5,103	1,040	244	489	3,330	0.0
Annualize prior year legislation	186	186	0	0	0	0.0
TOTAL	\$88,543	\$32,692	\$12,790	\$9,834	\$33,227	0.0
INCREASE/(DECREASE)	\$5,289	\$1,226	\$244	\$489	\$3,330	0.0
Percentage Change	6.4%	3.9%	1.9%	5.2%	11.1%	0.0%
FY 2024-25 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	\$535	\$535	\$0	\$0	\$0	0.0

PAID FAMILY MEDICAL LEAVE INSURANCE

Colorado Proposition 118, Paid Family Medical Leave Initiative, was approved by voters in November 2020 and created a paid family and medical leave insurance program for all Colorado employees administered by the Colorado Department of Labor and Employment. This requires employers and employees in Colorado to pay a payroll premium (.90 percent with a minimum of half paid by the employer) to finance paid family and medical leave insurance benefits beginning January 1, 2023. It will finance up to 12 weeks of paid family and medical leave to eligible employees beginning January 1, 2024.

STATUTORY AUTHORITY: Section 8-13.3-516, C.R.S.

REQUEST: The Department requests an appropriation of \$265,628 total funds, including \$96,797 General Fund and General Fund Exempt for this new line item.

RECOMMENDATION: The staff recommendation is calculated consistent with Committee common policy and shown in the table below.

MANAGEMENT AND ADMINISTRATION, ADMINISTRATION AND CENTRALLY-APPROPRIATED LINE ITEMS, PAID FAMILY MEDICAL LEAVE INSURANCE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Centrally appropriated line items	\$265,629	\$98,075	\$38,371	\$29,501	\$99,682	0.0
TOTAL	\$265,629	\$98,075	\$38,371	\$29,501	\$99,682	0.0
INCREASE/(DECREASE)	\$265,629	\$98,075	\$38,371	\$29,501	\$99,682	0.0
Percentage Change	n/a	n/a	n/a	n/a	n/a	
FY 2024-25 EXECUTIVE REQUEST						
	\$265,628	\$98,074	\$38,371	\$29,501	\$99,682	0.0

MANAGEMENT AND ADMINISTRATION, ADMINISTRATION AND CENTRALLY-APPROPRIATED LINE ITEMS, PAID FAMILY MEDICAL LEAVE INSURANCE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Request Above/(Below) Recommendation	(\$1)	(\$1)	\$0	\$0	\$0	0.0

S.B. 04-257 AMORTIZATION EQUALIZATION DISBURSEMENT

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

STATUTORY AUTHORITY: Section 24-51-411, C.R.S.

REQUEST: The Department requests an appropriation of \$2,968,145 total funds (including \$1,075,524 General Fund). The request includes:

- An increase of \$5,825 to annualize S.B. 23-221 (Healthy School Meals for All); and
- An increase of \$172,177 total funds for OSPB common policy adjustments

RECOMMENDATION: The staff recommendation, calculated consistent with Committee common policy, is to combine AED and SAED line items in the new Unfunded Liability Amortization Equalization Disbursement Payments line item.

S.B. 06-235 SUPPLEMENTAL AMORTIZATION EQUALIZATION DISBURSEMENT

Pursuant to S.B. 06-235, this line item provides additional funding to increase the state contribution for PERA.

STATUTORY AUTHORITY: Section 24-51-411, C.R.S.

The Department requests an appropriation of \$2,968,145 total funds (including \$1,075,524 General Fund). The request includes:

- An increase of \$5,825 to annualize S.B. 23-221 (Healthy School Meals for All); and
- An increase of \$172,177 total funds for OSPB common policy adjustments

RECOMMENDATION: The staff recommendation, calculated consistent with Committee common policy, is to combine AED and SAED line items in the new Unfunded Liability Amortization Equalization Disbursement Payments line item.

UNFUNDED LIABILITY AMORTIZATION EQUALIZATION DISBURSEMENT PAYMENTS [NEW LINE ITEM]

This line item provides funding for amortization and supplemental amortization payments to increase the funded status of the Public Employees' Retirement Association (PERA).

STATUTORY AUTHORITY: Section 24-51-411, C.R.S.

REQUEST: The Department requests an appropriation of \$5,936,290 total funds, including \$2,151,048 General Fund for FY 2024-25 through the previous AED and SAED line items, described above.

RECOMMENDATION: The staff recommendation is consistent with Committee common policy and shown in the table below.

MANAGEMENT AND ADMINISTRATION, ADMINISTRATION AND CENTRALLY-APPROPRIATED LINE ITEMS, UNFUNDED LIABILITY AMORTIZATION EQUALIZATION DISBURSEMENT PAYMENTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Centrally appropriated line items	\$5,902,856	\$2,179,426	\$852,690	\$655,574	\$2,215,166	0.0
Technical adjustments	0	0	0	0	0	0.0
TOTAL	\$5,902,856	\$2,179,426	\$852,690	\$655,574	\$2,215,166	0.0
INCREASE/(DECREASE)	\$5,902,856	\$2,179,426	\$852,690	\$655,574	\$2,215,166	0.0
Percentage Change	n/a	n/a	n/a	n/a	n/a	0.0%
Request Above/(Below)						
Recommendation	(\$5,902,856)	(\$2,179,426)	(\$852,690)	(\$655,574)	(\$2,215,166)	0.0

SALARY SURVEY

Prior to FY 2017-18, the Department used this line item to pay for annual increases for salary survey and senior executive positions for all of the Department's employees (with the exception of teachers at the School for the Deaf and the Blind). For FY 2017-18 and FY 2018-19, the Long Bill appropriation divided salary survey funding into two line items, one supporting salary increases for the Department's classified employees and one for the Department's exempt (at-will) employees. The FY 2019-20 Long Bill consolidated the line items back into a single Salary Survey line item, and this practice has continued.

STATUTORY AUTHORITY: Section 24-50-104, C.R.S.

REQUEST: The Department is requesting an appropriation of \$4,331,406 total funds (including \$1,687,981 General Fund and \$20,500 General Fund Exempt) based on OSPB's common policies.

RECOMMENDATION: The staff recommendation is summarized in the table below. Consistent with Committee common policy, staff figures separate salary survey and step pay components into separate line items.

MANAGEMENT AND ADMINISTRATION, ADMINISTRATION AND CENTRALLY-APPROPRIATED LINE ITEMS, SALARY SURVEY						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$3,058,804	\$1,191,395	\$452,059	\$338,105	\$1,077,245	0.0
TOTAL	\$3,058,804	\$1,191,395	\$452,059	\$338,105	\$1,077,245	0.0

MANAGEMENT AND ADMINISTRATION, ADMINISTRATION AND CENTRALLY-APPROPRIATED LINE ITEMS, SALARY SURVEY						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$3,058,804	\$1,191,395	\$452,059	\$338,105	\$1,077,245	0.0
Centrally appropriated line items	4,104,380	1,508,955	591,681	457,428	1,546,316	0.0
Annualize prior year budget actions	(3,058,804)	(1,191,395)	(452,059)	(338,105)	(1,077,245)	0.0
TOTAL	\$4,104,380	\$1,508,955	\$591,681	\$457,428	\$1,546,316	0.0
INCREASE/(DECREASE)	\$1,045,576	\$317,560	\$139,622	\$119,323	\$469,071	0.0
Percentage Change	34.2%	26.7%	30.9%	35.3%	43.5%	0.0%
FY 2024-25 EXECUTIVE REQUEST	\$4,331,406	\$1,708,481	\$623,819	\$445,887	\$1,553,219	0.0
Request Above/(Below) Recommendation	\$227,026	\$199,526	\$32,138	(\$11,541)	\$6,903	0.0

STEP PAY [NEW LINE ITEM]

This line item provides detail on the amount of funding appropriated to each department as a result of the step pay plan. The step pay plan takes effect in FY 2024-25 and is a result of negotiations between the State of Colorado and Colorado Workers for Innovative and New Solutions (COWINS).

STATUTORY AUTHORITY: Section 24-50-1101, C.R.S., et seq.

REQUEST: The Department did not request this line item, but related amounts were included in the Salary Survey line item.

RECOMMENDATION: The staff recommendation is summarized in the table below. Consistent with Committee common policy, staff figures separate salary survey and step pay components into separate line items.

MANAGEMENT AND ADMINISTRATION, ADMINISTRATION AND CENTRALLY-APPROPRIATED LINE ITEMS, STEP PAY						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Centrally appropriated line items	\$2,163,729	\$908,997	\$312,360	\$205,099	\$737,273	0.0
TOTAL	\$2,163,729	\$908,997	\$312,360	\$205,099	\$737,273	0.0
INCREASE/(DECREASE)	\$2,163,729	\$908,997	\$312,360	\$205,099	\$737,273	0.0
Percentage Change	n/a	n/a	n/a	n/a	n/a	n/a
Request Above/(Below) Recommendation	(\$2,163,729)	(\$908,997)	(\$312,360)	(\$205,099)	(\$737,273)	0.0

PERA DIRECT DISTRIBUTION

The General Assembly added this line item to the FY 2019-20 Long Bill to provide a common policy allocation payment for the state portion of the PERA Direct Distribution created in Section 24-51-414, C.R.S., enacted in S.B. 18-200. House Bill 20-1379 (Suspend Direct Distribution to PERA for FY 2020-21) suspended the direct distribution payments for FY 2020-21. However, these appropriations returned in FY 2021-22.

STATUTORY AUTHORITY: Section 24-51-414, C.R.S.

REQUEST: The Department requests an appropriation of \$1,314,283 total funds (including \$970,763 General Fund and \$6,445 General Fund Exempt) for this line item. Please note that the request only reflects the direct distribution directly associated with Department of Education staff – not the education system as a whole.

RECOMMENDATION: The staff recommendation is consistent with Committee common policy and reflected in the table below.

MANAGEMENT AND ADMINISTRATION, ADMINISTRATION AND CENTRALLY-APPROPRIATED LINE ITEMS, PERA DIRECT DISTRIBUTION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$192,768	\$142,198	\$28,980	\$21,590	\$0	0.0
TOTAL	\$192,768	\$142,198	\$28,980	\$21,590	\$0	0.0
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$192,768	\$142,198	\$28,980	\$21,590	\$0	0.0
Centrally appropriated line items	1,111,591	827,522	159,752	124,317	0	0.0
Technical adjustments	0	0	0	0	0	0.0
TOTAL	\$1,304,359	\$969,720	\$188,732	\$145,907	\$0	0.0
INCREASE/(DECREASE)	\$1,111,591	\$827,522	\$159,752	\$124,317	\$0	0.0
Percentage Change	576.6%	582.0%	551.2%	575.8%	0.0%	0.0%
FY 2024-25 EXECUTIVE REQUEST						
REQUEST	\$1,314,283	\$977,098	\$190,168	\$147,017	\$0	0.0
Request Above/(Below) Recommendation	\$9,924	\$7,378	\$1,436	\$1,110	\$0	0.0

TEMPORARY EMPLOYEES RELATED TO AUTHORIZED LEAVE

This item was originally created and added as a statewide compensation policy for FY 2022-23. The line item provides backfill support for staff taking leave for family or medical reasons, so that the Department can fill a vacant position with a temporary replacement.

REQUEST: The Department requested \$29,961 General Fund continuing funding for this line item.

RECOMMENDATION: Staff recommends a continuation of \$29,961 General Fund, consistent with Committee common policy.

WORKERS' COMPENSATION

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

STATUTORY AUTHORITY: Section 24-30-1510.7, C.R.S.

REQUEST: The Department requests \$344,501 total funds, including \$165,519 General Fund, consistent with OSPB's common policies.

RECOMMENDATION: The staff recommendation is **pending** a Committee common policy.

LEGAL SERVICES

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

STATUTORY AUTHORITY: Sections 24-31-101 (1)(a) and 24-75-112 (1)(i), C.R.S.

REQUEST: The Department requests \$1,361,384 total funds (including \$842,493 General Fund) for the purchase of legal services in FY 2024-25. The request includes a decrease of \$126,668 total funds based on Executive Branch common policy, a reduction of \$21,148 general to annualize S.B. 23-003 (Adult High School), a reduction of \$26,435 General Fund to annualize S.B. 23-087 (Teacher Degree Apprenticeship), and a reduction of \$14,786 General Fund Exempt to annualize S.B. 23-221 (Healthy School Meals for All Program Fund).

RECOMMENDATION: The staff recommendation for the dollar amount for this line item is **pending** a Committee's common policy decision regarding legal services.

ADMINISTRATIVE LAW JUDGE SERVICES

This line item provides funding for the Department to purchase services from the Department of Personnel and Administration, Administrative Hearings Division. The appropriations for this line item consist of cash funds from the Educator Licensure Cash Fund and reappropriated funds transferred from the Special Education Programs for Children with Disabilities line item.

STATUTORY AUTHORITY: Sections 24-30-1001 (3) and 24-30-1002, C.R.S.

REQUEST: The Department requests \$223,241 cash funds, including an increase of \$35,988 cash funds for OSPB common policy for administrative law judge services.

RECOMMENDATION: The staff recommendation is **pending** a Committee common policy.

PAYMENT TO RISK MANAGEMENT AND PROPERTY FUNDS

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

STATUTORY AUTHORITY: Sections 24-30-1510 and 24-30-1510.5, C.R.S.

REQUEST: The Department requests \$1,448,876 General Fund for this line item. The request represents a decrease of \$55,614 below the FY 2023-24 appropriation based on OSPB's common policies.

RECOMMENDATION: The staff recommendation is **pending** a Committee common policy.

LEASED SPACE

The General Assembly added this line item to the FY 2015-16 Long Bill to support all of the Department's appropriations for the purchase of leased space outside of the Capitol Complex.

STATUTORY AUTHORITY: Section 22-2-112, C.R.S.

REQUEST: The Department request eliminates this line item, which was \$1,270,993 total funds, including \$90,758 General Fund, in FY 2023-24, based on the second-year impact of FY 2023-24 R9. This request provided one-time funding to help the Department transition from current leased space into solely state owned property (Capitol Complex Leased Space).

RECOMMENDATION: Staff recommends the request to eliminate funding in this line item, Consistent with the FY 2023-24 R9 decision item.

CAPITOL COMPLEX LEASED SPACE

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

STATUTORY AUTHORITY: Section 24-30-1104, C.R.S.

REQUEST: The Department requests \$1,370,130 total funds (including \$421,899 General Fund) based on OSPB's common policy for Capitol Complex Leased Space, which includes an increase of \$252,229 total funds, including \$84,694 General Fund)

RECOMMENDATION: The staff recommendation is **pending** a Committee common policy.

CORE OPERATIONS

This line item funds the Department's share of costs for the statewide accounting system (CORE) used by the State Controller to record all state revenues and expenditures.

STATUTORY AUTHORITY: Section 24-30-209, C.R.S.

REQUEST: The Department requests \$101,195 total funds (including \$50,592 General Fund) for FY 2024-25. The request includes a decrease of \$138,833 total funds based on OSPB's common policies and an increase of \$11,220 for a non-prioritized proposal to increase CORE operating resources.

RECOMMENDATION: The staff recommendation for this line item is **pending** the Committee's common policy decision for FY 2024-25. Staff requests permission to adjust all pending line items and apply a fund split once the Committee establishes the relevant common policies.

STATEWIDE ADMINISTRATIVE SERVICES [NEW LINE ITEM]

This line item provides funding for payments for statewide administrative services provide by the Department of Personnel's Executive Director's Office.

STATUTORY AUTHORITY: Article 50.3 of Title 24, C.R.S.

REQUEST: The Department requests an appropriation of \$75,574 General Fund for creation of a new line item to accommodate a new common policy to provide annual funding for administrative services provide by the Department of Personnel.

RECOMMENDATION: The staff **recommendation is pending** the Committee common policy decision for this line item. Staff requests permission to update pending line items and apply necessary fund split adjustments once Committee policy is established.

OFFICE OF THE STATE ARCHITECT SERVICES [NEW LINE ITEM]

This line item provides funding for payments statewide services provide by the Department of Personnel's Office of the State Architect.

STATUTORY AUTHORITY: Part 13 of Article 30 of Title 24, C.R.S.

REQUEST: The Department requests an appropriation of \$11,646 General Fund for creation of a new line item to accommodate a new common policy to provide annual funding for administrative services provided by the Department of Personnel.

RECOMMENDATION: The staff **recommendation is pending** the Committee common policy decision for this line item. Staff requests permission to update pending line items and apply necessary fund split adjustments once Committee policy is established.

STATE AGENCY SERVICES [NEW LINE ITEM]

This line item provides funding for payments for statewide human resource services provided by the Department of Personnel's Division of Human Resources.

STATUTORY AUTHORITY: Part 13 of Article 30 of Title 24, C.R.S.

REQUEST: The Department requests an appropriation of \$133,613 General Fund for creation of a new line item to accommodate a new common policy to provide annual funding for administrative services provided by the Department of Personnel.

RECOMMENDATION: The staff **recommendation is pending** the Committee common policy decision for this line item. Staff requests permission to update pending line items and apply necessary fund split adjustments once Committee policy is established.

STATEWIDE TRAINING SERVICES [NEW LINE ITEM]

This line item provides funding for payments to the Center for Organizational Effectiveness, which provides professional development and training services for state employees.

STATUTORY AUTHORITY: Section 24-50-122, C.R.S.

REQUEST: The Department requests an appropriation of \$26,933 for creation of a new line item to accommodate a new common policy to provide annual funding for administrative services provided by the Department of Personnel.

RECOMMENDATION: The staff **recommendation is pending** the Committee common policy decision for this line item. Staff requests permission to update pending line items and apply necessary fund split adjustments once Committee policy is established.

LABOR RELATIONS SERVICES [NEW LINE ITEM]

This line item provides funding for payments for statewide labor relation services provide by the Department of Personnel's Division of Human Resources, Labor Relations Unit.

STATUTORY AUTHORITY: Part 11, Article 50, of Title 24, C.R.S.

REQUEST: The Department requests an appropriation of \$39,659 General Fund for creation of a new line item to accommodate a new common policy to provide annual funding for administrative services provide by the Department of Personnel.

RECOMMENDATION: The staff **recommendation is pending** the Committee common policy decision for this line item. Staff requests permission to update pending line items and apply necessary fund split adjustments once Committee policy is established.

FINANCIAL OPERATIONS AND REPORTING SERVICES [NEW LINE ITEM]

This line item provides funding for payments for statewide financial operations and reporting services provide by the Department of Personnel's Division of Accounts and Control.

STATUTORY AUTHORITY: Sections 24-30-201 through 24-30-207, C.R.S.

REQUEST: The Department requests an appropriation of \$172,417 General Fund for creation of a new line item to accommodate a new common policy to provide annual funding for administrative services provide by the Department of Personnel.

RECOMMENDATION: The staff **recommendation is pending** the Committee common policy decision for this line item. Staff requests permission to update pending line items and apply necessary fund split adjustments once Committee policy is established.

PROCUREMENT AND CONTRACTS SERVICES [NEW LINE ITEM]

This line item provides funding for payments for statewide procurement and contracts services provide by the Department of Personnel's Division of Accounts and Control.

STATUTORY AUTHORITY: Sections 24-102-201 through 207 and 24-102-301, C.R.S.

REQUEST: The Department requests an appropriation of \$106,780 for creation of a new line item to accommodate a new common policy to provide annual funding for administrative services provide by the Department of Personnel.

RECOMMENDATION: The staff **recommendation is pending** the Committee common policy decision for this line item. Staff requests permission to update pending line items and apply necessary fund split adjustments once Committee policy is established.

(B) INFORMATION TECHNOLOGY

INFORMATION TECHNOLOGY SERVICES

This line item provides funding and staff related to information technology support functions and includes funding and staff that were previously appropriated to the School Accountability Reports and State Data Reporting System line item, which was merged into the Information Technology Services line item in FY 2011-12.

Senate Bill 00-186 required the Department of Education to establish a state data reporting system, including computer capabilities and procedures, to produce school report cards (later renamed school accountability reports or "SARs"). The bill required the Department to prepare and distribute hard copies of each school's SAR, and to establish and maintain a web site that provides access to each school's SARs.

As a program line, this line item includes funding for both personal services and operating expenses. Sources of reappropriated funds have included transfers from various line items in other sections of the budget and indirect cost recoveries.

STATUTORY AUTHORITY: Section 22-2-112, C.R.S.

REQUEST: The Department requests \$5,625,689 total funds (including \$5,089,965 General Fund) and 35.9 FTE. The request includes annualization of prior year budget actions, including a decrease of \$250,000 cash funds to annualize FY 2023-24 Request R5 (Gifted and Talented DMS) and an increase of \$124,426 to annualize prior year salary survey.

RECOMMENDATION: The staff recommendation is summarized in the table below.

MANAGEMENT AND ADMINISTRATION, INFORMATION TECHNOLOGY, INFORMATION TECHNOLOGY SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$5,751,263	\$4,965,539	\$250,000	\$535,724	\$0	35.9
TOTAL	\$5,751,263	\$4,965,539	\$250,000	\$535,724	\$0	35.9
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$5,751,263	\$4,965,539	\$250,000	\$535,724	\$0	35.9
Annualize prior year budget actions	(125,574)	124,426	(250,000)	0	0	0.0
TOTAL	\$5,625,689	\$5,089,965	\$0	\$535,724	\$0	35.9
INCREASE/(DECREASE)	(\$125,574)	\$124,426	(\$250,000)	\$0	\$0	0.0
Percentage Change	(2.2%)	2.5%	(100.0%)	0.0%	0.0%	0.0%
FY 2024-25 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

PAYMENTS TO OIT

This line item, created in FY 2014-15, supports various payments to the Governor's Office of Information Technology (OIT) for services provided to the Department.

STATUTORY AUTHORITY: Section 24-27.5-104, C.R.S.

REQUEST: The Department requests \$1,699,178 total funds (including \$953,139 General Fund) based on OSPB's common policies. The request includes an increase of \$328,409 total funds (including \$184,218 General Fund) for the statewide common policy adjustment for Payments to OIT.

RECOMMENDATION: The staff recommendation for this line item is **pending** the Committee's common policy decision. Staff requests permission to adjust all pending line items and apply a fund split once the Committee establishes the relevant common policies.

IT ACCESSIBILITY

This new line item is proposed as part of a statewide OIT request for accessibility testing and remediation, pursuant to the requirements of H.B. 21-1110 (Colorado Laws for Persons with Disabilities).

REQUEST: The Department requests eliminating all funding in this one-time line item (\$2,929,144 total funds, including \$2,346,380 General Fund) but retains an informational notation of 1.8 FTE.

RECOMMENDATION: Staff recommends eliminating the line item, consistent with Committee common policy, and also recommends eliminating the 1.8 FTE informational notation.

INFORMATION TECHNOLOGY ASSET MAINTENANCE

This line item provides funding for the Department to implement an asset management plan to achieve and maintain a standard information technology environment. Money is used to pay for critical hardware and software maintenance contracts, as well as the replacement of equipment (e.g., servers, switches, printers, or personal computers).

STATUTORY AUTHORITY: Section 22-2-112, C.R.S.

REQUEST: The Department requests \$969,147 General Fund for FY 2024-25, with no change from the FY 2023-24 appropriation.

RECOMMENDATION: Staff recommends approving the request.

DISASTER RECOVERY

This line item provides funding for the equipment, disks, and tapes necessary to implement a disaster recovery plan. The Department uses the funds for: equipment and supplies; offsite tape rotation; and server lease payments.

STATUTORY AUTHORITY: Section 22-2-112, C.R.S.

REQUEST: The Department requests a continuation appropriation of \$19,722 General Fund, with no change from the FY 2023-24 appropriation.

RECOMMENDATION: Staff recommends approving the request.

(C) SPECIAL PURPOSE

BOCES FUNDING PER SECTION 22-5-122, C.R.S.

The General Assembly created this program with an initial appropriation of \$1.3 million cash funds from the State Education Fund in H.B. 12-1345 to assist BOCES in working with partner districts to implement and meet the state's educational priorities. With the enactment of H.B. 14-1298 (School Finance), the General Assembly increased the appropriation by \$2.0 million (to a total of \$3.3 million) in FY 2014-15 and has maintained that level in subsequent years. The Department reports using funds

to support the implementation of: educator effectiveness; accountability and improvement planning; standards and assessments; and early literacy efforts under H.B. 12-1238.

STATUTORY AUTHORITY: Section 25-2-122, C.R.S.

REQUEST: The Department requests \$3,327,275 cash funds from the State Education Fund and 1.0 FTE for FY 2024-25. The request includes an increase of \$4,290 cash funds from the State Education Fund to annualize FY 2023-24 salary survey.

RECOMMENDATION: Staff recommends the request for an appropriation of \$3,327,275 cash funds from the State Education Fund and 1.0 FTE for FY 2024-25. The calculation is consistent with Committee common policy.

INTERSTATE COMPACT ON EDUCATIONAL OPPORTUNITY FOR MILITARY CHILDREN

Through H.B. 08-1317 [see Sections 22-90-101 and 24-60-3401, C.R.S.], the General Assembly approved and ratified and authorized the Governor to enter into the Interstate Compact on Educational Opportunity for Military Children on behalf of the State. This compact was developed by the Council of State Governments. The Military Interstate Children's Compact Commission (MIC3) is a separate, non-profit entity based in Lexington, Kentucky. All 50 states have now adopted the Compact. Member states agree, as part of the Compact, to pay an annual assessment to cover the cost of the operations and activities of the Commission.

The Compact is intended to remove barriers to educational success that children of military families experience due to either frequent moves and/or the deployment of their parents. The Compact provides for uniform treatment of military children transferring between school districts and states. Specifically, the Compact addresses the following issues facing children of active duty service members, of members who die on active duty, and of veterans:

- *Enrollment* - educational records, immunizations, and kindergarten and 1st grade entrance age
- *Placement and Attendance* - course and educational program placement, special education services, placement flexibility, and absence related to deployment activities
- *Eligibility* - eligibility for student enrollment and extracurricular activities
- *Graduation* - waiving course requirements if similar courseware has been completed; flexibility in accepting state exit and end-of-course exams, national achievement tests, or alternative testing in lieu of graduation testing requirements; and allowing a student to receive a diploma from a sending school district

STATUTORY AUTHORITY: Sections 22-90-101 and 24-60-3401, C.R.S.

REQUEST: The Department requests a continuation appropriation of \$21,298 cash funds from the State Education Fund for FY 2024-25, with no change from the FY 2023-24 appropriation.

RECOMMENDATION: Staff recommends the request for continuation funding, consistent with Committee common policy.

REPRINTING AND DISTRIBUTING LAWS CONCERNING EDUCATION

Section 22-2-112 (1)(i), C.R.S., requires the Department to "cause to be reprinted annually laws enacted by the general assembly concerning education...and to furnish copies thereof to interested persons." By statute, the State Public School Fund supports all publishing costs. Prior to FY 2010-11, this appropriation identified the source of funding as rental income earned on state education trust lands that is credited to the State Public School Fund. Pursuant to H.B. 10-1369, the revenue source is now interest and investment income earned on the Public School ("Permanent") Fund that is credited to the State Public School Fund. For FY 2021-22, the Department proposed eliminating this line item, which would have required a statutory change. The General Assembly did not proceed with this proposal.

STATUTORY AUTHORITY: Section 22-2-112 (1)(i), C.R.S.

REQUEST: The Department requests continuation funding of \$35,480 cash funds.

RECOMMENDATION: Staff recommends the request for continuation funding of \$35,480 cash funds from the State Public School Fund.

SECONDARY SCHOOL STUDENT SUBSTANCE USE COMMITTEE

House Bill 23-1009 created the Secondary School Student Substance Use Committee to identify practices that identify substance abuse in secondary schools and connect students to resources. The bill included a one-time appropriation of \$49,950 General Fund for FY 2023-24. Statutory provisions repeal July 1, 2025.

REQUEST/RECOMMENDATION: The bill included a one-time appropriation for FY 2023-24. The Department does not request, and staff does not recommend, funding for this committee for FY 2024-25.

S.B. 23-029 SCHOOL DISCIPLINE TASK FORCE

Senate Bill 23-029 created the School Discipline Task Force to study and make recommendations regarding school district discipline policies and practices, state and local discipline reporting requirements, and local engagement.

The bill included a one-time appropriation of \$164,398 General Fund for FY 2023-24 to the Department. Money appropriated remains available through December 31, 2024. Statutory provisions related to the task force repeal July 1, 2025.

REQUEST/RECOMMENDATION: The bill included a one-time appropriation. The Department does not request, and staff does not recommend, funding for this committee for FY 2024-25.

COLORADO STUDENT LEADERS INSTITUTE

The Colorado Student Leaders Institute is a competitive residential summer academic program for students who are entering tenth or eleventh grade in the coming fall semester. The institute operates

at the University of Colorado at Denver for four weeks each summer during which time participating students attend college level classes (and enrichment activities. The program is overseen by an eleven-member board, appointed by the Governor and confirmed by the Senate, which is responsible for selecting students for the program. The program was created as a pilot in the Lieutenant Governor's Office in 2015 and moved to the Department of Higher Education in FY 2017-18. The program was reauthorized during the 2019 session through S.B. 19-137 and the appropriation structure modified to provide a direct General Fund appropriation. Senate Bill 23-086 moved the program from the Department of Higher Education to the Department of Education, effective FY 2023-24. Beginning in FY 2024-25, it will appear in this Long Bill section in the Department of Education.

STATUTORY AUTHORITY: Section 22-106-101 through 105, C.R.S.

REQUEST: The Department requests \$227,753 General Fund and 0.1 FTE, including an increase of \$774 General Fund to annualize prior year salary survey.

RECOMMENDATION: Staff recommends the request for \$227,753 General Fund and 0.1 FTE, which is consistent with JBC common policy.

(D) INDIRECT COST ASSESSMENT

Pursuant to the Committee's common policy to improve the transparency of the treatment of indirect costs, the FY 2013-14 Long Bill included a new subdivision and line item to reflect indirect cost assessments from the various subdivisions and line items in the Management and Administration division. The Department uses the funds collected to offset General Fund that would otherwise be required in the Management Administration division for the General Department and Program Administration line item and a variety of centrally appropriated line items.

STATUTORY AUTHORITY: Sections 24-31-101 and 102, C.R.S.

REQUEST: The Department requests \$886,498 total funds (including \$3510,979 cash funds and \$375,519 federal funds) for FY 2024-25. The request includes an increase of \$58,583 for the Department's requested indirect cost adjustment and an increase of \$1,227 for the statewide indirect cost adjustment (SWICAP).

RECOMMENDATION: Staff recommends approving the request, as reflected in the table below.

MANAGEMENT AND ADMINISTRATION, INDIRECT COST ASSESSMENT, INDIRECT COST ASSESSMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$826,788	\$0	\$451,269	\$0	\$375,519	0.0
TOTAL	\$826,788	\$0	\$451,269	\$0	\$375,519	0.0
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$826,788	\$0	\$451,269	\$0	\$375,519	0.0

MANAGEMENT AND ADMINISTRATION, INDIRECT COST ASSESSMENT, INDIRECT COST ASSESSMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Centrally appropriated line items	59,710	0	59,710	0	0	0.0
TOTAL	\$886,498	\$0	\$510,979	\$0	\$375,519	0.0
INCREASE/(DECREASE)	\$59,710	\$0	\$59,710	\$0	\$0	0.0
Percentage Change	7.2%	0.0%	13.2%	0.0%	0.0%	0.0%
FY 2024-25 EXECUTIVE REQUEST	\$886,498	\$0	\$510,979	\$0	\$375,519	0.0
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

(2) STATEWIDE ASSESSMENT PROGRAM

This division consists of a single line item that includes all funding for the statewide assessment program. This includes content coordination and purchase of the statewide exams delivered to Colorado students in elementary, middle, and high school.

STATEWIDE ASSESSMENT PROGRAM						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 Appropriation						
SB 23-214 (Long Bill)	\$33,291,308	\$0	\$26,000,279	\$0	\$7,291,029	16.5
TOTAL	\$33,291,308	\$0	\$26,000,279	\$0	\$7,291,029	16.5
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$33,291,308	\$0	\$26,000,279	\$0	\$7,291,029	16.5
SI Statewide assessment cost reduction	(1,590,843)	0	(1,715,170)	0	124,327	0.0
SI Federal FTE notation true up	0	0	0	0	0	3.4
Annualize prior year budget actions	99,358	0	12,688	0	86,670	0.0
TOTAL	\$31,799,823		\$24,297,797	\$0	\$7,502,026	19.9
INCREASE/(DECREASE)	(\$1,491,485)	\$0	(\$1,702,482)	\$0	\$210,997	3.4
Percentage Change	(4.5%)	0.0%	(6.5%)	0.0%	2.9%	20.6%
FY 2024-25 EXECUTIVE REQUEST						
Request Above/(Below)	\$33,390,666	\$0	\$26,012,967	\$0	\$7,377,699	16.5
Recommendation	\$1,590,843		\$1,715,170	\$0	(\$124,327)	(3.4)

Background Information: Pursuant to H.B. 93-1313 and subsequent legislation, the Department developed educational model content standards in twelve subject areas and, each year since 1997, has administered student assessments in several subject areas and grades. The costs associated with administering the assessments include initial and ongoing development of the exams, printing and mailing of the exams (for paper versions), teacher training related to exam administration, scoring, and score reporting. The total cost of assessments thus directly relates to the number of subject areas and grade levels assessed each year.

The federal *No Child Left Behind Act*, passed by Congress in December 2001, required Colorado to implement four new assessments: mathematics assessments for third and fourth grade students; a science assessment for third, fourth or fifth grade students (Colorado chose fifth grade); and a science assessment for tenth, eleventh, or twelfth grade students (Colorado originally chose tenth grade but is now administering the exam in grade 11). House Bill 03-1306 [Section 22-7-409 (1) (g), C.R.S.] required the Department to develop and administer these four new assessments if the State received sufficient moneys from the federal government through the *No Child Left Behind Act*.

Senate Bill 08-212 [Section 22-7-1001 et seq., C.R.S.] expanded and connected instructional standards and assessments from preschool into college. The act required Colorado to:

- Establish definitions for school readiness and postsecondary and workforce readiness (PWR).
- Expand and revise P-13 standards to incorporate 21st Century skills, reflect PWR, and be internationally competitive.
- Launch a PWR assessments pilot program.
- Adopt new assessments which measure the newly adopted standards.
- Require all school boards to adopt pathways that lead to PWR and create endorsements for high school diplomas.
- Revise higher education admission requirements as necessary to incorporate the use of newly created standards and assessments that reflect college and workforce readiness.

As required by the act, the State Board of Education adopted new academic standards in 2009, conducted a PWR assessments pilot program, and approved the attributes of a new statewide assessment system that would align with the new standards. The adopted standards include the national "Common Core" standards, an effort initiated and managed by the National Governor's Association. However, Colorado's standards also go beyond the Common Core by including: (1) additional content areas beyond English language arts and mathematics; and (2) additional expectations within each content area that is covered by the Common Core.

Development of Current Suite of Assessments: The adoption of new standards required the development of new assessments to measure students' knowledge relative to the new standards. Section 22-7-1006 (1) (a), C.R.S., required the State Board to adopt a new systems of assessments "on or before December 15, 2010, or as soon thereafter as fiscally practicable." After an extensive public participation process, the State Board adopted a framework of assessment attributes in December 2010. Because the Colorado Student Assessment Program (CSAP) was aligned to the former statewide standards, the Department discontinued use of the CSAP, and used a temporary assessment (Temporary Colorado Assessment Program, or TCAP) for reading, writing, and mathematics in spring 2012, 2013, and 2014. Colorado then moved forward with a new set of assessments, titled the Colorado Measures of Academic Success (CMAS).

Between FY 2013-14 and FY 2016-17, Colorado rolled out new exams. Colorado started administering new state-specific science and social studies assessments, each of which are now mandated once in elementary school and once in middle school. For mathematics and English language arts, Colorado first worked as a governing member of the Partnership for Assessment of Readiness for College and Careers (PARCC), and then transitioned to more Colorado-specific exams. In subsequent years, CMAS exams in mathematics and English Language Arts for 9th, 10th and 11th graders were replaced by college entrance preparation exams for 9th and 10th graders and a college entrance exam for 11th graders.

COVID-19 Response: House Bill 21-1161 allowed for the temporary reduction of assessments in response to the COVID-19 pandemic. The bill specified that, for FY 2020-21, if allowed by federal authorities, the Department could suspend the English Language Arts assessment in grades four, six and eight; suspend the mathematics assessment for grades three, five, and seven; and suspend social science and social studies assessments.

Testing Regimen for FY 2021-22 through FY 2024-25

The usual testing regimen was reinstated beginning in FY 2021-22. The following table shows the planned assessments for FY 2024-25 by grade level based on current law, as well as the current federal requirements under the Every Student Succeeds Act.

ANTICIPATED FY 2024-25 STATEWIDE ASSESSMENT SCHEDULE		
GRADE	COLORADO STATE ASSESSMENT REQUIREMENTS	EVERY STUDENT SUCCEEDS ACT FEDERAL REQUIREMENTS
3	English language arts, including Spanish language arts math	reading/language arts math
4	English language arts, including Spanish language arts math social studies (sampled once in elementary)	reading/language arts math
5	English language arts math science	reading/language arts math science (in grades 3, 4, or 5)
6	English language arts math	reading/language arts math
7	English language arts math social studies (sampled once in middle school)	reading/language arts math
8	English language arts math science	reading/language arts math science (6, 7, 8, or 9)
9	reading: aligned to CAS and grade 10 math: aligned to CAS and grade 10	
10	reading: aligned to CAS and college entrance math: aligned to CAS and college entrance	
11	College entrance: reading/writing College entrance: math science	reading/language arts (9, 10, 11, or 12) math (9, 10, 11, or 12) science (10, 11, or 12)
K-12	English Language Proficiency	English Language Proficiency

*The Department also administers alternate assessments for children with the most significant cognitive disabilities who are unable to participate in CMAS/PSAT/SAT, even with accommodations. Alternate assessments are administered in the same grades and subjects as the general state assessments. The Department utilizes federal special education funding (IDEA Part B) to pay for the development and administration of some alternate assessments, including English language arts and math.

DECISION ITEMS – STATEWIDE ASSESSMENT PROGRAM

→ SI STATEWIDE ASSESSMENT PROGRAM COST REDUCTION

REQUEST: The Department did not submit a formal request for a funding change, but updated data provided by the Department indicates that funding for this program may be reduced.

RECOMMENDATION: **Staff recommends a reduction of \$1,491,485 total funds, including a reduction of \$1,702,483 cash funds from the State Education Fund that is partially offset by an increase of \$210,997 federal funds, for the statewide assessment program.** The Department recently completed a re-procurement of many of its tests, resulting a reduction in costs with no change in the vendor. The cost components, including reduction components, are outlined in more detail in the line item description below.

LINE ITEM DETAIL – STATEWIDE ASSESSMENT PROGRAM

STATEWIDE ASSESSMENT PROGRAM

The Committee renamed this line item (from the Colorado Student Assessment Program to the Statewide Assessment Program) in FY 2018-19. The line item provides funding for the staff, operating expenses, and contract expenses associated with the State’s standardized assessments, including mathematics, English language arts, science, social studies, English proficiency, Spanish language arts, the PSAT, and the SAT.

STATUTORY AUTHORITY: Section 22-7-1006.3, C.R.S.

REQUEST: The Department requested an appropriation of \$33,390,666 total funds (including \$26,012,967 cash funds from the State Education Fund and \$7,377,699 federal funds) and 16.5 FTE for FY 2024-25. The request includes an increase of \$86,670 total funds to annualize FY 2023-24 salary survey.

RECOMMENDATION: The staff recommendation reflects new information provided by the Department in February 2024. Based on a reprocurement for many of the exams this year, the cost has declined, although the companies providing the CMAS (Pearson) and the college assessment suite (College Board) are expected to remain the same.

As reflected in the table below, **the recommendation includes \$31,799,823 total funds including \$24,297,797 from the State Education Fund and \$7,502,026 federal funds, and 16.5 FTE. As shown, this incorporates a reduction of \$1,702,783 from the State Education Fund, consistent with updated data provided by the Department.**

Overview of Line Item Recommendation: This division is funded through a single line item, which provides the Department the flexibility to make adjustments to costs for specific testing components. The following table provides an overview of the existing appropriation and the recommendation for FY 2024-25, based on the Department's projection of how the total requested amount will be used. The sections following the table provide additional detail for each component shown in the overview.

SUMMARY OF FY 2024-25 RECOMMENDATION FOR STATEWIDE ASSESSMENT PROGRAM LINE ITEM				
DESCRIPTION	FY 2023-24 APPROPRIATION	FY 2024-25 REQUEST	ANNUAL CHANGE	ANNUAL CHANGE
I. CMAS: Contract for developing, scoring, and reporting CMAS (not including alternate assessments) - math and English	<u>12,477,677</u>	<u>12,080,989</u>	<u>(396,688)</u>	-3.2%
Cash Funds - State Education Fund	10,591,483	10,268,841	<u>(322,642)</u>	-3.0%
Federal Funds	1,886,194	1,812,148	<u>(74,046)</u>	-3.9%
II. Alternate Math and English Assessments: Contract for developing, scoring, and reporting Colorado alternate assessments	<u>950,000</u>	<u>950,000</u>	<u>0</u>	0.0%
Federal Funds	950,000	950,000	<u>0</u>	0.0%
III. Science and Social Studies: Contract for developing, scoring, and reporting science and social studies assessments	<u>6,294,179</u>	<u>5,812,500</u>	<u>(481,679)</u>	-7.7%
Cash Funds - State Education Fund	5,979,470	5,521,875	<u>(457,595)</u>	-7.7%
Federal Funds	314,709	290,625	<u>(24,084)</u>	-7.7%
IV. Alternate Science and Social Studies: Contract to develop, score, and report Alternate assessments for science and social studies	<u>1,632,130</u>	<u>1,652,305</u>	<u>20,175</u>	1.2%
Cash Funds - State Education Fund	979,278	\$991,383	<u>12,105</u>	1.2%
Federal Funds	652,852	\$660,922	<u>8,070</u>	1.2%
V. English Language Proficiency: Contract for developing, scoring, and reporting the Colorado English language proficiency assessment	<u>2,794,309</u>	<u>3,124,135</u>	<u>329,826</u>	11.8%
Cash Funds - State Education Fund	978,009	1,093,447	<u>115,439</u>	11.8%
Federal Funds	1,816,301	2,030,688	<u>214,387</u>	11.8%
VI. College Entrance Suite: SAT for 11th grade students and PSAT for 9th and 10th grade students - Cash Funds (State Education Fund)	<u>5,348,250</u>	<u>4,137,798</u>	<u>(1,210,452)</u>	-22.6%
VII. Spanish Language Arts:	<u>1,543,909</u>	<u>1,691,884</u>	<u>147,975</u>	9.6%
Cash Funds - State Education Fund	1,543,909	1,691,884	<u>147,975</u>	9.6%
Federal Funds	0	0	<u>0</u>	0.0%
VIII. Administration: Staff and operating expenses	<u>2,250,854</u>	<u>2,350,212</u>	<u>99,358</u>	4.4%
FTE	<u>16.5</u>	16.5	<u>0</u>	0.0%
Cash Funds - State Education Fund	579,881	592,569	<u>12,688</u>	2.2%
Federal Funds	1,670,973	1,757,643	<u>86,670</u>	5.2%
Total	33,291,308	31,799,823	<u>(1,491,485)</u>	-4.5%
FTE	<u>16.5</u>	<u>16.5</u>	<u>0</u>	0.0%
Cash Funds - State Education Fund	26,000,279	24,297,797	<u>(1,702,483)</u>	-6.5%
Federal Funds	7,291,029	7,502,026	<u>210,997</u>	2.9%

I. ENGLISH LANGUAGE ARTS AND MATHEMATICS – CONTRACT FOR DEVELOPMENT, SCORING, AND REPORTING RELATED TO CMAS IN MATHEMATICS AND ENGLISH LANGUAGE ARTS

The largest component of this line item is a contract to develop, maintain, manufacture, score, and report the assessments in mathematics and English language arts. The costs for FY 2024-25 reflect the Department's estimates of costs for the CMAS. The following table details the basis for the recommendation.

MATH AND ENGLISH LANGUAGE ARTS TEST ADMINISTRATION COSTS			
DESCRIPTION	FY 2023-24 APPROPRIATION	FY 2024-25 ESTIMATE*	ANNUAL CHANGE
Content Development	\$3,690,224	\$3,572,905	(\$117,319)
Ancillary Development	580,426	561,973	(18,453)
Program Management	1,303,743	1,262,295	(41,448)
Information Technology (test management, test admin and reporting systems)	1,194,659	1,156,679	(37,980)
Psychometrics	786,808	761,794	(25,014)
Quality Assurance/Customer Service	190,460	184,405	(6,055)
Product_Mg._Dist	925,204	895,790	(29,414)
Receiving/Scanning/Editing	380,156	368,070	(12,086)
Reporting	746,514	722,781	(23,733)
Scoring	2,118,336	2,050,990	(67,346)
Travel and Meetings	561,147	543,307	(17,840)
Total Assessments	\$12,477,677	\$12,080,989	(\$396,688)
Cash funds - State Education Fund	10,591,483	10,268,841	(322,642)
Federal Funds (Assessment & IDEA B)	1,886,194	1,812,148	(74,046)

*Total costs are from the best and final offeror from this year's procurement. We are expecting to start contract negotiations soon. While we expect that individual line costs may be adjusted, we do not expect overall costs to change.

Recommendation I. English Language Arts and Mathematics: As detailed in the above table, staff recommends providing \$12,080,989 total funds to cover the costs of mathematics and English language arts administration in FY 2024-25. The recommendation includes \$10,268,841 cash funds from the State Education Fund.

II. ALTERNATE ENGLISH LANGUAGE ARTS AND MATHEMATICS – CONTRACT WITH PEARSON TO DEVELOP, SCORE, AND REPORT ALTERNATE ENGLISH LANGUAGE ARTS AND MATHEMATICS ASSESSMENTS FOR STUDENTS WITH COGNITIVE DISABILITIES

This component supports a contract with Pearson for the administration of alternate English language arts and math assessments. The following table summarizes the current and recommended appropriations for this component.

SUMMARY OF COSTS FOR ALTERNATE ENGLISH LANGUAGE ARTS AND MATH			
DESCRIPTION	FY 2023-24 APPROPRIATION	FY 2024-25 STAFF RECOMMENDATION	ANNUAL CHANGE
Totals Alternate Assessments	\$950,000	\$950,000	\$0
Federal Funds (Assessment & IDEA B)	950,000	950,000	0

Recommendation II. Alternate English Language Arts and Math: As shown in the table above, staff recommends reflecting a continuation appropriation of \$950,000 federal funds in FY 2024-25 for the development and administration of alternate English language arts and

mathematics assessments for students with significant cognitive disabilities, with no change from the FY 2023-24 appropriation.

III. SCIENCE AND SOCIAL STUDIES – CONTRACT FOR SCIENCE AND SOCIAL STUDIES ASSESSMENTS

This component supports a contract for the ongoing development and administration of the Colorado-specific science and social studies assessments. The Department is contracting with Pearson for the administration of these assessments. The following table summarizes current estimates for this component.

SUMMARY OF COSTS ASSOCIATED WITH PEARSON CONTRACT FOR SCIENCE AND SOCIAL STUDIES			
DESCRIPTION	FY 2023-24 APPROPRIATION	FY 2024-25 ESTIMATE*	ANNUAL CHANGE
Content Development	\$1,448,371	\$1,337,531	(\$110,840)
Ancillary Development	729,508	673,681	(55,828)
Program Management	579,873	535,496	(44,376)
Information Technology (test management, test admin and reporting systems)	1,157,784	1,069,181	(88,602)
Psychometrics	239,782	221,432	(18,350)
Quality Assurance/Customer Service	102,274	94,448	(7,827)
Product_Mg._Dist	118,268	109,217	(9,051)
Receiving/Scanning/Editing	83,429	77,044	(6,385)
Reporting	383,735	354,368	(29,366)
Scoring	1,250,774	1,155,055	(95,719)
Travel and Meetings	200,381	185,047	(15,335)
Total Assessments	\$6,294,179	\$5,812,500	(\$481,679)
Cash funds - State Education Fund (~95%)	5,979,470	5,521,875	(457,595)
Federal Funds (Assessment & IDEA B)	314,709	290,625	(24,084)

*Total costs are from the best and final offeror from this year's procurement. We are expecting to start contract negotiations soon. While we expect that individual line costs may be adjusted, we do not expect overall costs to change.

Recommendation III. Science and Social Studies: As detailed in the table above, staff recommends appropriating a total of \$5,812,500 for the ongoing development and administration of science and social studies assessments in FY 2024-25, including \$5,521,875 cash funds from the State Education Funds.

IV. ALTERNATE SCIENCE AND SOCIAL STUDIES – CONTRACT TO DEVELOP, SCORE, AND REPORT ALTERNATE SCIENCE AND SOCIAL STUDIES ASSESSMENTS FOR STUDENTS WITH SIGNIFICANT COGNITIVE DISABILITIES

This component supports a contract for alternate science and social studies assessments for students with significant cognitive disabilities. The Department is also contracting with Pearson for the alternate assessments. The following table summarizes current estimates for this component

SUMMARY OF COSTS ASSOCIATED WITH PEARSON CONTRACT FOR ALTERNATE SCIENCE AND SOCIAL STUDIES			
DESCRIPTION	FY 2023-24 APPROPRIATION	FY 2024-25 ESTIMATE*	ANNUAL CHANGE
Content Development	\$314,112	\$317,995	\$3,883
Ancillary Development	79,251	80,230	980

SUMMARY OF COSTS ASSOCIATED WITH PEARSON CONTRACT FOR ALTERNATE SCIENCE AND SOCIAL STUDIES			
DESCRIPTION	FY 2023-24 APPROPRIATION	FY 2024-25 ESTIMATE*	ANNUAL CHANGE
Program Management	219,576	222,291	2,714
Information Technology	267,946	271,258	3,312
Psychometrics	233,745	236,634	2,889
Quality Assurance/Customer Service	4,213	4,266	52
Product_Mg._Dist	21,513	21,779	266
Receiving/Scanning/Editing	45,773	46,339	566
Reporting	243,257	246,264	3,007
Travel and Meetings	202,744	205,251	2,506
Totals Alternate Assessments	<u>\$1,632,130</u>	<u>\$1,652,305</u>	<u>\$20,175</u>
Cash funds - State Education Fund (~60%)	979,278	991,383	12,105
Federal Funds (Assessment & IDEA B)	652,852	660,922	8,070

*Total costs are from the best and final offeror from this year's procurement. We are expecting to start contract negotiations soon. While we expect that individual line costs may be adjusted, we do not expect overall costs to change.

Recommendation IV. Alternate Science and Social Studies: As detailed in the table above, staff recommends appropriating a total of \$1,652,305 for the development and administration of alternate science and social studies assessments for students with significant cognitive disabilities in FY 2024-25, including \$991,383 cash funds from the State Education Fund.

V. ENGLISH LANGUAGE PROFICIENCY (ACCESS)

The above contracts with Pearson do not include funding for the Colorado English Proficiency Assessment (ACCESS). Federal law requires Colorado to administer a single, statewide assessment to determine the English language proficiency level of English language learners, including an assessment in the areas of listening, speaking, reading, and writing, and the assessment is to be based on Colorado English language development standards for particular grade configurations. Previously, school districts utilized one of three assessments for this purpose. None of these assessments were aligned with Colorado English language development standards.

The ACCESS program consists of two distinct tests: (1) a screening test used soon after registration to evaluate students whose home language survey indicates that a language other than English is spoken in the home; and (2) an assessment test that is administered in January each year to students identified as “no English proficiency” (NEP), or “limited English proficiency” (LEP) in the body of evidence gathered in the screening process. The assessment test measures proficiency in the domains of listening, speaking, reading, and writing, and it is used to calculate academic growth rates for English language learners statewide.

The following table details the basis for the staff recommendation for FY 2024-25. For the past several years, the State has contracted with the University of Wisconsin to administer the ACCESS assessments. This version includes both a paper-based form and an on-line form. The following table shows the FY 2023-24 appropriation and the FY 2024-25 recommendation for this component. As shown, costs are projected to increase for FY 2024-25 for this assessment due to a projected 11.7 percent increase in the student population taking these exams.

SUMMARY OF COSTS ASSOCIATED WITH ENGLISH LANGUAGE PROFICIENCY (ACCESS FOR ELLs)			
DESCRIPTION	FY 2023-24 APPROPRIATION	FY 2024-25 ESTIMATE	ANNUAL CHANGE
Online Price per Student	\$28.75	\$28.75	\$0.00
Paper Price per Student	\$30.75	\$30.75	\$0.00
Alternate Price per Student	\$141.25	\$141.25	\$0.00
Total Population Estimate	<u>94,000</u>	<u>105,000</u>	11,000
<i>Online Population Estimate (grades 1-12)</i>	84,060	93,450	9,390
<i>Paper Population Estimate (kindergarten)</i>	9,000	10,500	1,500
Alternate Population Estimate	940	1,050	110
Online Cost Estimate	2,416,725	2,686,688	\$269,962.50
Paper Cost Estimate	276,750	322,875	\$46,125.00
Alternate Cost Estimate	132,775	148,313	\$15,537.50
Additional Cost for Students Requiring Braille	2,260	2,260	\$0.00
Discount	(34,200)	(36,000)	(\$1,800.00)
Totals	\$2,794,310	\$3,124,135	\$329,825.00
Total	\$2,794,310	\$3,124,135	\$329,825.00
Cash funds - State Education Fund	978,009	1,093,447	115,438.75
Federal Funds	1,816,301	2,030,688	214,387.25

Recommendation V. English Language Proficiency (ACCESS): As detailed in the table above, staff recommends appropriating \$3,124,135 total funds, including \$1,093,447 cash funds from the State Education Fund, to support English language proficiency assessments in FY 2024-25.

VI. COLLEGE ENTRANCE SUITE – FUNDING FOR ADMINISTRATION OF SPRING 2025 COLLEGE ENTRANCE AND COLLEGE ENTRANCE PREPARATION

Section 22-7-1006.3 (2), C.R.S., as enacted in H.B. 15-1323, requires the Department of Education to pay for and administer a college entrance examination to all 11th grade students that is administered throughout the United States and relied upon by institutions of higher education. The statute also now requires the Department to pay for and administer a college entrance *preparation* exam to all 9th and 10th graders that is aligned with the college entrance exam to be administered to those students as 11th graders. In FY 2016-17 the Department transitioned from the ACT suite to the College Board entrance exam (SAT) and preparation exam (PSAT). The SAT and PSAT were again chosen for the statewide test when the Department went through a new procurement in FY 2023-24.

The following table details the basis for the existing FY 2023-24 appropriation and staff's recommendation for FY 2024-25 for the college entrance suite of tests.

SUMMARY OF COSTS ASSOCIATED WITH COLLEGE ENTRANCE SUITE			
DESCRIPTION	FY 2023-24 APPROPRIATION	FY 2024-25 ESTIMATE*	ANNUAL CHANGE
College Entrance Test 22-7-1006.3 (2)(b) -- <i>Required</i>			
<i>Estimated # of students</i>	60,000	62,217	2,217
Price per student	\$54.00	\$42.00	-12.00
Subtotal:	\$3,240,000	\$2,613,114	-626,886

SUMMARY OF COSTS ASSOCIATED WITH COLLEGE ENTRANCE SUITE			
DESCRIPTION	FY 2023-24 APPROPRIATION	FY 2024-25 ESTIMATE*	ANNUAL CHANGE
<i>College Entrance Test 22-7-1006.3 (2)(b) -- Student Request</i>			
Estimated # of Students	2,500	1,000	-1,500
Price per student	\$22.50	\$6.00	-16.50
Subtotal:	\$56,250	\$6,000	-50,250
<i>10th Grade Test -- 22-7-1006.3(2)(a.5)*</i>			
Estimated # of students	60,000	63,481	3,481
Price per student	\$17.10	\$12.00	-5.10
Subtotal:	\$1,026,000	\$761,772	-264,228
<i>9th Grade Test -- 22-7-1006.3(2)(a)*</i>			
Estimated # of students	60,000	63,076	3,076
Price per student	\$17.10	\$12.00	-5.10
Subtotal:	\$1,026,000	\$756,912	-269,088
CO-Specific Analysis	\$0.00	\$350,000	350,000
TOTAL (Cash Funds - State Education Fund)	\$5,348,250	\$4,137,798	-1,210,452

*Procurement is currently occurring. Prices are based on publicly posted off-the-shelf costs minus 10%.

Recommendation VI. College Entrance Suite: As detailed in the table above, the staff recommends appropriating \$4,137,798 cash funds from the State Education Fund for the college entrance suite contract for FY 2024-25.

VII. SPANISH LANGUAGE ARTS – SUPPORT ADMINISTRATION OF A SPANISH LANGUAGE ARTS ASSESSMENT ALIGNED TO THE CURRENT STATEWIDE STANDARDS

This component supports the development and administration of Spanish literacy assessments. Section 22-7-1006.3 (4)(b), C.R.S., requires the Department to administer Spanish literacy assessments to eligible third and fourth graders.⁵ For eligible students, the Spanish reading and writing assessments substitute for the CMAS English language arts assessments. The following table shows the FY 2023-24 appropriation and FY 2024-25 staff recommendation for this component.

SUMMARY OF COSTS ASSOCIATED WITH SPANISH LANGUAGE ARTS (READING AND WRITING)			
	FY 2023-24 APPROPRIATION	FY 2024-25 ESTIMATE	ANNUAL CHANGE
Administration of Assessment - CF - State Education Fund	\$1,543,909	\$1,691,884	\$147,975

⁵ According to the Department, eligible students: (1) must be in grade 3 or 4; (2) must have had instruction in an English language proficiency program three years or less; and must have had instruction and assessments in their native language in reading and writing in the current or previous school year.

Recommendation VII. Spanish Language Arts: As detailed in the table above, staff recommends appropriating \$1,691,884 cash funds from the State Education Fund for Spanish language arts assessments in FY 2024-25.

VIII. ADMINISTRATION – SUPPORT FOR STATE STAFF THAT ADMINISTER ASSESSMENTS

The following table displays the personal services and operating expenses components of the Department's administration of the statewide assessment program, including the FY 2022-23 appropriation and the FY 2023-24 staff recommendation. The amounts for FY 2024-25 include annualization of FY 2024-25 salary survey.

SUMMARY OF COSTS ADMINISTRATION PORTION OF STATE ASSESSMENT LINE ITEM			
DESCRIPTION	FY 2023-24 APPROP.	FY 2024-25 ESTIMATE	ANNUAL CHANGE
Subtotal Personal Services	\$2,162,706	\$2,262,064	\$99,358
FTE - Total	16.5	16.5	0
Cash funds - State Education Fund	537,801	550,489	12,688
Federal Funds	1,624,905	1,711,575	86,670
Subtotal: Operating Expenses	\$88,148	\$88,148	\$0
Cash funds - State Education Fund	42,080	42,080	0
Federal Funds	46,068	46,068	0
Total Administration Costs	\$2,250,854	\$2,350,212	\$99,358
FTE	16.5	16.5	0.0
Cash funds - State Education Fund	579,881	592,569	12,688
Federal Funds	1,670,973	1,757,643	86,670

Recommendation VIII. Administration: As detailed in the table above, staff recommends appropriating \$2,350,212 total funds and 16.5 FTE for expenditures related to staff who administer the statewide assessment program in FY 2024-25.

(3) SCHOOL DISTRICT OPERATIONS

This section provides funding that is distributed to public schools and school districts, as well as funding for Department staff who administer this funding or who provide direct support to schools and school districts. The following table summarizes staff's recommendation for the Assistance to Public Schools division.

This presentation addresses solely the following subdivisions:

- Federal and Other Direct Support
- Nutrition
- Capital Construction
- Indirect Cost Assessment

Only the highlighted items are addressed in this packet. The Committee has already reviewed recommendations for School Finance and Categorical Programs. Because of the scale of the school finance component of this division, staff has included subdivision tables for those subdivisions addressed in this packet below the primary table for School District Operations.

SCHOOL DISTRICT OPERATIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 Appropriation						
SB 23-214 (Long Bill)	\$6,655,647,530	\$4,407,498,488	\$1,227,435,431	\$284,826	\$1,020,428,785	169.9
Long Bill supplemental	54,550,000	55,200,000	(650,000)	0	0	0.0
Other legislation	419,763,079	115,551,023	304,042,186	0	169,870	6.1
HB 24-1183 (Supplemental)	7,453,150	0	7,453,150	0	0	0.0
HB 24-1207 (Mid-year adjustment)	(23,964,790)	0	(23,964,790)	0	0	0.0
TOTAL	\$7,113,448,969	\$4,578,249,511	\$1,514,315,977	\$284,826	\$1,020,598,655	176.0
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$7,113,448,969	\$4,578,249,511	\$1,514,315,977	\$284,826	\$1,020,598,655	176.0
R1/BA1 State share of total program	111,946,468	0	111,946,468	0	0	0.0
R2/BA2 Categorical programs increase	25,893,812	0	25,893,812	0	0	0.0
R5 School finance system modernization	200,000	200,000	0	0	0	0.0
R6 ESSER staff closeout	571,416	571,416	0	0	0	0.0
R16 BEST term-limited FTE continuation	0	0	0	0	0	0.0
BA3 At-risk aid and audit payments	1,000,000	0	1,000,000	0	0	0.0
BA4 HSMA audit roll forward	0	0	0	0	0	0.0
Centrally appropriated line items	(57,786)	0	0	34,606	(92,392)	0.0
Technical adjustments	(23,376,536)	0	(23,376,536)	0	0	0.0
Annualize prior year legislation	(49,820,579)	(250,917)	(49,623,727)	0	54,065	(1.0)
Annualize prior year budget actions	(6,355,827)	102,798	(7,367,800)	0	909,175	0.1
Prop FF Annualization and adjustments Healthy School Meals for All	(15,083,758)	(15,083,758)	0	0	0	1.1
SI BEST cash grants	13,244,780	0	13,244,780	0	0	0.0

SCHOOL DISTRICT OPERATIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SI Federal FTE notation true up	0	0	0	0	0	65.0
SI Department reorganization	(10,478,137)	0	0	0	(10,478,137)	(16.3)
SI Annualize federal ESSER stimulus funds	(181,185,193)	0	0	0	(181,185,193)	0.0
SI legacy nutrition program adjustments	(1,927,374)	(1,727,374)	(200,000)	0	0	0.0
SI Charter school capital construction assistance	(1,151,948)	0	(1,151,948)	0	0	0.0
TOTAL	\$6,976,868,307	\$4,562,061,676	\$1,584,681,026	\$319,432	\$829,806,173	224.9
INCREASE/(DECREASE)	(\$136,580,662)	(\$16,187,835)	\$70,365,049	\$34,606	(\$190,792,482)	48.9
Percentage Change	(1.9%)	(0.4%)	4.6%	12.1%	(18.7%)	27.8%
FY 2024-25 EXECUTIVE REQUEST	\$7,390,751,456	\$4,533,722,057	\$1,834,669,048	\$319,432	\$1,022,040,919	176.2
Request Above/(Below) Recommendation	\$413,883,149	(\$28,339,619)	\$249,988,022	\$0	\$192,234,746	(48.7)

Subdivision - FEDERAL AND OTHER DIRECT SUPPORT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$694,328,011	\$0	\$2,501,087	\$0	\$691,826,924	56.1
TOTAL	\$694,328,011	\$0	\$2,501,087	\$0	\$691,826,924	56.1
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$694,328,011	\$0	\$2,501,087	\$0	\$691,826,924	56.1
R6 ESSER staff closeout	571,416	571,416	0	0	0	0.0
Annualize prior year budget actions	423,420	0	0	0	423,420	0.0
SI Federal FTE notation true up	0	0	0	0	0	20.0
SI Annualize federal ESSER stimulus funds	(181,185,193)	0	0	0	(181,185,193)	0.0
SI Department reorganization	(10,478,137)	0	0	0	(10,478,137)	(16.3)
TOTAL	\$503,659,517	\$571,416	\$2,501,087	\$0	\$500,587,014	59.8
INCREASE/(DECREASE)	(\$190,668,494)	\$571,416	\$0	\$0	(\$191,239,910)	3.7
Percentage Change	(27.5%)	#DIV/0!	0.0%	0.0%	(27.6%)	(3)
FY 2024-25 EXECUTIVE REQUEST	\$695,322,847	\$0	\$2,501,087	\$0	\$692,821,760	56.1
Request Above/(Below) Recommendation	\$191,663,330	(\$571,416)	\$0	\$0	\$192,234,746	(3.7)

Subdivision - NUTRITION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$164,548,094	\$3,404,392	\$4,473,375	\$0	\$156,670,327	9.4
Other legislation	115,625,580	115,455,710	0	0	169,870	4.9
Long Bill supplemental	54,550,000	55,200,000	(650,000)	0	0	0.0
HB 24-1183 (Supplemental)	0	0	0	0	0	0.0
TOTAL	\$334,723,674	\$174,060,102	\$3,823,375	\$0	\$156,840,197	14.3

Subdivision - NUTRITION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$334,723,674	\$174,060,102	\$3,823,375	\$0	\$156,840,197	14.3
Annualize prior year budget actions	57,086	57,086	0	0	0	0.0
Technical adjustments	0	0	0	0	0	0.0
SI Department reorganization	0	0	0	0	0	0.0
BA4 HSMA audit roll forward	0	0	0	0	0	0.0
SI Federal FTE notation true up	0	0	0	0	0	8.0
Annualize prior year legislation	(15,235,297)	(15,289,362)	0	0	54,065	1.0
SI legacy nutrition program adjustments	(1,927,374)	(1,727,374)	(200,000)	0	0	0.0
TOTAL	\$317,618,089	\$157,100,452	\$3,623,375	\$0	\$156,894,262	23.3
INCREASE/(DECREASE)	(\$17,105,585)	(\$16,959,650)	(\$200,000)	\$0	\$54,065	9.0
Percentage Change	(5.1%)	(9.7%)	(5.2%)	0.0%	0.0%	(3)
FY 2024-25 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	(\$51,918,203)	(\$52,768,203)	\$850,000	\$0	\$0	(8.0)

Subdivision - CAPITAL CONSTRUCTION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$320,662,095	\$0	\$320,662,095	\$0	\$0	16.0
Other legislation	10,005,220	0	10,005,220	0	0	0.0
TOTAL	\$330,667,315	\$0	\$330,667,315	\$0	\$0	16.0
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$330,667,315	\$0	\$330,667,315	\$0	\$0	16.0
SI BEST cash grants	13,244,780	0	13,244,780	0	0	0.0
Annualize prior year budget actions	72,349	0	72,349	0	0	0.0
SI Department reorganization	0	0	0	0	0	0.0
R16 BEST term-limited FTE continuation	0	0	0	0	0	0.0
Annualize prior year legislation	(10,300,000)	0	(10,300,000)	0	0	0.0
SI Charter school capital construction assistance	(1,151,948)	0	(1,151,948)	0	0	0.0
TOTAL	\$332,532,496	\$0	\$332,532,496	\$0	\$0	16.0
INCREASE/(DECREASE)	\$1,865,181	\$0	\$1,865,181	\$0	\$0	0.0
Percentage Change	0.6%	0.0%	0.6%	0.0%	0.0%	(3)
FY 2024-25 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	(\$12,085,409)	\$0	(\$12,085,409)	\$0	\$0	0.0

Subdivision - INDIRECT COST ASSESSMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$3,905,863	\$0	\$25,000	\$55,571	\$3,825,292	0.0
TOTAL	\$3,905,863	\$0	\$25,000	\$55,571	\$3,825,292	0.0

Subdivision - INDIRECT COST ASSESSMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$3,905,863	\$0	\$25,000	\$55,571	\$3,825,292	0.0
Centrally appropriated line items	(57,786)	0	0	34,606	(92,392)	0.0
TOTAL	\$3,848,077		\$25,000	\$90,177	\$3,732,900	0.0
INCREASE/(DECREASE)	(\$57,786)	\$0	\$0	\$34,606	(\$92,392)	0.0
Percentage Change	(1.5%)	0.0%	0.0%	62.3%	(2.4%)	(3)
FY 2024-25 EXECUTIVE REQUEST	\$3,848,077	\$0	\$25,000	\$90,177	\$3,732,900	0.0
Request Above/(Below) Recommendation	\$0	0	\$0	\$0	\$0	0.0

DECISION ITEMS – SCHOOL DISTRICT OPERATIONS

→ R6 ESSER STAFF CLOSEOUT

REQUEST: The Department requests \$571,416 in one-time federal State and Local Fiscal Recovery Funds (state-appropriated ARPA funds) accrued by the state to support staff in the close out of federal Elementary and Secondary School Emergency Relief funds allocated under the American Rescue Plan Act (ARPA-ESSER grants). This request is for a one-time appropriation to facilitate the closeout of ESSER projects and the creation of final reports after the ESSER funds no longer are available to state staff to charge to. ESSER funds, which were not under the General Assembly’s control, expire September 30, 2024, but accounting will be required after the close-out.

RECOMMENDATION: Based on collaboration with the Department, staff recommends a “mini swap” between the Department’s use of ESSER funds and state General Fund appropriations in 2023-24 and FY 2024-25. This change will make the proposal budget neutral from a state General Fund perspective once both years are considered. This proposed mini swap does not require the use state-appropriated Coronavirus State and Local Fiscal Recovery Funds (SLFRF funds).⁶

Specifically, staff recommends:

- *Reduce* the FY 2023-24 General Fund appropriation for High-impact Tutoring to the Department by \$571,416. The Department will backfill this reduction with ARPA-ESSER funds in FY 2023-24 by modifying contracts with two large providers, so that total funding for the program will be held harmless.
- Provide a new appropriation of \$571,416 *General Fund* for FY 2024-25 to support 5.0 FTE to address the Department’s costs for working with school districts to close-out ESSER grants provided by the federal government and comply with reporting requirements that extend beyond the federal ESSER expenditure deadline.

⁶ Note that the staff recommendation on this item removes it from any involvement in the swap between appropriated federal SLFRF funds and General Fund (the “big swap” on which staff is drafting a bill, with the JBC’s authorization, in collaboration with OSPB).

ANALYSIS:

Need for the Additional Funding: As described in the Department’s hearing response, “CDE is using the term “ESSER Closeout” to refer to several critical grant management and federal compliance functions including, but not limited to:

- providing technical assistance to districts and other grantees in finalizing their last requests for reimbursement,
- processing the requests for reimbursement for districts and other grantees,
- drawing down funds from the U.S. Department of Education, and
- reporting on the final uses of funds.

Based on the current reporting templates proposed for ESSER funds going forward, the Department is anticipating a minimum of two more years of reports to the U.S. Department of Education, which will require the processing, reviewing, validating, and submitting of over 809 data elements per year in late spring 2025 (for activities that occurred between July 1, 2022-June 30, 2023) and again in spring of 2026 (for activities that occurred between July 1, 2023 through June 30, 2024).....[There may also be] a final report that will be due May of 2027.”

CDE also notes that “CDE is prohibited from expending funds for personnel past September 30, 2024. However, schools, districts, BOCES, and other grantees have until September 30, 2024, to finalize their expenditures and CDE has through January of 2025 to process requests for reimbursements and finalize draw down funds for expenses appropriately obligated by September 30, 2024. Additionally, CDE is required to report on the complete use of these funds by June 30, 2025. Final data for this report, however, will not be available until early in 2025.”

Consequences of Incorrect Accounting/Processing: Colorado received over \$1.8 billion in federal ESSER funding, of which **\$1.2 billion** was included in the last tranche of ESSER funding that has a deadline of September 30, 2024. CDE notes that “the additional resources for the closeout period are critical to ensure accurate accounting, reporting and compliance with federal requirements. Failure to properly do so may result in findings in future audits, which could result in corrective actions such as reimbursing the federal government a portion of the funds.” Given the massive scale of the ESSER funding and the complexity for the Department of appropriately reporting on expenditures for 178 school districts, JBC staff believes that it is an appropriate protective measure for the State to ensure appropriate accounting and reporting.

Funding source/approach: The Department’s original request was to use to state-appropriated federal State and Local Coronavirus State Fiscal Recovery Funds (SLFRF ARPA funds). However, based on the time-limited nature of those funds (obligation by December 31, 2024) and recent federal rules regarding the definition of “obligation”, that source is not workable.

Staff therefore suggested, and the Department agreed, that it could “swap” some of the federal ESSER funds over which the State Board of Education has control for state General Fund. *For this “mini swap” to work, it must cross state fiscal years, because the ESSER funds must be spent quickly, essentially by the end of FY 2023-24.*

Colorado appropriated \$4,988,859 General Fund for the Colorado High-impact Tutoring Program in FY 2023-24. This is an activity for which both state General Fund and federal ESSER funds are allowed and appropriate.

The Department has worked with its two largest contractors for the High-impact Tutoring Program for FY 2023-24, and they have agreed that, if the General Assembly is comfortable with this “swap” proposal, they can accept federal ESSER funds *for FY 2023-24* in lieu of \$571,416 General Fund. This “freed up” General Fund can then be used in FY 2024-25 to address the final accounting for all of the ESSER funds.

→ R8 FACILITY SCHOOLS AND RCCI IN HSMA

REQUEST: The request included a proposal for legislation to include facility schools and residential child care institutions in the Healthy School Meals for All Program. The request included no additional appropriation as part of the request but estimated the additional cost to be between \$258,793 and \$487,002 for FY 2024-25.

RECOMMENDATION: The JBC sponsored legislation to address this as part of its supplemental budget package (H.B. 24-1206 – School Food Authorities). The bill included a \$17,752 GFE appropriation for FY 2023-24 but reflected the expectation that FY 2024-25 costs would be included in the Long Bill. Staff has added \$483,812 to the estimated total cost of the Healthy School Meals for All Program meal reimbursements to reflect the impact of H.B. 24-1206. As discussed further below, staff currently anticipates that a portion of the HSMA program in FY 2023-24 and FY 2024-25 will need to be covered by the General Fund, rather than the Healthy School Meals for All General Fund Exempt Account.

→ R16 BEST TERM-LIMITED FTE CONTINUATION

REQUEST: The Department requests a net increase of \$7,423 cash funds to maintain a 1.0 FTE cash funded position that was added in FY 2022-23 on a term limited basis. The request represents the difference between the position request for \$102,584 cash funds from the Public School Capital Construction Assistance Fund, including all benefits, offset by a reduction of \$95,161 for the cost of the position added in FY 2022-23, also with all benefits.

In FY 2022-23, a term-limited position (through FY 203-24) was approved for a fifth regional program manager for the Building Excellent Schools Today (BEST) grant program due an increase in the number and complexity of grant requests. Given continued workload and additional responsibilities, the request is to make the position permanent. With this FTE, the Capital Construction Unit has been able to provide additional support for charter schools and rural school districts that struggle with facilities planning, grant applications, and project management.

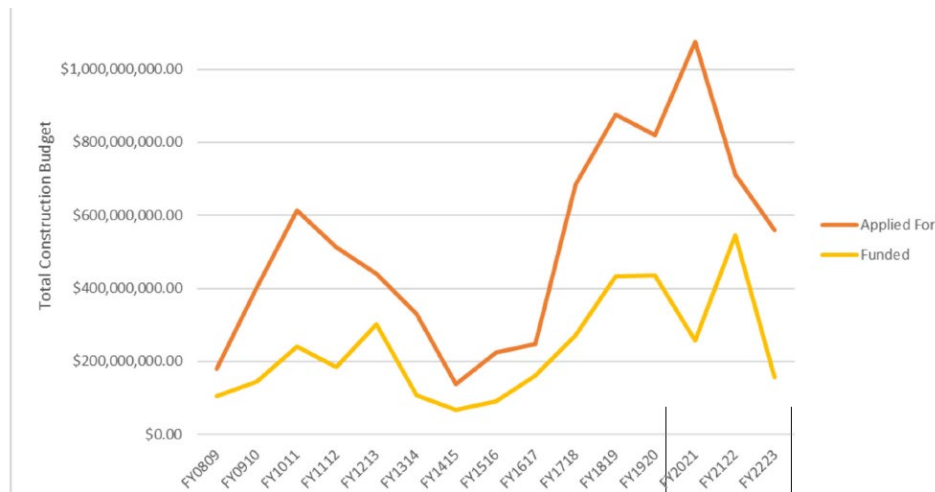
RECOMMENDATION: **Staff recommends the request to maintain the position.** Staff has eliminated the \$7,423 incremental increase (but may return with a “comeback” to eliminate (or increase) this amount based on further communication with the Department).

The Department’s FY 2022-23 request identified this position as “term limited” but did not specify a term, so JBC staff recommended two years. In staff’s communication with the program two years ago,

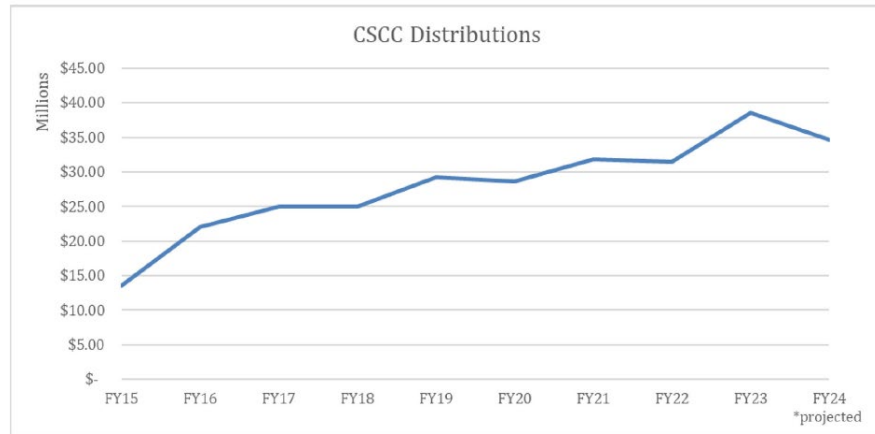
it emphasized the ongoing expansion of large projects funded with certificates of participation funds. It was not clear to staff that this would continue, and there has *not* been further expansion of COPs in the last two years. However, the BEST program has received ongoing increases in cash funded grants that support a larger number of smaller program improvements, and, as outlined in the request, has used this additional position to provide better support to smaller school districts and charter schools. Staff believes the request to maintain the position, which is funded from the Public School Capital Construction Assistance Fund, is reasonable.

ANALYSIS: The request emphasis the following issues.

- Base staffing levels “were designed to maintain programs and support efforts over ten years ago. Legislative changes to programs, the addition of new programs and grants, aging school facilities, and an ever-increasing need for professional support requires additional capacity.”
- Requests for support from districts have grown. The need for additional staffing is not strictly tied to the amount of revenue received or projected, but is related to district facility deficiencies and needs related to aging facilities, which drives district request.



- Legislative changes have driven additional workload, for both short- and longer-term initiatives. This has included various targeted short-term grant programs (air quality grants, supplemental grants, etc.). On an ongoing basis, the Division has faced additional workload related to the Charter School Capital Construction Assistance Account, based on changes included in H.B. 19-1055. The resulting increase in revenue and distributions to charter schools has created administrative complexities (managing monthly distributions, supporting school leaders with accounting, collecting data, etc.)



- Additional staff enables the unit to work more proactively with other state demands that provide grants and professional supports to schools (e.g., DPS School Safety Resource Center, DOLA Division of Local Government, CDPHE Health Response and Water Quality Control, OIT's Broadband Office, CDLE Office of Just Transitions, History Colorado State Historical Fund grants. This workload has grown sharply.
- The term-limited FTE was hired in mid-FY 2022-23, and the Department can see positive results. BEST manages over 135 active projects valued at over \$1.5 billion at any given time. With four regional managers, that equals 34 projects per staff. A fifth position reduces this to 27. It has likewise made staff review of grant applications more manageable, (reduction of 19 per staff member in 2022 to 11 in FY 2024). The additional position now also manages the Charter School Capital Construction Program. The additional capacity enables a more senior project manager to engage more proactively on process improvements, applying for an important federal grant (Supporting American's School Infrastructure), and develop a program to better support small districts.

→ BA4 HSMA AUDIT ROLL FORWARD

REQUEST: The Department requests that the FY 2024-25 appropriation of \$400,000 for the biennial audit for the Healthy School Meals for All Program, required in Section 22-82.9-208, C.R.S., and addressed in HB 22-1414, be granted roll-forward authority to enable the finalization of the audit and the subsequent completion of the report, which will occur in FY 2025-26.

Statute requires the Healthy School Meals for All program to contract for a third-party auditor and report on the biennial audit to be completed on December 1, 2025. The fiscal note for H.B. 22-1414 and the Department's FY 2024-25 budget request includes an allocation of \$400,000 on July 1, 2024 for FY 2024-25 for these audit costs.

The audit is scheduled to start in May/June of 2025 and will draw on the FY 2024-25 appropriation for that purpose, however the work to finalize the audit and subsequent report will continue into FY 2025-26, therefore, a roll forward of remaining funds into FY 2025-26 will be needed to complete the Audit.

RECOMMENDATION: Staff recommends the request to incorporate roll-forward authorization as part of the appropriation for the HSMA audit, as this is necessary to comply with deadlines specified in state law.

ANALYSIS: Requirement and related Appropriations for HSMA program administration are based on the fiscal note for H.B. 22-1414, which referred Proposition FF to the voters. As added in the bill and Proposition FF, Section 22-82.9-208, C.R.S. requires a report on program implementation on December 1, 2024 and on December 1 every two years thereafter. It also requires a biennial financial and performance audit of the implementation of the program.

Statute specifies that that “the audit of the two budget years in each biennial cycle must be completed by December of the following budget year.” Since the HSMA program began to provide student meals at the beginning of SY 2023-24, staff concurs that the audit for SY 2023-24 and SY 2024-25 is due December 1, 2025, which would be after the close of FY 2024-25.

The fiscal note for H.B. 22-1414 identified the cost of the financial and performance audit as \$400,000 in FY 2024-25 which has already been included in the Department’s request. Staff anticipates that this amount will be eliminated for FY 2025-26 but restored in FY 2026-27 for the next biennial audit. [In FY 2023-24 and 2025-26 (the alternate years), staff anticipates that the Department will instead receive an appropriation of \$17,850 for the biennial program report.]

As discussed further below, staff is also proposing that the report and audit requirements be modified in statute to incorporate some additional analysis that may be required to determine how to align program costs and revenues in future years.

→ S2 ADDITIONAL FUNDING FOR HEALTHY SCHOOL MEALS FOR ALL, STAFF INITIATED FY 2024-25 BUDGET RECOMMENDATION, AND COST CONTAINMENT RECOMMENDATIONS [LEGISLATION RECOMMENDED]

DEPARTMENT FY 2023-24 SUPPLEMENTAL REQUEST [REVISITED]: In its January 2, 2024, supplemental submission, the Department requested an additional General Fund Exempt supplemental appropriation for FY 2023-24 of \$30,000,000 for the Healthy Schools Meals for All program. The request would increase the appropriation for meals from \$115,000,000 General Fund Exempt in FY 2023-24 to \$145,000,000 General Fund Exempt in FY 2023-24.

The supplemental request did not include a related budget amendment. However, it was apparent from the information provided in the request and that the Department has continued to provide that the overall cost for this program in FY 2024-25 is projected to be far above the original projections included in H.B. 22-1414 and the Proposition FF Blue Book.

MOST RECENT PROJECTIONS OF HEALTHY SCHOOL MEALS FOR ALL MEALS COSTS VERSUS BLUE BOOK: In response to staff questions, the Department has provided the following comparison between estimates included in the fiscal note for H.B. 22-1414/Blue Book for Proposition FF versus the state’s actual experience thus far.

HSMA Estimates (meal reimbursements only*)		
	FY23-24	<u>FY24-25</u>
Original Cost Estimate Fiscal Note	Up to \$115 million	Up to \$78.5 million
Original Revenue Projections	\$151.1 million (includes \$50.4 million from FY 2022-23)	\$104.2 million
Difference (revenue vs meals)	+36.1 million	+25.7 million
Current Cost Estimate (meals only)	\$166-171 million	\$131-137 million
Current Revenue Projection	\$146.9 million	\$110.5 million
Difference (revenue vs meals)	-\$19 to -24 million	-\$20.5 to -26.5 million

*These estimates do not include costs for grant programs or administrative costs

Data sources: Expenditure amounts above are Department of Education projections. Revenue amounts are OSPB projections.

The Department continues to analyze the reasons for these figures but, fundamentally, they boil down to two major problems with assumptions in the H.B. 22-1414 fiscal note and Proposition FF blue book that had differed from the actual experience.

- **The fiscal note assumed the federal reimbursement rates would be much higher than they have proven to be.** The assumption was that by moving to Medicaid Direct Certification, federal reimbursements would increase substantially. Even though direct certification was implemented earlier than anticipated (in FY 2023-24) and changes in federal law and policy are increasing the number of schools eligible for the Community Eligibility Provision program (described below), these changes have not increased federal reimbursement to the degree anticipated.
- **The fiscal note also assumed that the number of students who are not eligible for federal reimbursement would be much lower.** Participation of students in this category has increased far more than the 25.0 percent increase originally projected.

FEBRUARY 14, 2024 EMAIL AND MEMO FROM OSPB: Staff received an email from OSPB on February 14, 2024, acknowledging these updated estimates and providing its recommendations for addressing the situation. OSPB states:

- 1) Its recommendation to fill this revenue gap is to use the State Education Fund as a one-time, short-term solution for FY 2023-24 and FY 2024-25. Its proposal includes: (a) using an increase in SEF revenue estimated to result from Proposition FF revenue components to help fund the program for FY 2023-24 and FY 2024-25 (\$3.2M in FY 2022-23, \$7.8M in FY 2023-24, and \$8.3M in FY 2024-25); and (b) structuring the balance needed as a loan from the State Education Fund to the HSMA account.
- 2) “Besides the above mentioned strategy, delaying the grant programs and the stipends for the staff that were scheduled to begin in FY 2024-25 is necessary short term, however OSPB recommends waiting until we have a full year of data to make any long term decisions.”

STAFF RECOMMENDATION SUMMARY: Staff’s general approach for addressing this situation is described below. At the bottom of these points, staff has included a table showing specific proposed

appropriations by year and line item. As outlined, the recommendation includes amounts to include in the Long Bill and adjustments that can only be applied based on statutory changes.

- **Fund FY 2023-24 Meals:** As described in November, staff sees no alternative but to fully fund costs for the program in FY 2023-24, which is driven by unexpectedly high meals costs. Under current law, the General Fund is the default of state appropriations are not sufficient, so that is the funding source staff recommends using in the Long Bill. However, as discussed below, use of the SEF could be an option, if the General Assembly makes a statutory change.
- **Delay Local Food Grants and Food Service Employee Wage Enhancements:** Staff recommends statutory changes to delay the implementation of local food purchasing grants and food service employee wage enhancements that were projected to add at least \$22.1 million plus administrative costs to the overall Healthy School Meals for All Program beginning in FY 2024-25. The Department now estimates that implementing the Food Service Employee Wage Enhancement will require \$8.4 million under current law and that \$5.0 million would be appropriate for the Local Food Purchasing Grants based on known uptake. Thus, combined with the \$5.0 million required for technical assistance, **staff is reflecting a cost of \$18.4 million General Fund for these programs under current law, since it does not appear GFE will be available.**
- **Fund FY 2024-25 Meals *or* Implement Other Challenging Program Reductions:** As discussed further below, staff had previously believed that one year of supplemental assistance in FY 2023-24, followed by delaying grant and stipend programs in FY 2024-25, would be sufficient and that the program could then be brought back into financial balance beginning in FY 2024-25. However, based on the information currently available, staff concurs with OSPB that it will likely be necessary to provide an additional year of one-time state subsidies in FY 2024-25 because of continued uncertainty about how to operate the program in ways that are most financially advantageous to the State and equitable for students and school districts. *If the Committee does not feel that the imbalance between expenses and revenues can be tolerated for an additional year because of other pressures on the state budget, staff will work with the Department of Education to flesh out the alternatives that could be implemented beginning in FY 2024-25.*
- **Additional immediate analysis and temporary staff/contractual support:** Provide a FY 2023-24 supplemental appropriation of \$100,000 for administration, with roll-forward authority, to enable the Department to conduct further analysis on the impact of applying Community Eligibility Provision (CEP) as the provision has been modified by federal authorities. Additionally, add one-time funding for contractual support or temporary Department FTE in FY 2024-25 at \$150,000. Department staff have been working intensively on program launch, but clearly do not have the band-width to do the type of analysis required to ensure the program can be managed in a manner that is most cost-effective for the State. It is possible that some additional funding for staff will be needed on a longer-term basis, but the Department needs time to more carefully analyze its staffing needs. For the near-term, staff believes investing additional funds in analysis and program management will be a good investment for the State.
- **Sponsor legislation to make the following changes:** At a minimum, staff recommends the Committee sponsor legislation that includes the following provisions:

- Delay implementation of the employee wage distribution provisions, local food purchasing grant program provisions, and local food purchasing technical assistance grant provisions, all of which are scheduled to begin in FY 2024-25, until at least FY 2025-26. The General Assembly could also consider making other adjustments to current statutory provisions to allow funding levels for these programs to be more flexible. This might include: (1) making employee wage funding “subject to available appropriation” (like the local food purchasing grant program), rather than an entitlement with overexpenditure authority, as it is now; and (2) eliminating the requirement that at least \$5.0 million be appropriated for the local food purchasing grant technical assistance program.
- Add greater statutory flexibility on whether/when an option known as the Community Eligibility Provision (CEP) is used by districts participating in HSMA. Authorize the Department of Education to distribute HSMA funding only to districts/schools that agree to apply CEP in a manner that the Department has determined maximizes federal support and is thus most financially advantageous to the State. Current law, included in Proposition FF, *requires* districts to participate in CEP if they are eligible based on the assumption that this will maximize federal funding. Based on federal changes in the CEP program, it has become less clear whether the use of the CEP is always financially advantageous for the State.
- Require the Department of Education to develop options and recommendations for bringing program revenues and expenditures into balance in the manner that is most equitable for students and districts, with this information included in a report to the JBC and other legislative committees as part of the biennial program report that is already due under current law on December 1, 2024. The December 1, 2024, report was originally anticipated to be less expansive (and far less expensive) than the biennial program audit due December 1, 2025; however, a portion of the \$400,000 already included in the FY 2024-25 budget request to fund the December 1, 2025 program audit could instead be directed to the state’s current and more urgent needs related to balancing the budget for the program.
- Provide authority for the Department of Education to mandate that districts participating in the Healthy School Meals for All Program apply best practices to maximize the collection of free-and-reduced lunch forms. This would then be included in departmental audits of school district nutrition programs.
- **Option Proposed by OSPB – Use of the State Education Fund:** OSPB proposes funding both the FY 2023-24 and FY 2024-25 funding shortfalls from the State Education Fund. This includes appropriating additional money received by the SEF as a result of Proposition FF for the program and providing a “loan” from the SEF for the balance. Staff thinks using the SEF for one-time funding is reasonable option, particularly as there is a precedent for using the SEF for a nutrition program, but staff would recommend adding statutory changes to clarify that the Healthy School Meals for All Program should be classified as an “accountable program” that can use the SEF.
 - Under current law, appropriations should be provided from the General Fund; the fund source could be modified in separate legislation.
 - Staff is uncertain what it would mean to structure funding from the SEF as a “loan”, since it is unclear how the loan would be repaid. However, the General Assembly could certainly

express its *intent* in legislation that, if future revenue permits, money from the State Education Fund that is used for the Healthy School Meals for All Program shall be repaid.

- **Apply Available Reductions to Legacy Nutrition Programs:** The staff recommendation also includes reductions to FY 2023-24 and FY 2024-25 appropriations for legacy nutrition programs. This is funding that the Department does not expect will be required, based on the implementation of the Healthy School Meals for All Program. Once the Healthy School Meals for All Program has stabilized, staff would recommend combining the Healthy School Meals for All Program and the existing legacy nutrition programs, which generally fill the gap between federal free meal and federal subsidized meal reimbursements to districts, so that any child who qualifies for a subsidized meal receives a free meal. These items have been identified in a separate staff initiated recommendation item but provide **\$3.5 million in General Fund savings across two years.**

Changes to Include in Long Bill and New Legislation for Healthy School Meals for All

FY 2023-24 APPROPRIATION				
	BASE APPROP	REVISED SUP REC. (CURRENT LAW)	CHANGE (SUPPLEMENTAL UNDER CURRENT LAW)	CHANGE IN NEW LEG
HSMA Administration, including one-time contract support	\$268,088	\$368,088	\$100,000	
Centrally-appropriated admin	71,019	71,019	0	
Meal Reimbursements	115,017,752	171,017,752	56,000,000	
Total	\$115,356,859	\$171,456,859	\$56,100,000	0
General Fund	0	24,556,859	24,556,859	(24,556,859)
General Fund Exempt (HSMA)*	115,356,859	146,900,000	31,543,141	
Cash Funds - State Ed Fund				24,556,859
*\$42.7M FY 2022-23 and \$104.2 FY 2024-25, OSPB Dec 2023 forecast				

FY 2024-25 APPROPRIATION				
	CURRENT LAW	REVISED LAW (LEG. REQUIRED)	CHANGE IN NEW LEG	
HSMA Administration	\$737,732	\$641,824	(\$95,908)	
Temporary Administration Support	150,000	150,000	0	
Centrally-appropriated (subject to adjustment)	71,551	71,551	0	
Meal Reimbursements	137,483,812	137,483,812	0	
Local Food Purchasing Grant	5,000,000	0	(5,000,000)	
Local Food TA Grant	5,000,000	0	(5,000,000)	
Wage Distributions	8,400,000	0	(8,400,000)	
Total	\$156,843,095	\$138,347,187	(\$18,495,908)	
General Fund	46,343,095	0	(46,343,095)	
General Fund Exempt (HSMA)*	110,500,000	110,500,000	0	
Cash Funds - State Ed Fund	0	27,847,187	27,847,187	
*OSPB Dec 2023 Forecast				

ANALYSIS:

Background: H.B. 22-1414, Proposition FF, and S.B. 23-221

During the 2022 legislative session, the General Assembly adopted H.B. 22-1414, which referred a measure to the voters authorize and fund free meals for all students on an ongoing basis. Voters adopted the referred measure, Proposition FF, in November 2022. Statutory provisions added in Section 22-82.9-201 through 209, C.R.S., create the Healthy School Meals for All Program and require the state to participate in the federal demonstration program for Medicaid direct certification. Statutory provisions added in Section 29-22-104 (p.5), C.R.S., establish a funding mechanism for the program through a change in income tax deductions for filers with incomes greater than \$300,000. During the 2023 legislative session, the JBC sponsored S.B. 23-221 (Healthy School Meals for All Program Fund), which addressed technical issues related to program financing but did not substantively change the program as implemented by the voters.

Federal Medicaid direct certification demonstration program. Statute requires that the Colorado Department of Education (CDE) apply to participate in the federal demonstration project for direct certification for children receiving Medicaid benefits. If selected, CDE must enter into an agreement with the Colorado Department of Health Care and Financing (HCPF) to directly certify students enrolled in Medicaid as eligible for free and reduced price meals without further application. (Approval received; implementation in progress.)

Healthy School Meals for All Program. Statute requires the Healthy School Meals for All Program to provide reimbursement to participating school food authorities (SFAs) for offering meals without charge to all students, beginning in FY 2023-24. The reimbursement amount is based on the federal free meal reimbursement rate for each meal served, minus the amount an SFA receives from the federal school breakfast and lunch programs, and current state reimbursement programs.

Conditional upon the state's participation in the federal demonstration project, the program also includes three other components for participating SFAs. These programs begin the first full year after the State begins including Medicaid direct certification in calculating eligible student percentages. Thus, *these programs will begin in FY 2024-25 under current law.* .

- Local food purchasing grant program (Section 22-82.9-205, C.R.S.). Participating SFAs that establish a parent and student school food advisory committee may receive a grant to purchase Colorado grown, raised, or processed products. Subject to available appropriation, CDE must distribute to each participating SFAs a grant of \$5,000, or \$0.25 for each lunch provided in the prior school year, whichever is greater. No more than 25 percent of the grant may be used to purchase value-added processed products, up to 10 percent may be used to cover costs, and up to 12 percent may be used to support the school advisory committee.
- Employee wages or stipends (Section 22-82.9-206, C.R.S.). Participating SFAs may receive the greater of \$3,000 or \$0.12 per school lunch, to be used to increase wages or provide stipends for employees who prepare and serve school meals.
- Technical assistance and education grant program (Section 22-82.9-207, C.R.S.). Subject to available appropriation, CDE must issue a grant to a statewide nonprofit to assist with the promotion of Colorado products to participating SFAs and to assist them with preparing meals using basic ingredients with minimal reliance on processed products. Grants may be used for training, technical assistance, physical infrastructure for SFAs, growers associations, and other organizations that aggregate products for producers, as well as for education, outreach, and promotion for schools and growers to engage with school communities. At least \$5.0 million must be appropriated for this pursuant to Section 22-82.9-209, CR.S.

Community eligibility provision. In order to participate in the program, SFAs must maximize federal reimbursement by participating in the community eligibility provision (CEP), if eligible. If the US Department of Agriculture creates the option for the community eligibility provision to be implemented statewide, CDE must work with SDAs and state and local agencies to participate

Reporting. Beginning December 1, 2024, CDE must submit an annual report on the program to the General Assembly. CDE must contract with an independent auditor to conduct a biennial financial and performance audit of the program (initial one due December 1, 2025), and make the audit easily accessible on the website.

Funding. Beginning in FY 2023-24, the General Assembly must appropriate the amount necessary for the program. The appropriation must include an amount of General Fund at least equal to the revenue generated from the income tax add-back, but no more than the amount required to fund the direct and indirect costs of implementing the program. The Department may not expend more than 1.5 percent of the amount appropriated for administrative costs.

Add-back to Colorado taxable income. Beginning for tax year 2023, as approved by the voters, requires taxpayers with adjusted gross incomes of \$300,000 or more to add back a portion of their federal itemized or standard deductions when calculating their Colorado taxable income. Taxpayers filing singly are required to add back itemized or standard deductions that exceed \$12,000 in total, and taxpayers filing jointly are required to add back itemized or standard deductions that exceed \$16,000 in total.

This provision does not apply in a future year if the Healthy School Meals for All program is repealed. The bill specifies that this section constitutes a voter-approved revenue change if approved by voters at the November, 2022 election.

S.B. 23-221 (Healthy School Meals for All Program Fund): Created the Healthy School Meals for All Program General Fund Exempt Account to fund the Healthy School Meals for All Program. It established the mechanisms by which money would be deposited into the account (OSPB revenue estimates, which are adjusted over time as actual data becomes available). It clarified that appropriations for the program would be made in several different line items, and that the program would have overexpenditure authority for those components of the program that were created by the voters as entitlements, including school meal reimbursements and wage stipends for food service workers. Overexpenditure authority for this program, as for the Medicaid program, means that it can spend above appropriated levels for the entitlement parts of the program, drawing from the General Fund for the overexpenditures. The next year's appropriation is then "restricted" by the Controller until the General Assembly lifts the restriction by providing an additional appropriation for the year of the overexpenditure.

CURRENT STATUS OF IMPLEMENTATION

Participation, Demand for Meals, and Student Classification: The free meals component of the program took effect at the beginning of school year 2023-24. All districts have chosen to opt-in to the program. Data for the first 3 months of the year, which includes the impact of Medicaid direct certification shows far more students having meals in the state-paid category than originally anticipated.

The HB 22-1414 fiscal note and Proposition FF blue book assumed that students across all income and federal subsidy categories would increase meals by 25.0 percent. In fact, recent Department projections indicate that total meals are actually *lower* than the estimates used in the fiscal note, and meal counts in the free and reduced category are similar to pre-pandemic figures. What has changed is the number of students eating meals who do not qualify for federal subsidies.⁷

A more recent comparison shows numbers of student meals in 2022, before the new program was implemented, versus this year. Students eating meals in the federal free- and reduced meal categories have increased by over 10.0 percent since 2022. However, **meals for students in the category not paid by federal sources (meals now covered by the State), have increased by 62.0 percent for lunch and 105.0 percent for breakfast.**

ACTUAL NUMBER OF MEALS SERVED AUGUST - NOVEMBER			
	AUG-NOV 2022 <i>(PRE-MEDICAID DIRECT CERTIFICATION & HSMA)</i>	AUG-NOV 2023 <i>(WITH MEDICAID DIRECT CERTIFICATION & HSMA)</i>	PERCENT CHANGE
Breakfast Free Meals	5,122,332	6,299,380	*
Breakfast Reduced Price Meals	<u>917,609</u>	<u>390,989</u>	*
Breakfast Federal Free and Reduced	6,039,941	6,690,369	10.8%
Breakfast Paid Non-federal (now State-paid)	2,374,024	4,859,416	105.0%
Lunch Free Meals	9,889,085	12,087,936	*
Lunch Reduced Priced Meals	2,055,758	1,089,729	*
Lunch Federal Free and Reduced	11,944,843	13,177,665	10.3%
Lunch Paid Non-federal (now State-paid)	8,918,882	14,420,525	62.0%

Development of State and Federal Policy and Efforts to Maximize Federal Funds: The national organizations that helped to bring the Healthy School Meals Initiative to Colorado and other states hoped to structure the program in such a way that states would not lose federal funding for meals. Those involved understood that by offering meals to all students free of charge, the incentives for students to submit free-and-reduced lunch forms would negatively affected. Some of the proposed solution focused on using policies that would automatically lead students to qualify for the federal support, including the Medicaid eligibility demonstration program and enhanced use of the Community Eligibility Provision (described further below).

Related to this, the fiscal note for H.B. 22-1414 and the Prop FF blue book envisioned “staging” in which some of the mechanism for federal support would grow in the second year. The fiscal note showed:

- Anticipated costs of up to \$115.5 million for the program in FY 2023-24 that were then projected to fall in FY 2024-25 to \$71.5 million to \$101.5 million as community eligibility and federal funding is leveraged to offset state costs. This was also the reason grant programs authorized in H.B. 22-1414 were delayed until the State made full use of automatic enrollment based on Medicaid and increased use of community eligibility provisions.

⁷ Compared to fiscal note assumptions for H.B. 22-1414, total breakfast and lunch meal counts are lower than projected (9.0% lower for breakfast and 1.0% lower for lunch), free- and reduced-price breakfasts and lunches have *not* increased by 25.0 percent (and have actually declined from the pre-pandemic baseline), while state-paid breakfasts are 71.0 percent higher than projected and state-paid lunches are 42.0 percent higher than projected.

- Higher first year costs that were expected to be fully covered by the revenue received over 1.5 years: from January 2023 to June 2024. In subsequent years, annual projected revenue of \$104.2 million generated by tax changes was expected to cover program costs of \$71.5 to 101.5 million.⁸

The State has actually been able to move *faster* than originally anticipated to implement provisions that were expected to generate additional federal revenue, but these have not yielded the hoped-for results thus far. Further, the federal government adopted a significant change in October 2023 with an impact that is not yet well understood.

- The Department was notified in December 2022 that Colorado has been accepted to participate in the federal demonstration program to directly certify students enrolled in Medicaid as eligible for free and reduced price meals without further application. This took effect for FY 2023-24 and has had some impact, but not enough to change the state’s upward spending trajectory.
- When Proposition FF was adopted, the full impact of Medicaid direct certification was not expected to be felt until FY 2024-25, when districts would use this eligibility mechanism to determine their ISP and then join the Community Eligibility Provision. The Department worked with a consultant to develop a calculator for optimizing district participation in the Community Eligibility Provision, and the State adopted rules requiring use of this tool.
- The impact of the Community Eligibility Provision will be felt sooner than originally expected but with less certain results. The federal government changed its Community Eligibility Provision threshold in October 2023 from 40.0 percent to 25.0 percent. USDA approved a waiver to allow districts in Colorado to implement the Community Eligibility Provision at newly eligible sites in March 2024. **The impact of this change is not well understood.** More than twice as many schools are now eligible for the program as were under the previous threshold. State law requires districts to participate in the Community Eligibility Provision if they meet the ISP minimum threshold. As specified in Section 22-82.9-204(3), C.R.S.:

“...each participating school food authority, as a condition of participating in the program, must maximize the amount of federal reimbursement by participating in the community eligibility provision for all schools that qualify for the community eligibility provision and that the participating school food authority serves.”

The Department states that it is proceeding with an *optional* mid-year election and will know which districts will take advantage of the mid-year election no later than March 8, 2024.

It is no longer clear that participation in CEP is equal to “maximizing” federal reimbursement. It has also not been clear to staff that the Department has authority to make CEP participation *optional* mid-year under current state law, but the Department states that it consulted with the Attorney General and has concluded this is legal. Districts are required to opt into the CEP program by September 15 of each year but they do not have an ongoing obligation to submit evidence of continued compliance. On the basis of the specific language in Section 22-82.9-204 (2), C.R.S., the AG and Department have concluded that optional participation should

⁸ leg.colorado.gov/sites/default/files/documents/2022A/bills/fn/2022a_hb1414_f1.pdf

be allowed for this mid-year adjustment. The next opportunity for the Department to *demand* proof of compliance will be September 14, 2024.

- In the absence of statutory change, the three grant programs will begin in FY 2024-25 (the first full year after the State begins including Medicaid direct certification in calculating percentages of students eligible for free meals).
- Changes to income tax deductions take effect for tax year 2023 and the State is using forecasts on the impact of this change to deposit money in the Healthy School Meals for All Program General Fund Exempt Account and pay for the program; however, good data on revenue will not be available until late 2024, after most 2023 tax returns for high income earners have been submitted to the Department of Revenue. The actual figures used by OSPB and LCS for income collected in the second half of SFY 2022-23 was lower than the Proposition FF forecast.

Community Eligibility Provisions versus Income Eligibility Forms

Default Federal Programs and Legacy State Programs: Under the National School Lunch and School Breakfast Programs, students qualify for free breakfast and lunch by turning in forms that identify their household income. A family is income eligible for a reduced price meal at an annual income of 185 percent of federal poverty guidelines (\$45,991 for a family of 3) or for a free meal at 130 percent of federal poverty guidelines (\$32,318 for a family of 3). Students' families do not need to be eligible for other federal public benefits for students to qualify for free- or reduced-price lunch using these forms.

State programs that existed prior to Healthy School Meals for All (and still continue) pay the small difference between the federal subsidy for free and reduced meals, so the functional threshold for a free meal in Colorado before HSMA was the reduced price meal threshold of 185 percent of the poverty guidelines.

Prior to HSMA, students who did not qualify on the basis of income had to pay for lunch using money from home.

Community Eligibility Provisions: H.B. 22-1414 and Proposition FF included two important requirements that were intended to maximize federal subsidies for the program: (1) The State was required to apply for the federal Medicaid direct certification demonstration program; and (2) "...each participating school food authority, as a condition of participating in the program, must maximize the amount of federal reimbursement by participating in the community eligibility provision for all schools that qualify for the community eligibility provision and that the participating school food authority serves." (Section 22-82.9-204 (3), C.R.S.).

The Community Eligibility Program (CEP) is a reimbursement alternative for eligible local educational agencies (LEAs) and schools. CEP eliminates the need for schools to collect household income applications by sharing eligibility data between specific federal assistance programs, which can reduce administrative burden for both schools and families.

To be eligible for CEP, an individual school, group of schools, or LEA must meet or exceed the established, minimum identified student percentage (ISP) in the school year prior to implementing CEP. The ISP is the percentage of enrolled students who are certified for free school meals without

submitting a household application, such as those directly certified through specific federal benefits programs (e.g., the Supplemental Nutrition Assistance Program (SNAP)). In Colorado, effective March 2024, students may also be directly certified using Medicaid through the Medicaid direct certification demonstration project. The ISP is calculated by dividing the total number of students identified as eligible for federal benefits programs by the total number of enrolled students:

$$\text{Identified Student Percentage} = \# \text{ Identified Students} / \# \text{ Enrolled Students}$$

Previously, a school could only participate in CEP with an ISP equal to or greater than 40 percent. Pursuant to new federal rules adopted October 26, 2023, this threshold is now 25 percent.⁹

The ISP determines eligibility to participate in CEP and is also the basis of federal reimbursements for meals served to students in CEP schools. The ISP is multiplied by 1.6 to calculate the percentage of meals reimbursed at the federal free rate.

$$\% \text{ Meals reimbursed at federal free rate} = \text{ISP} \times 1.6$$

The difference between the above figure and the cost of providing meals to all students at the schools participating in the CEP program must be covered by nonfederal sources. Using this calculation, if the ISP in a school or group of schools in the CEP program is 62.5 percent, the federal government will pay the cost of all meals (62.5% x 1.6 = 100%). However, at lower figures, schools, districts, or now the state's HSMA program, may have to pay the majority of costs. At an ISP of 40.0 percent, the former threshold, the federal government would cover 64.0 percent of costs (40.0% x 1.6 = 64.0%). However, at an ISP of 25.0 percent, the new threshold, the federal government covers only 40.0 percent (25.0% x 1.6 = 40.0%)

Allowed Uses of the State Education Fund: Pursuant to Section 17 (4)(b) of Article IX of the State Constitution, which creates the State Education Fund:

“Monies in the state education fund may only be used to comply with subsection (1) of this section [School Finance and Categorical Program increases] and for accountable education reform, for accountable programs to meet state academic standards, for class size reduction, for expanding technology education, for improving student safety, for expanding the availability of preschool and kindergarten programs, for performance incentives for teachers, for accountability reporting, or for public school building capital construction.”

Section 22-82.9-102, C.R.S., which creates the Child Nutrition School Lunch Protection Program and was added in 2008 includes the following legislative declaration:

- (1) The general assembly hereby finds and declares that, for purposes of section 17 of article IX of the state constitution:
 - (a) Good nutrition is an essential component to student learning and promotes success for students in today's fast-paced environment;
 - (b) By increasing the number of students who can receive a free, nutritious lunch, the school lunch program is an important component of an accountable program to meet

⁹ <https://www.fns.usda.gov/cn/fr-092623>

state academic standards, and may therefore receive funding from the state education fund created in section 17 (4) of article IX of the state constitution.

There is an FY 2023-24 appropriation of \$850,731 cash funds from the SEF for the Child Nutrition School Lunch Protection Program.

Given this precedent, staff thinks it would be reasonable to add similar language for the Healthy School Meals for All Program, but only recommends appropriating funding from the SEF for the Healthy School Meals for All Program as part of a bill that adds language similar to that above to the statutory provisions for the Healthy School Meals for All Program.

Grant Program provisions: Based on the language in Proposition FF, current statute:

- treats funding for **wage stipends** as an entitlement (like meals themselves) and authorizes overexpenditure as necessary to comply with the law. Pursuant to Section 22-82.9-206 (1), C.R.S., “a participating school food authority may receive the greater of three thousand dollars or an amount equal to twelve cents multiplied by the number of school lunches that qualify as eligible meals that the participating school food authority provided in the previous budget year, so long as the participating school food authority uses one hundred percent of the amount received pursuant to this section to increase wages or provide stipends for individuals whom the participating school food authority employs to directly prepare and serve food for school meals.”
- states that funding for **local food purchasing grants** is “subject to available appropriation” but *also* includes specific direction as to how this funding is calculated (the greater of \$5,000 per school food authority or \$0.25 per lunch served in the prior school year by the school food authority); and
- states that the **local food purchasing technical assistance and education grant program** is subject to available appropriation but must receive an appropriation of at least \$5.0 million.

Although the formula for the Local Food Purchasing Grant Program results in an appropriation of approximately \$9.5 million. The Department of Education reports that it currently anticipates that at most \$5.0 million would actually be used, even if the full appropriation were available. The Department notes that based on districts participating in Local Food Program, Local Food for Schools or districts they know are interested, the Department can see demand for spending \$4.3 million, with the balance based on assuming about 20.0 percent of the schools they haven’t heard from might access the program.

Options developed so far for bringing revenues/expenditures into balance: The Department has explored options for trimming the scope of the program for FY 2024-25 beyond delaying the grant programs to ensure revenues and expenditures are in balance. In essentially all cases, this would require either: (1) imposing eligibility restrictions on HSMA program participation at the student, school, or district level; or (2) requiring districts to financially contribute to the program if they wish to participate. Either one would damage the universality of the program, which was at the heart of what voters approved in 2022. Specifically:

- Staff is hesitant to make program changes of this magnitude in the absence of a better understanding of whether the State can improve federal participation by more carefully-analyzed use of the Community Eligibility Provision
- If the State is going to make changes of this scale, Staff believes that the approach needs to be carefully considered and as equitable as possible. For example, if the State must resort to again

asking districts to participate in funding for the program (which some historically did in order to participate in Community Eligibility Provisions), staff would suggest some kind of sliding scale by school or district, based on district assessed values and at-risk student population, to help keep the program as fair and universal as possible.

→ SI REDUCTIONS TO LEGACY NUTRITION PROGRAMS (LONG BILL SUPPLEMENTAL & FY 2024-25 ADJUSTMENTS)

REQUEST: The Department did not submit a request for reductions to existing legacy programs, but provided the data necessary for staff recommendations.

RECOMMENDATION: Based on data provided by the Department, staff recommends the following adjustments:

- Remove the \$900,000 General Fund appropriation to the Smart Start Nutrition Program Fund for **both** FY 2023-24 (supplemental adjustment) and FY 2024-25.
- Reduce the reappropriated funds appropriation from the Smart Start Nutrition Program Cash Fund to \$500,000 in FY 2023-24 and \$300,000 in FY 2024-25.
- Strike the FY 2024-25 General Fund appropriation of \$1,717,274 for the Child Nutrition School Lunch Protection Program, leaving \$850,000 from the State Education Fund for the program.

These recommendations are based on expenditure estimates provided by the Department.

Breakfast Program – Smart Start Nutrition Program

In this program, General Fund is appropriated to a cash fund, and state expenditures are paid from the cash fund. The first table reflects program utilization statistics. The next two (requested and recommended) reflect use of the Smart Start Nutrition Program Fund.

STUDENTS BENEFITTING FROM SMART START			
	FY 22-23 ACTUAL	FY 23-24 ESTIMATE	FY 24-25 ESTIMATE
Number of <i>school districts</i> that offer a school breakfast program	168	171	183
Number of <i>schools</i> that offer a school breakfast program	1,754	1,615	1,474
Number of reduced price breakfasts served	2,338,694	944,000	128,000
Estimated number of students who benefit from Start Smart subsidy	14,617	5,900	800
<i>Annual percent change</i>		(59.6%)	(86.4%)

START SMART NUTRITION PROGRAM FUND – WITH EXISTING/REQUESTED APPROPRIATIONS			
	FY 22-23 ACTUAL	FY 23-24 ESTIMATE	FY 24-25 ESTIMATE
Beginning Fund Balance	\$1,466,016	\$808,051	\$1,428,645
General Fund Appropriation to the Cash Fund (Approp/request)	0	900,000	900,000
Interest Earnings	34,145	34,145	34,145
Program Expenditures*	(692,110)	(313,551)	(66,891)
Ending Fund Balance	\$808,051	\$1,428,645	\$2,295,899

START SMART NUTRITION PROGRAM FUND – WITH EXISTING/REQUESTED APPROPRIATIONS			
	FY 22-23 ACTUAL	FY 23-24 ESTIMATE	FY 24-25 ESTIMATE
Spending Authority (Annual Appropriation from the Cash Fund)	\$1,150,000	\$1,150,000	\$1,150,000
Appropriation Exceeds/(Falls Short of) Expenditures	\$457,890	\$836,449	\$1,083,109

START SMART NUTRITION PROGRAM FUND – WITH RECOMMENDED ADJUSTMENTS			
	FY 22-23 ACTUAL	FY 23-24 ESTIMATE	FY 24-25 ESTIMATE
Beginning Fund Balance	\$1,466,016	\$808,051	\$510,661
General Fund Appropriation to the Cash Fund (Recommendation)	0	0	0
Interest Earnings	34,145	16,161	10,213
Program Expenditures*	<u>(692,110)</u>	<u>(313,551)</u>	<u>(66,891)</u>
Ending Fund Balance	\$808,051	\$510,661	\$453,983
Spending Authority (Annual Appropriation from the Cash Fund)	\$1,150,000	\$500,000	\$300,000
Appropriation Exceeds/(Falls Short of) Expenditures	\$457,890	\$186,449	\$233,109

Lunch Program – Child Nutrition School Lunch Protection Program

In this program, General Fund and State Education Fund money is appropriated directly for the program. The first table reflects program utilization statistics. The next two (requested and recommended) reflect appropriations: actual, requested, and recommended.

STUDENTS BENEFITTING FROM CHILD NUTRITION SCHOOL LUNCH PROTECTION PROGRAM			
	FY 22-23 ACTUAL	FY 23-24 ESTIMATE	FY 24-25 ESTIMATE
Total number of reduced priced lunches served (all grade levels)	5,249,105	2,528,000	544,000
Number of above meals for which state reimbursement is available	5,249,105	2,528,000	544,000
Estimated number of students who benefit from Child Nutrition School Lunch Protection Program subsidy	32,806	15,800	3,400
<i>Annual percent change</i>		<i>(51.8%)</i>	<i>(78.48%)</i>

CHILD NUTRITION SCHOOL LUNCH PROTECTION PROGRAM - WITH EXISTING/REQUESTED APPROPRIATIONS			
	FY 22-23 ACTUAL	FY 23-24 ESTIMATE	FY 24-25 ESTIMATE/REQUEST
Child Nutrition School Lunch Protection Program Expenditures (including administration costs of up to 2.0 percent)	\$2,096,022	\$1,011,200	\$217,600
Appropriation/Request (GF/SEF)	2,578,105	2,578,105	2,578,105
Appropriation Exceeds/(Falls Short of) Expenditures	482,083	1,566,905	2,360,505

CHILD NUTRITION SCHOOL LUNCH PROTECTION PROGRAM – WITH RECOMMENDED ADJUSTMENTS			
	FY 22-23 ACTUAL	FY 23-24 ESTIMATE	FY 24-25 ESTIMATE/REC
Child Nutrition School Lunch Protection Program Expenditures (including administration costs of up to 2.0 percent)	\$2,096,022	\$1,011,200	\$217,600
Appropriation (GF & SEF)/Recommendation (Only SEF; Remove GF)	2,578,105	2,578,105	850,731
Appropriation Exceeds/(Falls Short of) Expenditures	482,083	1,566,905	633,131

ANALYSIS:

- Colorado’s legacy free breakfast and lunch programs, the Child Nutrition School Lunch Protection Program and the Smart Start Nutrition Program, pay the difference between the federal reimbursement for a child who is eligible for a free meal under federal policy and the federal reimbursement for a child who is eligible for a reduced-price meal. This difference is covered by the State under the legacy programs, so that any student who qualifies for a federal reduced price meal receives a free meal.
- Since all students are now eligible for free meals through the Healthy School Meals for All program, the legacy programs are less relevant and far less used: (1) For schools using the federal Community Eligibility Provision, no students qualify for reduced price meals, and federal support is based on the percentage of students qualifying for *free* meals; (2) Schools that are not participating in the Community Eligibility Program also appear to be using the program far less, because they now have access to Medicaid direct certification for students (under the federal Medicaid direct certification demonstration project) and possibly because schools are less successful in collecting free and reduced price lunch forms from students when students receive a free lunch regardless of whether they complete a form. *Once the path forward for the Healthy School Meals for All Program is more clear, staff expects to recommend eliminating these legacy programs and merging them with the HSMA program to ease Department administrative procedures. However, staff will wait to make a related recommendation until 2025.*
- The current staff recommendation for these programs is based on Department estimated expenditures for FY 2023-24 (the current fiscal year), since the advent of the HSMA program, and the Department’s projection of the more widespread use of Community Eligibility Provision in FY 2024-25 under current law, which is expected to further reduce demand for the legacy programs. *In the event that the State implementation of the Community Eligibility Provision becomes substantially less than is currently expected, due to statutory changes being recommended and further analysis, a supplemental adjustment in FY 2024-25 for legacy programs could be required. If required, staff anticipates that the adjustment would be relatively small.*

→ SI PUBLIC SCHOOL CAPITAL CONSTRUCTION ASSISTANCE BOARD - CASH GRANTS

REQUEST: The Department requested a continuation level of \$159,705,220 cash funds spending authority for the Public School Capital Construction Assistance Board - Cash Grants line item as part of the November 1, 2023 request.

RECOMMENDATION: The final recommendation for this line item may be further adjusted based on data that will be presented in March. However, **based on current law and the most recent forecast**

data available, staff is reflecting \$172,950,000 for this line item, which represents a \$13.3 million increase over the \$159.7 million awarded in FY 2023-24. The FY 2023-24 appropriation included additional funds that had been transferred and specially targeted to address pandemic-era inflationary pressures in S.B. 23-220. As noted below, **the FY 2024-25 figure could be reduced by \$20.0 million if the Committee delays a transfer from the Marijuana Tax Cash Fund to the Public School Capital Construction Fund.** Staff notes that the Governor’s January 2, 2024 request includes multiple balancing adjustments to the Marijuana Tax Cash Fund request based on reduced revenue projections but does *not* currently include a delay to the current law transfer to BEST.

The staff recommendation begins with the amount that staff would expect to be available for the program based on *current law*, current revenue projections for FY 2023-24 from Marijuana Excise Tax and State Land Board receipts, and the methodology the Committee adopted last year for setting this line item. The result would be an appropriation of \$172,950,000 for FY 2024-25 in the Long Bill.

- This figure will be adjusted:
 - **As necessary** to address any significant changes in Marijuana Excise Tax revenue projections consistent with the March forecast (or any updates to State Land Board revenue projections). Any related recommendations are *pending*.
 - **As necessary**, based on the Marijuana Tax Cash fund forecast in March. Both the OSPB and LCS December 2023 forecasts for the Marijuana Tax Cash Fund indicate that balancing adjustments will be required to maintain the statutory reserve for the Fund. Given strong projected revenues from other BEST sources, the Committee may wish to consider *delaying* the final \$20.0 million “repayment” from the Marijuana Tax Cash Fund to the Public School Capital Construction Assistance Fund. Staff anticipates that the Committee decision on how it will balance the Marijuana Tax Cash Fund will wait for the March 2024 forecast; however, staff believes a delay of the “repayment” could be considered, even though (as noted above), this has not been proposed by the Governor’s Office.
 - **As necessary** for other Department updates. Last year, the Department identified substantial changes to interest earnings and prior-year obligations in March, just prior to closure of the Long Bill. Staff thus emphasizes that the figure proposed is *preliminary*.

ANALYSIS

Background: The Building Excellent Schools Today (B.E.S.T.) program, created in H.B. 08-1335, is the State’s primary public school capital construction assistance program. Structured as a competitive grant program, the program provides assistance through both certificates of participation (COPs) and cash grants. State trust lands and marijuana excise tax revenue provide the vast majority of state funding for the program.

Both COP payment and cash grants amounts are subject to annual appropriation by the General Assembly. The COP payment amount is capped by the total COP payments authorized by the General Assembly (\$125 million total funds, including a maximum of \$62.5 million from state funds).

Current Law Calculation - Methodology Adopted Starting FY 2022-23: Beginning with FY 2022-23, the Department proposed, staff recommended, and the JBC supported a new, consistent methodology for setting for the Public School Capital Construction Assistance -- Cash Grants line item. **The approach relies on estimated revenue in the year when figure setting occurs (FY 2023-24 for the FY 2024-25 budget).** The calculation presented in Department spreadsheets is as follows:

- Calculate the projected end of year uncommitted fund balance for the current fiscal year (FY 2023-24). By February 2024, much of the revenue for the year is already known. Current year (FY 2023-24) appropriations for cash grants and COP obligations are also known.
- Reduce by required statutory reserves (1 year COP payment reserve required by statute) and \$1.0 million Genreal Fund also required by statute.
- Reduce by projected administrative and transfer obligations for the coming fiscal year (FY 2024-25)
- Remaining balance = Recommended Cash Grants appropriation.

Note that, in this calculation, the COP obligation for FY 2024-25 is assumed to be paid from FY 2024-25 revenue, rather than FY 2023-24 revenue. However: (1) the recommended calculation includes a full one-year of reserves for the COP amount of up to \$62.5 million in state funds; and (2) current law and Constitutional provisions make it unlikely that program revenue will fall below \$80.0 million, including \$40.0 million from marijuana excise taxes and \$40.0 million from the State Land Board. So long as the COP cap does not increase without a corresponding increase in reliable revenue, this approach does not seem particularly risky.

FY 2024-25 CURRENT LAW CALCULATION:

FY 2024-25 CASH GRANTS CURRENT LAW CALCULATION	
FY 2022-23 EOY Cash Balance	\$462,814,079
FY 2023-24 Revenue	
Lottery	2,500,000
MJ Excise Tax ¹	59,500,000
Interest	12,250,000
SB 23-220 transfer from State Ed Fund ²	15,000,000
State Land Board	80,000,000
MTCF Transfer (current law) ³	20,000,000
FY 2023-24 Expenditures/Obligations	
Administration	2,500,000
Cash Grants	159,705,220
State Debt Service for COPs	57,321,374
MJ Excise to Charter Schools	8,936,900
Prior year obligations	176,411,977
EOY Balance/Avail for FY24	247,188,607
FY 2023-24 Commitments	
State Debt Service Reserve	61,962,219
MJ Excise to Charter Schools	8,778,000
Administration	2,500,000
Min Stat Reserve	1,000,000
Balance Available = Cash Grants	\$172,948,388

¹ Subject to adjustment based on the March 2024 Marijuana Excise Tax revenue forecast.

² This transfer was supposed to occur in FY 2022-23, but due to a technical error did not occur until FY 2023-24.

³ The amount shown is based on current law, which provides a transfer of \$20.0 million on June 1, 2024.

The calculation shown is subject to adjustment based on the March 2024 revenue forecast, as well as other data updates and policy decisions that may occur in March.

OPTION FOR MARCH 2024 MARIJUANA BALANCING – CHANGE/DELAY MTCF TRANSFERS:

Background: To help close an anticipated severe revenue shortfall due to the pandemic, during the 2020 legislative session the General Assembly diverted \$100.0 million in revenue that was expected to go to the Public School Capital Construction Fund. As the state revenue picture improved during the 2021 legislative session, the General Assembly adopted S.B. 21-207 (Public School Capital Construction Assistance Fund) to repay the funds that had been diverted by transferring \$100.0 million from the Marijuana Tax Cash Fund to the Public School Capital Construction Fund on June 1, 2022.

Subsequently, during the 2022 legislative session, the General Assembly delayed the repayment, moving it into stages to address declining Marijuana Tax Cash Fund projections. The JBC sponsored H.B. 22-1341 (Marijuana Tax Cash Fund). Instead of transferring \$100.0 million from the Marijuana Tax Cash Fund on June 1, 2022, the bill required the following transfers:

- \$50.0 million on June 1, 2022 (done)
- \$30.0 million on June 1, 2023; and
- \$20.0 million on June 1, 2024.

S.B. 23-220 (Public School Capital Construction Assistance Grants): During the 2024 legislative session, the JBC sponsored SB 23-220. This bill eliminated the June 1, 2023 \$30.0 million transfer from the MTCF to the Public School Capital Construction Assistance Fund and instead included other transfers and adjustments to the Public School Capital Construction Fund totaling \$27.7 million. This included a \$15.0 million transfer from the State Education Fund and a \$10.0 million diversion in royalties from the Public School Fund to the Public School Capital Construction Assistance Fund, and a statutory change to make \$4.7 million originally placed in the Fund for air quality improvement grants available for regular BEST grants. This bill also required that \$49.7 million of the funds appropriated were to be used first for supplemental grants for projects that had previously received funding.

BEST CASH GRANTS APPROPRIATIONS HISTORY	
FISCAL YEAR	AMOUNT
FY 2014-15	\$45,000,000
FY 2015-16	50,000,000
FY 2016-17	70,000,000
FY 2017-18	70,000,000
FY 2018-19	85,000,000
FY 2019-20	135,000,000
FY 2020-21	60,000,000
FY 2021-22	160,000,000
FY 2022-23	110,000,000
FY 2023-24	159,705,220

→ SI CHARTER SCHOOL CAPITAL CONSTRUCTION ASSISTANCE

REQUEST: The Department requested \$33,865,416 cash funds for this line item in the November 1, 2023 request, which included eliminating a one-time \$10.0 million appropriation provided in S.B. 23-287 (School Finance).

RECOMMENDATION: The preliminary staff recommendation for this line item is \$32,713,468, based on the statutory formulas established in H.B. 19-1055 and updated data from the Department. This figure includes \$23,935,468 from the State Education Fund and \$8,778,000 from the Charter School Facilities Account (which derives from marijuana excise tax revenue deposited in the Public School Capital Construction Assistance Fund).

Staff requests permission to adjust that allocation from the Charter School Facilities Assistance Account and the total in this line item based on the March 2024 Revenue Forecast.

ANALYSIS: In 2001 (S.B. 01-129) the General Assembly created a new program to distribute State Education Fund moneys to charter schools for capital construction. The program has been modified several times. Most recently, H.B. 19-1055 again changed the amounts available for this line item. The bill annually adjusts the amount available from each of two fund sources based on statewide student enrollment in charter schools pursuant to Sections 22-54-124(3)(a)(IV)(C) and 22-43.7-104(2)(d), C.R.S.

- From the State Education Fund, statute requires funding be tied to the previous base of \$20.0 million per year and adjusts this figure annually for charter school enrollment. The calculation compares charter school enrollment as a percentage of statewide pupil enrollment in the preceding budget year to the percentage of students who were enrolled in charter schools in the 2017-18 school year.
- For marijuana excise tax revenues, statute requires that a portion of total marijuana excise tax revenues be deposited into the Charter School Facilities Assistance Account. The transfer is based on the percentage of statewide student enrollment that was enrolled in charter schools in the previous school year compared to the overall population of students.

STATUTORY AUTHORITY: Sections 22-54-124(3)(a)(IV)(C) and 22-43.7-104(2)(d). C.R.S.

The following table shows a history of per pupil funding amounts for this line item from FY 2006-07 through the FY 2024-25 preliminary recommendation.

STATE FUNDING FOR CHARTER SCHOOL CAPITAL CONSTRUCTION COSTS				
FISCAL YEAR	TOTAL APPROPRIATION	TOTAL FUNDING PER PUPIL FOR ELIGIBLE SCHOOLS ^a	STATE EDUCATION FUND APPROP.	DEDICATED MARIJUANA EXCISE TAX FUNDING (CHARTER SCHOOL FACILITIES ACCOUNT) ^c
2006-07	\$5,000,000	\$145.09	\$5,000,000	
2007-08	7,800,000	201.17	7,800,000	
2008-09 ^b	5,000,000	115.77	5,000,000	
2009-10	5,135,000	107.47	5,135,000	
2010-11	5,000,000	97.64	5,000,000	
2011-12	5,000,000	90.06	5,000,000	

STATE FUNDING FOR CHARTER SCHOOL CAPITAL CONSTRUCTION COSTS				
FISCAL YEAR	TOTAL APPROPRIATION	TOTAL FUNDING PER PUPIL FOR ELIGIBLE SCHOOLS ^a	STATE EDUCATION FUND APPROP.	DEDICATED MARIJUANA EXCISE TAX FUNDING (CHARTER SCHOOL FACILITIES ACCOUNT) ^c
2012-13	5,000,000	78.98	5,000,000	
2013-14	6,000,000	87.67	6,000,000	
2014-15	7,000,000	94.40	7,000,000	
2015-16	13,500,000	169.29	13,500,000	
2016-17	22,000,000	258.48	20,000,000	2,000,000
2017-18	25,000,000	263.18	20,000,000	5,000,000
2018-19	29,250,000	299.87	20,000,000	9,250,000
2019-20	28,607,917	278.85	20,656,559	7,951,358
2020-21	31,820,762	302.56	22,430,131	9,390,631
2021-22	31,526,047	291.85	22,829,962	8,696,085
2022-23	38,609,676	309.91	23,939,893	17,978,510
2023-24 ^d	43,234,678	396.20	34,379,016	8,855,662
2024-25	32,713,468	265.90	23,935,468	8,778,000
^a These figures represent the amount that most eligible schools receive.				
^b Of the amount appropriated, \$135,000 was allocated to a charter school for the deaf.				
^c Based on estimate of 12.5 percent of marijuana excise tax revenues credited to the Public School Capital Construction Assistance Fund in the preceding fiscal year for FY 2016-17 through FY 2018-19. For FY 2019-20 and FY 2020-21, the percentage of marijuana excise tax collections (from the prior year) is based on the statewide charter school enrollment as a percentage of total student enrollment in the prior school year. For FY 2021-22 and FY 2022-23, based on percentage of charter school enrollment in the prior year, adjusted in FY 2020-21 to include spending from fund balance. FY 2022-23 appropriation exceeded excise tax funds available by \$3,308,727.				
^d The FY 2023-24 State Education Fund appropriation includes a one-time allocation of \$10,000,000 included in the School Finance Act (S.B. 23-287).				

→ INFORMATIONAL FUNDS ADJUSTMENT: APPROPRIATED SPONSORED PROGRAMS – ANNUALIZE FEDERAL STIMULUS FUNDS

RECOMMENDATION: The staff recommendation for this line item, which is comprised primarily of federal informational funds, is shown below. **The staff recommendation includes a reduction of \$181,185,193 federal funds to reflect the end of federal stimulus funding mid-year FY 2024-25.** The recommendation assumes that federal stimulus funds used in FY 2024-25 will be 30.0 percent of the FY 2023-24 estimate. Other revisions to the amount in the line item (FTE true-up, budget reorganization, and ESSER close-out) are addressed in other decision items.

APPROPRIATED SPONSORED PROGRAMS LINE ITEM SUMMARY FOR FY 2024-25		
	FY 2024-25 Est	FTE
FY 2023-24 Estimate - Non-stimulus	\$283,566,238	56.1
30% of FY 2023-24	230,000,000	0.0
Total Base FY 2024-25	\$513,566,238	56.1
FY 2023-24 Line Item	<u>\$694,328,011</u>	56.1
Difference	(\$180,761,773)	
<i>Components</i>		
Annualize FY 2023-24 salary survey	\$423,420	
Annualize Stimulus Funds	(\$181,185,193)	\$0
<i>Other Line Item Adjustments</i>		
FTE True-up	0	9.0
Reorg - transfers of FF to other line items	(10,478,317)	(16.3)

APPROPRIATED SPONSORED PROGRAMS LINE ITEM SUMMARY FOR FY 2024-25		
	FY 2024-25 Est	FTE
ESSER Closeout (one-time GF)	571,416	0.0
Total Line Item	\$503,659,337	48.8

Background: A large share of the federal funds reflected for informational purposes in the Department of Education budget are spent through the Appropriated Sponsored Programs line item. In most years this informational line item is *not* updated in the budget, in part because expenditures have historically been quite stable and in part because staff did not wish to distort conversations about funds that the General Assembly does control with information about the funds they do not.

In FY 2022-23, however, JBC Staff did recommend updating the line item to reflect the unprecedented amount of federal ESSER funds being distributed to school districts. This change increased the line item by about \$500 million, which staff anticipated would continue through FY 2023-24, with phase-down in FY 2024-25.

Actual expenditure data from the Department indicated that federal funds expenditures for school programs in FY 2022-23 were well above the estimate in the FY 2022-23 Long Bill. Despite this, no additional adjustments were included in the FY 2023-24 Long Bill, and FY 2023-24 should be even greater. ESSER Funds, the largest component of federal stimulus funding, expire in September 2024, so staff assumes that stimulus spending in FY 2024-25 will be far lower.

APPROPRIATED SPONSORED PROGRAMS - FEDERAL FUNDS			
	FY 2021-22 ACTUAL	FY 2022-23 ACTUAL	FY23-24 ESTIMATE
Grants Not Related To COVID Relief			
Adult Education - WIA	7,845,916	7,487,500	9,193,475
After School Learning Centers	11,774,734	12,430,666	12,361,807
Charter School Grant	5,605,148	5,311,636	5,500,000
CO Troops to Teachers	14,232	129,073	0
Comprehensive State Literacy	608,674	4,589,456	3,242,435
Early Literacy	60,331	134,525	159,419
Educate Homeless Children	910,124	1,082,756	1,286,249
Growing Readers	268,166	186,386	129,000
Improving Student Health	288,715	387,082	390,000
Improving Student Health Supplemental	318,790	115,000	0
Migrant Education	6,647,284	7,307,747	7,654,608
Migrant Education Consortium	125,211	75,000	57,408
NAEP	133,318	138,646	138,646
Neglected Delinquent	466,250	623,404	470,944
Project AWARE	1,220,234	1,800,000	1,800,000
Project Rise SLDS	458,683	790,354	847,212
Rural and Low Income	580,119	479,405	479,335

APPROPRIATED SPONSORED PROGRAMS - FEDERAL FUNDS			
	FY 2021-22 ACTUAL	FY 2022-23 ACTUAL	FY23-24 ESTIMATE
School Climate Transformation	1,125,477	748,926	0
School Nurse Workforce Initiative	321,472	4,337,693	3,962,559
Sexual Avoidance	755,141	607,358	655,715
Stronger Connections	0	0	9,356,572
Student Support	9,766,933	11,958,384	12,946,456
Title I Programs	153,406,518	174,022,902	187,782,099
Title II Programs	23,459,033	24,834,335	25,152,299
Total	\$226,160,503	\$259,578,233	\$283,566,238
COVID Relief Funding			
CARES Act ESSER I	58,489,450	9,498,138	0
CARES Act ESSER II	289,042,429	149,737,321	69,000,000
CARES Act ESSER III	179,265,383	327,936,639	650,000,000
CARES Act Improving Student Health	23,720	127,844	0
CDPHE COVID 19 Testing	595,471	248,281	100
EANS (Non Public Schools)	9,782,893	7,308,150	2,500,000
EANS Non Public Payroll	124,085	1,424	0
EANS II Purchases on Behalf of Non-Public Schools	278,850	3,854,698	4,000,000
EANS II Administrative Costs	71,520	128,480	0
GEER CSI Per Pupil	3,950	0	0
GEER Quality Teacher	1,924,464	60,226	500,000
GEER Schools of Choice	606,606	456,462	0
GEER Imagination Library	0	269,370	205,000
GEER Math Accelerator	0	0	8,200,000
GEER Online Education Resources	0	0	250,000
GEER Summer Pandemic EBT	0	0	285,000
ARPA IDEA Part B	8,642,516	21,953,884	4,800,000
ARPA IDEA Preschool	604,752	921,160	630,000
ARPA Homeless	598,633	2,410,064	4,600,000
ARPA LSTA	1,062,131	2,203,290	0
Mental Health SLFRF Funds	0	158,635	6,800,000
SLFRF Funds for Board Room Renovation	0	1,181,363	450,000
SLFRF Concurrent Enrollment	339,873	1,092,154	600,000
SLFRF Adult Education	232,810	789,245	3,900,000
USDA Supply Chain Assistance	13,249,584	18,601,641	0
Pandemic EBT from USDA	134,657	419,345	55,000
SNAP State and Local Pandemic EBT	280,907	551,659	0
ARPA Farm to School Grants	0	56,765	200,000
National School Lunch Program Equipment	\$0	\$227,059	\$190,000

APPROPRIATED SPONSORED PROGRAMS - FEDERAL FUNDS			
	FY 2021-22 ACTUAL	FY 2022-23 ACTUAL	FY23-24 ESTIMATE
Emergency Costs for Child Nutrition	\$2,565	\$0	\$0
Total	\$565,357,249	\$550,193,296	\$757,165,100
Total including COVID Relief Funding - Federal Funds	\$791,517,751	\$809,771,529	\$1,040,731,338

Federal COVID relief funds awarded under the Elementary and Secondary School Emergency Relief (ESSER) funds (I,II, and III) awarded between March 2020, and March 2021 are shown below. This represents the vast majority of federal COVID allocations for school districts. Funding is being expended over multiple years. Expenditures through January 13, 2023 and unspent balances are shown at the bottom of the table.

FEDERAL ELEMENTARY AND SECONDARY SCHOOL EMERGENCY RELIEF FUND (ESSER)			
	ESSER I	ESSER II	ESSER III
	(CARES Act)	(CRRS Act)	(ARPA Act)
	March 2020	December 2020	March 2021
Total State Allocation	\$120,993,782	\$519,324,311	\$1,167,153,961
Allocation to LEAs (90% of total)	108,894,404	467,391,880	1,050,438,565
	\$120.81 per pupil	\$518.70 per pupil	\$1,164.93 per pupil
	Title I formula	Title I formula	Title I formula
State Reserve (10% of total)	12,099,378	51,932,431	116,715,396
Funding Period	Though Sept 30, 2022	Through Sept 30, 2023	Through Sept. 30 2024

LINE ITEM DETAIL - SCHOOL DISTRICT OPERATIONS

(C) FEDERAL AND OTHER DIRECT SUPPORT

APPROPRIATED SPONSORED PROGRAMS

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

STATUTORY AUTHORITY: Sections 22-2-117 and 22-30.5-101, C.R.S. Various federal statutes.

REQUEST: The Department requests \$695,322,847, including \$571,416 federal funds ARPA State and Local Fiscal Recovery Fund money for Request R6 and \$423,420 to annualize prior year salary survey.

RECOMMENDATION: The staff recommendation is shown in the table below and includes changes previously discussed.

APPROPRIATED SPONSORED PROGRAMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$694,328,011	\$0	\$2,501,087	\$0	\$691,826,924	56.1
TOTAL	\$694,328,011	\$0	\$2,501,087	\$0	\$691,826,924	56.1
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$694,328,011	\$0	\$2,501,087	\$0	\$691,826,924	56.1
R6 ESSER staff closeout	571,416	571,416	0	0	0	0.0
Annualize prior year budget actions	423,420	0	0	0	423,420	0.0
SI Federal FTE notation true up	0	0	0	0	0	20.0
SI Annualize federal ESSER stimulus funds	(181,185,193)	0	0	0	(181,185,193)	0.0
SI Department reorganization	(10,478,137)	0	0	0	(10,478,137)	(16.3)
TOTAL	\$503,659,517	\$571,416	\$2,501,087	\$0	\$500,587,014	59.8
INCREASE/(DECREASE)	(\$190,668,494)	\$571,416	\$0	\$0	(\$191,239,910)	3.7
Percentage Change	(27.5%)	n/a	0.0%	0.0%	(27.6%)	(3)
FY 2024-25 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	\$191,663,330	(\$571,416)	\$0	\$0	\$192,234,746	(3.7)

(D) NUTRITION

Beginning in FY 2023-24, Colorado began providing school meals for students using a combination of the National School Lunch Program, older state-funded programs, and the new voter-authorized Healthy School Meals For All Public School Students measure. These programs are described below.

BACKGROUND INFORMATION - NATIONAL SCHOOL LUNCH PROGRAM

The National School Lunch Program provides low cost or free meals (breakfast, lunch, and after school snacks) to children. Public or non-profit private schools and residential childcare institutions that participate in the program receive federal cash subsidies and donated commodities from the U.S. Department of Agriculture for each meal served. In return, they must serve meals that meet federal nutrition requirements, and they must offer free or reduced price meals to eligible children based on the following eligibility criteria:

- *Free* meals: Families with incomes below 130% of the federal poverty level (e.g., \$34,450 for a family of four in FY 2021-22) are eligible.
- *Reduced price* meals: Families with incomes between 130% and 185% of the federal poverty guidelines (e.g., between \$39,000 and \$55,000 for a family of four in 2023) are eligible.

Federal per meal reimbursements differ depending on whether the meal was served to a child who is eligible for free, reduced, or "full" price meals. For example, for school breakfasts, the maximum a school may receive is \$4.42 for each free meal served, \$4.02 for each reduced price meal served, and \$0.48 for each full price meal served. Absent other state funding, children receiving a reduced price meal would be charged the difference between the federal reimbursements for free and reduced price meals. However, under the older Colorado Start Smart Nutrition Program and Child Nutrition School Lunch Protection Programs, the State reimburses school districts for that difference.

In Colorado, the Department of Education administers a multitude of school nutrition programs, the largest being the National School Lunch and Breakfast Program, and operates the programs through agreements with local school food authorities (usually school districts). In schools that are participating in the federal Community Eligibility Provision, funding is based on the percentage of students at the school whose families receive public benefits. In other schools, families are asked to complete a meal application to determine eligibility for free or reduced price meals. This information is confidential and is not shared with any other state or local agencies unless allowed by federal regulation.

In response to the Coronavirus pandemic, the federal government substantially increased access to free meals. This increased the number of students accessing free meals and eliminated the need for Colorado to provide additional subsidies to make meals free for students who qualify for reduced price breakfast or lunch.

In FY 2022-23, federal nutrition programs returned to pre-pandemic operations. However, based on voter action in November 2022, Colorado transitioned to providing meals free to all students in FY 2023-24, greatly reducing use of the legacy state nutrition programs.

DATA CONCERNING NATIONAL SCHOOL LUNCH PROGRAM IN COLORADO						
	FY 19-20 ACTUAL	FY 20-21 ACTUAL	FY 21-22 ACTUAL	FY 22-23 ACTUAL	FY 23-24 ESTIMATE*	FY 2024-25 ESTIMATE*
Children <i>eligible</i> for free meals	298,139	295,313	273,688	291,898	350,025	350,025
<i>Annual % Change</i>	-0.6%	-0.9%	-7.3%	6.7%	19.9%	0.0%
Children <i>eligible</i> for reduced price meals	73,665	59,578	55,912	63,068	53,206	53,206
<i>Annual % Change</i>	3.3%	-19.0%	-6.7%	11.3%	(18.5%)	0.0%
Children eligible for free or reduced price meals	371,804	354,991	329,600	354,966	403,231	403,231
Percent of children eligible for <u>reduced price</u> meals who <i>participate</i> in state legacy <u>lunch</u> program	52.9%	6.5%	8.3%	53.6%	28.4%	6.4%
Percent of children eligible for <u>reduced price</u> meals who <i>participate</i> in state legacy <u>breakfast</u> program	25.6%	5.8%	8.3%	24.6%	10.8%	1.5%

- Eligible counts are actuals from Oct pupil count PreK-12

- Student level participation data is not collected - a proxy measure is used to estimate the percent of children eligible for reduced price meals who participate in lunch/breakfast. This is done by using the reduced-price enrollment of schools that participated in National School Lunch Program (NSLP) or School Breakfast Program (SBP) in October.

* Includes reductions in reduced price participation due to the expansion of federal Community Eligibility Provision.

BACKGROUND INFORMATION – H.B. 22-1414 AND PROPOSITION FF

During the 2022 legislative session, the General Assembly adopted H.B. 22-1414, which referred a measure to the voters to authorize and fund free meals for all students on an ongoing basis. Voters adopted the referred measure, Proposition FF, in November 2022. Statutory provisions added in

Section 22-82.9-201 through 209, C.R.S., create the Healthy School Meals for All Program. Statutory provisions added in Section 29-22-104 (p.5), C.R.S., establish a funding mechanism for the program through a change in income tax deductions for filers with incomes greater than \$300,000. The new state program is designed to “wrap around” existing federal free meal programs.

Federal Medicaid direct certification demonstration program. The measure requires that the Colorado Department of Education (CDE) apply to participate in the federal demonstration project for direct certification for children receiving Medicaid benefits. If selected, CDE must enter into an agreement with the Colorado Department of Health Care and Financing (HCPF) to directly certify students enrolled in Medicaid as eligible for free and reduced price meals without further application.

Healthy School Meals for All Program. The measure creates the Healthy School Meals for All Program to provide reimbursement to participating school food authorities (SFAs) for offering meals without charge to all students, beginning in FY 2023-24. The reimbursement amount is based on the federal free meal reimbursement rate for each meal served, minus the amount an SFA receives from the federal school breakfast and lunch programs, and current state reimbursement programs.

Conditional upon the state’s participation in the federal demonstration project, the program also includes three other components for participating SFAs. These programs begin the first full year after the State begins including Medicaid direct certification in calculating eligible student percentages. Thus, these programs will begin in FY 2024-25.

- Local food purchasing grant program. Participating SFAs that establish a parent and student school food advisory committee may receive a grant to purchase Colorado grown, raised, or processed products. Subject to available appropriation, CDE must distribute to each participating SFAs a grant of \$5,000, or \$0.25 for each lunch provided in the prior school year, whichever is greater. No more than 25 percent of the grant may be used to purchase value-added processed products, up to 10 percent may be used to cover costs, and up to 12 percent may be used to support the school advisory committee. Funding is subject to available appropriation.
- Employee wages or stipends. Participating SFAs may receive the greater of \$3,000 or \$0.12 per school lunch, to be used to increase wages or provide stipends for employees who prepare and serve school meals.
- Technical assistance and education grant program. CDE must issue a grant to a statewide nonprofit to assist with the promotion of Colorado products to participating SFAs and to assist them with preparing meals using basic ingredients with minimal reliance on processed products. Grants may be used for training, technical assistance, physical infrastructure for SFAs, growers associations, and other organizations that aggregate products for producers, as well as for education, outreach, and promotion for schools and growers to engage with school communities. A minimum of \$5.0 million must be appropriated for the program.

Community eligibility provision. In order to participate in the program, SFAs must maximize federal reimbursement by participating in the community eligibility provision (CEP), if eligible. If the US Department of Agriculture creates the option for the community eligibility provision to be implemented statewide, CDE must work with SDAs and state and local agencies to participate

Reporting. Beginning December 1, 2024, CDE must submit an annual report on the program to the General Assembly. CDE must contract with an independent auditor to conduct a biennial financial and performance audit of the program, and make the audit easily accessible on the website.

Funding. Beginning in FY 2023-24, the General Assembly must appropriate the amount necessary for the program. The appropriation must include an amount of General Fund at least equal to the revenue generated from the income tax add-back (discussed below), but no more than the amount required to fund the direct and indirect costs of implementing the program. The Department may not expend more than 1.5 percent of the amount appropriated for administrative costs.

Add-back to Colorado taxable income. Beginning for tax year 2023, the bill requires taxpayers with adjusted gross incomes of \$300,000 or more to add back a portion of their federal itemized or standard deductions when calculating their Colorado taxable income. Taxpayers filing singly are required to add back itemized or standard deductions that exceed \$12,000 in total, and taxpayers filing jointly are required to add back itemized or standard deductions that exceed \$16,000 in total.

Because additional legislation will be required to implement some of the funding provisions authorized by Proposition FF, related appropriations for FY 2023-24 will not be included in the Long Bill.

H.B. 22-1414 Fiscal Note

The table below shows the Department expenditures originally anticipated for the Healthy School Meals for all program. As discussed elsewhere in this packet, it now appears meal costs will greatly exceed these figures, and this, in turn, is driving additional program costs and adjustments.

Expenditures Under HB22-1414

Cost Components	FY 2022-23	FY 2023-24	FY 2024-25
Department of Education			
Personal Services	\$88,214	\$246,053	\$328,525
Operating Expenses	\$1,755	\$4,185	\$5,805
Capital Outlay Costs	\$18,600	-	-
Legal Services	\$14,786	\$14,786	-
Information Technology Costs	\$70,000	-	-
Meal Reimbursements	-	up to \$115,000,000	\$48.5 - \$78.5 million
Local Food Purchasing Grant	-	-	\$9,494,109
Local Food Technical Assist. Grant	-	-	\$5,000,000
Employee Wage Distributions	-	-	\$7,644,126
Program Audit	-	\$17,850	\$400,000
Centrally Appropriated Costs ¹	\$18,935	\$53,133	\$71,551
FTE – Personal Services	1.1 FTE	3.1 FTE	4.2 FTE
FTE – Legal Services	0.1 FTE	0.1 FTE	0.0 FTE
CDE Subtotal	\$212,289	up to \$115,336,007	\$71.4 - \$101.4 million

(I) HEALTHY SCHOOL MEALS FOR ALL**PROGRAM ADMINISTRATION**

This line item includes the administrative costs for the Healthy School Meals for All Program. This includes personal services and operating expenses and bi-annual audit costs. Statute as adopted by voters in 2022 Proposition FF limits administrative costs to 1.5 percent of Healthy School Meals for All program appropriations.

STATUTORY AUTHORITY: Sections 22-82.9-201 through 210, C.R.S.

REQUEST: The Department requests \$737,732 from the Healthy School Meals for All Program General Fund Exempt Account and 4.2 FTE. This amount is consistent with the fiscal note for H.B. 22-1414, which referred this program to the voters. This includes an increase of 1.0 FTE associated with launching additional grant programs under current law, as well as \$400,000 for a required program audit.

RECOMMENDATION: The staff recommendation is shown below and includes adjustments previously described. The differences between the request and recommendation include:

- Addition of \$100,000 in FY 2023-24 and \$150,000 in FY 2024-25 for consulting services and additional temporary staff to help manage the program and analyze how to minimize state expenditures.
- Of the total, the staff recommendation has classified \$95,908 as General Fund, rather than General Fund Exempt. This is the amount that may be removed in separate legislation that delays new grant programs, if the Committee agrees with related staff recommendations.

Consistent with the request, the staff recommendation includes allowing the \$400,000 added in FY 2024-25 for the bi-annual program audit to be rolled forward as needed into FY 2025-26.

SCHOOL DISTRICT OPERATIONS, NUTRITION, PROGRAM ADMINISTRATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
Other legislation	\$268,088	\$268,088	\$0	\$0	\$0	3.1
Long Bill supplemental	\$100,000	\$100,000	\$0	\$0	\$0	0.0
TOTAL	\$368,088	\$368,088	\$0	\$0	\$0	3.1
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$368,088	\$368,088	\$0	\$0	\$0	3.1
Annualize prior year legislation	466,242	466,242	0	0	0	1.1
Annualize prior year budget actions	53,402	53,402	0	0	0	0.0
Technical adjustments	0	0	0	0	0	0.0
SI Department reorganization	0	0	0	0	0	0.0
BA4 HSMA audit roll forward	0	0	0	0	0	0.0
TOTAL	\$887,732	\$887,732	\$0	\$0	\$0	4.2
INCREASE/(DECREASE)	\$519,644	\$519,644	\$0	\$0	\$0	1.1
Percentage Change	141.2%	141.2%	0.0%	0.0%	0.0%	35.5%

SCHOOL DISTRICT OPERATIONS, NUTRITION, PROGRAM ADMINISTRATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2024-25 EXECUTIVE REQUEST	\$737,732	\$737,732	\$0	\$0	\$0	4.2
Request Above/(Below) Recommendation	(\$150,000)	(\$150,000)	\$0	\$0	\$0	0.0

SCHOOL MEAL REIMBURSEMENTS

This line item funds monthly meal reimbursements to school food authorities from the Healthy School Meals for All program. Funding is from the Healthy School Meals for All Program General Fund Exempt Account but appropriations and expenditures may also be from the General Fund, to the extent money in the Account is insufficient. This is an entitlement program, and the Department has authority to over-expend the appropriation if required. In the event of an over-expenditure, the next year's appropriation is restricted until the General Assembly lifts the restriction by providing a supplemental appropriation in the amount of the over-expenditure.

STATUTORY AUTHORITY: Sections 22-82.9-204, 209, and 210, C.R.S.

REQUEST: The Department requests \$78.5 million from the Healthy School Meals for All Program General Fund Exempt Account, consistent with the fiscal note for H.B. 22-1414.

RECOMMENDATION: The staff recommendation is shown below and includes adjustments previously described. These include:

- A Long Bill supplemental for \$56.0 million, including \$31.4 million from the Healthy School Meals for All Program General Fund Exempt Account and \$24.6 million from the General Fund.
- A total appropriation of \$137.5 million (\$58.9 million more than the request) that includes \$109.6 million from the Healthy School Meals for All Program General Fund Exempt Account and \$27.8 million from the General Fund.

SCHOOL DISTRICT OPERATIONS, NUTRITION, SCHOOL MEAL REIMBURSEMENTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
Other legislation	\$115,017,752	\$115,017,752	\$0	\$0	\$0	0.0
Long Bill supplemental	\$56,000,000	\$56,000,000	\$0	\$0	\$0	0.0
HB 24-1183 (Supplemental)	\$0	\$0	\$0	\$0	\$0	0.0
TOTAL	\$171,017,752	\$171,017,752	\$0	\$0	\$0	0.0
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$171,017,752	\$171,017,752	\$0	\$0	\$0	0.0
Technical adjustments	0	0	0	0	0	0.0
Annualize prior year legislation	(33,533,940)	(33,533,940)	0	0	0	0.0
TOTAL	\$137,483,812	\$137,483,812	\$0	\$0	\$0	0.0
INCREASE/(DECREASE)	(\$33,533,940)	(\$33,533,940)	\$0	\$0	\$0	0.0
Percentage Change	(19.6%)	(19.6%)	0.0%	0.0%	0.0%	0.0%

SCHOOL DISTRICT OPERATIONS, NUTRITION, SCHOOL MEAL REIMBURSEMENTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2024-25 EXECUTIVE REQUEST	\$78,500,000	\$78,500,000	\$0	\$0	\$0	0.0
Request Above/(Below) Recommendation	(\$58,983,812)	(\$58,983,812)	\$0	\$0	\$0	0.0

LOCAL FOOD PURCHASING GRANT

Participating school food authorities that establish a parent and student school food advisory committee may receive a grant to purchase Colorado grown, raised, or processed products. Subject to available appropriation, the Department must distribute to each participating school food authority a grant of \$5,000, or \$0.25 for each lunch provided in the prior school year, whichever is greater. No more than 25 percent of the grant may be used to purchase value-added processed products, up to 10 percent may be used to cover costs, and up to 12 percent may be used to support the school advisory committee.

STATUTORY AUTHORITY: Sections 22-82.9-205, 209, and 210, C.R.S.

REQUEST: The Department requests \$9,494,109 General Fund Exempt for this program, consistent with the fiscal note for H.B. 22-1414 and Proposition FF.

RECOMMENDATION: As previously discussed, based on information from the Department about the uptake of this program, the staff recommendation is for \$5,000,000. The recommendation appropriates this amount from the General Fund, rather than the HSMA General Fund Exempt Account. (The staff recommendation also includes removing this amount in separate legislation.)

LOCAL FOOD TECHNICAL ASSISTANCE GRANT

The Department must issue a grant to a statewide nonprofit to assist with the promotion of Colorado products to participating school food authorities and to assist them with preparing meals using basic ingredients with minimal reliance on processed products. Grants may be used for training, technical assistance, physical infrastructure for school food authorities, growers associations, and other organizations that aggregate products for producers, as well as for education, outreach, and promotion for schools and growers to engage with school communities. A minimum of \$5.0 million must be appropriated for the program.

REQUEST: The Department requests \$5,000,000 General Fund Exempt for this program, consistent with the fiscal note for H.B. 22-1414 and Proposition FF.

RECOMMENDATION: Staff recommends an appropriation of \$5,000,000, consistent with current law. The recommendation appropriates this amount from the General Fund, rather than the HSMA General Fund Exempt Account. (The staff recommendation also includes removing this amount in separate legislation.)

WAGE DISTRIBUTIONS

Participating school food authorities may receive the greater of \$3,000 or \$0.12 per school lunch, to be used to increase wages or provide stipends for employees who prepare and serve school meals. This is an entitlement program, and the Department has authority to over-expend the appropriation if required. In the event of an over-expenditure, the next year's appropriation is restricted until the General Assembly lifts the restriction by providing a supplemental appropriation in the amount of the over-expenditure.

REQUEST: The Department requests \$7,644,126 General Fund Exempt for this program, consistent with the fiscal note for H.B. 22-1414 and Proposition FF.

RECOMMENDATION: As previously discussed, based on updated information from the Department and the entitlement structure of this program component under current law, the staff recommendation is for \$8,400,000. The recommendation appropriates this amount from the General Fund, rather than the HSMA General Fund Exempt Account. (The staff recommendation also includes removing this amount in separate legislation.)

(II) OTHER NUTRITION PROGRAMS

FEDERAL NUTRITION PROGRAMS

This line item reflects (for informational purposes) all federal funding that is available for nutrition programs. The federal funds and a small amount of General Fund included in this line item support 9.0 FTE who administer the various state and federal nutrition programs. It is staff's understanding that the state funding in this line item is required to comply with a federal maintenance of effort requirement associated with these federal funds.

STATUTORY AUTHORITY: Federal nutrition program statutes.

REQUEST: The Department requests an appropriation of \$156,775,300 total funds, including annualization of prior year salary survey, and 9.0 FTE.

RECOMMENDATION: The staff recommendation is shown in the table below. It reflects Committee common policy for the annualization of prior year budget actions and includes a federal funds FTE true-up.

SCHOOL DISTRICT OPERATIONS, NUTRITION, FEDERAL NUTRITION PROGRAMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$156,771,616	\$101,289	\$0	\$0	\$156,670,327	9.0
TOTAL	\$156,771,616	\$101,289	\$0	\$0	\$156,670,327	9.0
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$156,771,616	\$101,289	\$0	\$0	\$156,670,327	9.0

SCHOOL DISTRICT OPERATIONS, NUTRITION, FEDERAL NUTRITION PROGRAMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Annualize prior year budget actions	3,684	3,684	0	0	0	0.0
SI Federal FTE notation true up	0	0	0	0	0	8.0
TOTAL	\$156,775,300	\$104,973	\$0	\$0	\$156,670,327	17.0
INCREASE/(DECREASE)	\$3,684	\$3,684	\$0	\$0	\$0	8.0
Percentage Change	0.0%	3.6%	0.0%	0.0%	0.0%	88.9%
FY 2024-25 EXECUTIVE REQUEST	\$156,775,300	\$104,973	\$0	\$0	\$156,670,327	9.0
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	(8.0)

STATE MATCH FOR FEDERAL SCHOOL LUNCH PROGRAM

Under federal law, states must comply with a maintenance of effort (MOE) requirement in order to receive a portion of federal funds available through the National School Lunch Program. Colorado must comply with a \$2,472,644 MOE requirement.

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

STATUTORY AUTHORITY: Section 22-54-123, C.R.S.

REQUEST: The Department requests continuation funding of \$2,472,644 cash funds from the State Public School Fund for FY 2024-25, unchanged from the FY 2023-24 appropriation.

RECOMMENDATION: Staff recommends approving the Department's request. Pursuant to federal law [Title 42, Chapter 13, Section 1756, Subsection (1) (a), U.S. Code] and the associated federal regulations [Title 7, Chapter II, Part 210, Subpart D, Section 210.17, Subsection (d), U.S. Code of Federal Regulations], in order to comply with the state revenue matching requirement, state money must be appropriated or used specifically for National School Lunch Program purposes (excluding

state-level administrative expenses). Staff recommends continuing to reflect this appropriation as cash funds -- interest and investment income earned on the Public School (Permanent) Fund that is credited to the State Public School Fund.

CHILD NUTRITION SCHOOL LUNCH PROTECTION PROGRAM

Pursuant to S.B. 08-123 [Section 22-82.9-101 et seq., C.R.S.], the Child Nutrition School Lunch Protection Program provides state funding to reimburse school districts for each lunch served to a child in pre-kindergarten through twelfth grade who is eligible for a reduced price meal. Using the same data collection system that is used to claim federal meal reimbursements, the Department calculates the amount of state funding each district is eligible to receive through this program based on the number of lunches served to eligible children.

The General Assembly has expanded the program multiple times after its creation in S.B. 08-123 (Child Nutrition School Lunch Protection).

- In FY 2008-09, the program only applied to students in kindergarten through second grade.
- In 2009, S.B. 09-133 (Early Childhood Education Services Free Lunch) expanded the program to include students in state-subsidized early education (pre-kindergarten) programs, thereby including students from pre-K through second grade.
- Starting in FY 2014-15, H.B. 14-1156 (Eligibility Age School Lunch Protection Program) expanded the program to include grades three through five.
- Beginning in FY 2018-19, S.B. 18-013 (Expand Child Nutrition School Lunch Protection Act) further expanded the program to include grades six through eight.
- Finally, starting in FY 2019-20, H.B. 19-1171 (Expand Child Nutrition School Lunch Protection Act) expands the program to include grades nine through twelve. As a result, the program now applies to all grades from pre-K through twelve.

As amended by H.B. 19-1171, the act requires the General Assembly to make an annual appropriation in the Long Bill to “allow school food authorities to provide lunches at no charge for children in state-subsidized early childhood education programs administered by public schools or in kindergarten through twelfth grade, participating in the school lunch program, who would otherwise be required to pay a reduced price for lunch” (see Sec. 22-82.9-105 (1), C.R.S.). Participation and expenditures decreased during the COVID-19 pandemic due to school closures and federal policy changes that increased student access to free meals. Demand for the program has fallen further as a result of the launch of the Healthy School Meals for All Program in FY 2023-24.

STATUTORY AUTHORITY: Section 22-82.9-101 et seq., C.R.S.

REQUEST: The Department requests continuation funding of \$2,578,105 total funds (including \$1,727,374 General Fund and \$850,731 cash funds from the State Education Fund) for FY 2024-25.

RECOMMENDATION: The staff recommendation is reflected in the table below and includes changes previously discussed.

SCHOOL DISTRICT OPERATIONS, NUTRITION, CHILD NUTRITION SCHOOL LUNCH PROTECTION PROGRAM						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$2,578,105	\$1,727,374	\$850,731	\$0	\$0	0.0
TOTAL	\$2,578,105	\$1,727,374	\$850,731	\$0	\$0	0.0
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$2,578,105	\$1,727,374	\$850,731	\$0	\$0	0.0
SI Department reorganization	0	0	0	0	0	0.0
SI legacy nutrition program adjustments	(1,727,374)	(1,727,374)	0	0	0	0.0
TOTAL	\$850,731	\$0	\$850,731	\$0	\$0	0.0
INCREASE/(DECREASE)	(\$1,727,374)	(\$1,727,374)	\$0	\$0	\$0	0.0
Percentage Change	(67.0%)	(100.0%)	0.0%	0.0%	0.0%	0.0%
FY 2024-25 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	\$1,727,374	\$1,727,374	\$0	\$0	\$0	0.0

START SMART NUTRITION PROGRAM FUND AND START SMART NUTRITION PROGRAM

Pursuant to S.B. 07-059 [Section 22-82.7-101 et seq., C.R.S.], the Start Smart Nutrition Program provides state funding to reimburse school districts for each breakfast served to a child eligible for a reduced price meal. Using the same data collection system that is used to claim federal meal reimbursements, the Department calculates the amount of state funding each district is eligible to receive through the Start Smart Nutrition Program based on the number of breakfasts served to children eligible for reduce price meals. The cost of the Program is driven by three factors:

- The number of districts and schools that provide a school breakfast program.
- The number of children who are eligible for reduced price meals.
- The number of eligible children who participate in school breakfast programs.

Participation and expenditures declined dramatically in FY 2020-21 and FY 2021-22 as a result of the COVID-19 pandemic and associated changes in federal policy. Federal programs returned to their pre-pandemic policies for FY 2022-23. However, due to the launch of the Healthy School Meals for All Program in FY 2023-24, as well as changes in federal policy, use of the program has declined dramatically.

STATUTORY AUTHORITY: Section 22-82.7-101 et seq., C.R.S.

REQUEST: The Department requests a continuing level of appropriation of \$1,150,000 cash funds from the Start Smart Nutrition Program Fund for FY 2024-25. It also requests continuation of an appropriation of \$900,000 General Fund appropriation to the Smart Start Nutrition Fund.

RECOMMENDATION: The staff recommendation is reflected in the table below and includes staff-initiated changes discussed previously.

SCHOOL DISTRICT OPERATIONS, NUTRITION, START SMART NUTRITION PROGRAM FUND						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$900,000	\$900,000	\$0	\$0	\$0	0.0
Long Bill supplemental	(900,000)	(900,000)	0	0	0	0.0
TOTAL	\$0	\$0	\$0	\$0	\$0	0.0
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$0	\$0	\$0	\$0	\$0	0.0
TOTAL	\$0	\$0	\$0	\$0	\$0	0.0
Percentage Change	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
FY 2024-25 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	\$900,000	\$900,000	\$0	\$0	\$0	0.0
Request Above/(Below) Recommendation	\$900,000	\$900,000	\$0	\$0	\$0	0.0

SCHOOL DISTRICT OPERATIONS, NUTRITION, SMART START NUTRITION PROGRAM						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$1,150,000	\$0	\$1,150,000	\$0	\$0	0.0
Long Bill supplemental	(650,000)	0	(650,000)	0	0	0.0
TOTAL	\$500,000	\$0	\$500,000	\$0	\$0	0.0
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$500,000	\$0	\$500,000	\$0	\$0	0.0
SI Department reorganization	0	0	0	0	0	0.0
SI legacy nutrition program adjustments	(200,000)	0	(200,000)	0	0	0.0
TOTAL	\$300,000	\$0	\$300,000	\$0	\$0	0.0
INCREASE/(DECREASE)	(\$200,000)	\$0	(\$200,000)	\$0	\$0	0.0
Percentage Change	(40.0%)	0.0%	(40.0%)	0.0%	0.0%	0.0%
FY 2024-25 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	\$1,150,000	\$0	\$1,150,000	\$0	\$0	0.0
Request Above/(Below) Recommendation	\$850,000	\$0	\$850,000	\$0	\$0	0.0

LOCAL SCHOOL FOOD PURCHASING PROGRAMS

This line item supports the following two grant programs created in H.B. 19-1132 (School Incentives to Use Colorado Food and Producers). H.B. 20-1418 (School Finance) modified statute to delay implementation of the programs until FY 2021-22 as a budget balancing action. Both programs sunset in FY 2023-24.

- The Colorado Food Products Purchasing Incentives Grant Program is intended to provide grants to encourage local education providers or residential child care centers to purchase Colorado grown, raised, and processed products for school meal programs. Grant recipients must participate in the National School Lunch Program. Authorizing up to \$500,000 in grants per year, the program

will reimburse participants for the amount spent on Colorado grown, raised, and processed products, up to a maximum amount per reimbursement.

- The Local School Food Purchasing Technical Assistance and Education Grant Program is intended to promote Colorado grown, raised, and processed products to eligible school meal providers.

STATUTORY AUTHORITY: Section 22-100-101 et. seq., C.R.S.

REQUEST/RECOMMENDATION: Because these programs repeal in FY 2023-24, the Department does not request, and staff does not recommend, an appropriation for this line item.

SUMMER ELECTRONIC BENEFITS TRANSFER FOR CHILDREN PROGRAM

Senate Bill 23B-002 (Summer Electronic Benefits Transfer Program) creates the summer electronic benefits transfer program in the Department of Human Services to provide food benefits to students in low-income households for the summer months when students are not in school pursuant to federal law. The Department of Education is designated as a partner agency. Department of Education responsibilities include developing an outreach plan to local education providers and school food authorities, providing technical assistance to school food authorities, developing protocols for sharing of data necessary to administer the program, streamlining data collection, and developing and providing an opt-out process for parents, guardians, and emancipated student to the extent allowable by federal law.

STATUTORY AUTHORITY: Section 22-2-149, C.R.S.

REQUEST/RECOMMENDATION: The Department requests an appropriation for FY 2024-25 consistent with the fiscal note for SB 23B-002. Staff recommends the request, as reflected in the table below.

SCHOOL DISTRICT OPERATIONS, NUTRITION, SUMMER ELECTRONIC BENEFITS TRANSFER FOR CHILDREN PROGRAM						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
Other legislation	\$339,740	\$169,870	\$0	\$0	\$169,870	1.8
TOTAL	\$339,740	\$169,870	\$0	\$0	\$169,870	1.8
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$339,740	\$169,870	\$0	\$0	\$169,870	1.8
Annualize prior year legislation	108,130	54,065	0	0	54,065	(0.1)
TOTAL	\$447,870	\$223,935	\$0	\$0	\$223,935	1.7
INCREASE/(DECREASE)	\$108,130	\$54,065	\$0	\$0	\$54,065	(0.1)
Percentage Change	31.8%	31.8%	0.0%	0.0%	31.8%	(5.6%)
FY 2024-25 EXECUTIVE REQUEST						
	\$447,870	\$223,935	\$0	\$0	\$223,935	1.7

SCHOOL DISTRICT OPERATIONS, NUTRITION, SUMMER ELECTRONIC BENEFITS TRANSFER FOR CHILDREN PROGRAM						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

(E) CAPITAL CONSTRUCTION

Background Information - Building Excellent Schools Today (B.E.S.T.) Program. House Bill 08-1335 replaced the capital construction financial assistance programs that were established in response to the *Giardino* lawsuit with the B.E.S.T. program. The B.E.S.T. program was designed to increase the amount of state financial assistance provided and allow projects to be completed more quickly. Rather than relying on annual General Fund appropriations, the B.E.S.T. program is supported by royalty and rental income earned on state trust lands, interest earned on the Public School Fund, lottery proceeds, and recreational marijuana excise tax revenues. Current law annually credits the following funds to the Public School Capital Construction Assistance (PSCCA) Fund:

- 50 percent of the gross amount of revenues from income and mineral royalties derived from state public school lands, or more if required to make lease payments under the terms of lease-purchase agreements. Also, a portion of the interest and income earned on investment of the Public School (Permanent) Fund. Under S.B. 16-035 (The Public School Fund; Section 22-41-102 (3)(g), C.R.S.) interest and income earned on the Permanent Fund over and above the \$21.0 million already distributed under current law is deposited into the PSCCA Fund, up to a limit of \$41.0 million.
- Recreational marijuana excise tax revenues (\$97.3 million in FY 2021-22). Pursuant to H.B. 19-1055 (Public School Capital Construction Financial Assistance), statute credited *all* marijuana excise tax revenues to the PSCCA Fund (previous legislation had increased the share of excise taxes going to the PSCCA Fund from 50.0 percent to 90.0 percent in FY 2018-19). As a one-time adjustment, H.B. 20-1418 (School Finance) credited 50.0 percent of excise taxes to the fund in FY 2020-21 (ensuring it received a minimum of \$40.0 million) and diverted the remaining amount to the State Public School Fund as a budget balancing measure. All marijuana excise taxes are again credited to the PSCCA beginning in FY 2021-22.
- Local matching moneys for COP projects
- Lottery proceeds that would otherwise be transferred to the General Fund
- Interest and investment income earned on the PSCCA Fund

Money in the PSCCA Fund is subject to appropriation for: (a) direct and indirect administrative costs incurred by the PSCCA Division and Board (including the financial assistance priority assessment); (b) lease payments required for lease-purchase agreements; and (c) cash grants to support construction projects. Prior to FY 2014-15, money supporting cash grants was continuously appropriated to the Department.

House Bill 08-1335 created a PSCCA Board and Division within the Department of Education to administer the grant program. The PSCCA Board is required to:

- establish public school facility construction guidelines for use in assessing and prioritizing public school capital construction needs;

- (b) conduct or contract for a financial assistance priority assessment of public school facilities throughout the state (originally published in 2010 and currently being updated);
- (c) prioritize financial assistance applications for eligible public school facility capital construction projects based on specified criteria; and
- (d) annually submit a prioritized list of projects recommended for financial assistance to the State Board.

Subject to State Board authorization, the PSCCA Board may provide financial assistance to applicants as matching grants or by instructing the State Treasurer to enter into lease-purchase agreements on behalf of the State to finance public school facility capital construction. The act limits the total amount of annual lease payments payable by the State in any fiscal year, and requires payments above specified limits to be made only from applicant matching moneys. The PSCCA Board awards financial assistance based on specified statutory criteria, as well as the results of the statewide assessment of public school facilities. The assessment covers building conditions and space requirements in all 178 school districts, charter schools, State Charter School Institute schools, boards of cooperative services, and the Colorado School for the Deaf and Blind.

In FY 2015-16, the General Assembly added significant funding and FTE to the Division of Public School Capital Construction Assistance to support the B.E.S.T. program. The increases included \$2.7 million cash funds in one-time funding to support a contract to update the program's priority assessment database and train program staff in facility assessment and \$509,311 cash funds and 6.0 FTE to add an in-house assessment team to continually update and maintain the program priority assessment database.

Recent legislative action includes the following:

- As part of budget balancing in 2020 related to the then-projected declines in state revenue, the School Finance Act (H.B. 20-1418) transferred \$100.0 million from the Public School Capital Construction Assistance Fund to the State Public School Fund effective July 1, 2020.
- With statewide revenues improving in 2021, the JBC sponsored S.B. 21-207 (Public School Capital Construction Assistance Fund), which required the transfer of \$100.0 million from the Marijuana Tax Cash Fund on June 1, 2022 to the Public School Capital Construction Fund, effectively repaying the marijuana tax revenues transferred out of the BEST program in 2020. The bill also added a related one-time \$100.0 million appropriation for the BEST program for FY 2021-22. However, due to declines in forecasted Marijuana Tax Cash Fund revenue, the JBC sponsored H.B. 22-1341 (Marijuana Tax Cash Fund), which reduced the transfer on June 1, 2022 to \$50.0 million and provided for additional transfers of \$30.0 million on June 1, 2023 and \$20.0 million on June 1, 2024.
- H.B. 20-1418 (Public School Finance) raised the cap on certificate of participation annual payments to \$125,000,000. Since half of this is expected to be covered through matching funds from school districts, the effective cap on annual payment of *state funds* is \$62,500,000.
- S.B. 21-207 added a \$10.0 million General Fund transfer for public school air quality improvement grants.
- S.B. 23-220 replaced the requirement for a \$30.0 million transfer from the MTCF in FY 2022-23 with other transfers and adjustments totaling \$29.7 million (\$15.0 million from the State Education Fund, \$10.0 million redirected from State Land Board Revenues, and \$4.7 million redirected from the S.B. 21-207 Air Quality Improvement Grants). The bill also required that \$49.7 million of the total be directed to supplemental grants.

DIVISION OF PUBLIC SCHOOL CAPITAL CONSTRUCTION ASSISTANCE

This line item supports the PSCCA Board and the Division of PSCA staff, including the staff added in FY 2015-16 to update and maintain the priority assessment and database.

STATUTORY AUTHORITY: Section 22-43.7-105, C.R.S.

REQUEST: The Department requests \$1,726,451 cash funds from the Public School Capital Construction Assistance Fund and 16.0 FTE for FY 2024-25. The request includes an increase to annualize prior year salary survey and \$7,423 cash funds for Request R16.

RECOMMENDATION: The staff recommendation is summarized in the table below. The sole difference from the request is that staff did not include any increase for Request R16.

SCHOOL DISTRICT OPERATIONS, CAPITAL CONSTRUCTION, DIVISION OF PUBLIC SCHOOL CAPITAL CONSTRUCTION ASSISTANCE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$1,646,679	\$0	\$1,646,679	\$0	\$0	16.0
TOTAL	\$1,646,679	\$0	\$1,646,679	\$0	\$0	16.0
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$1,646,679	\$0	\$1,646,679	\$0	\$0	16.0
Annualize prior year budget actions	72,349	0	72,349	0	0	0.0
SI Department reorganization	0	0	0	0	0	0.0
R16 BEST term-limited FTE continuation	0	0	0	0	0	0.0
TOTAL	\$1,719,028	\$0	\$1,719,028	\$0	\$0	16.0
INCREASE/(DECREASE)	\$72,349	\$0	\$72,349	\$0	\$0	0.0
Percentage Change	4.4%	0.0%	4.4%	0.0%	0.0%	0.0%
FY 2024-25 EXECUTIVE REQUEST						
REQUEST	\$1,726,451	\$0	\$1,726,451	\$0	\$0	16.0
Request Above/(Below) Recommendation	\$7,423	\$0	\$7,423	\$0	\$0	0.0

PUBLIC SCHOOL CAPITAL CONSTRUCTION ASSISTANCE BOARD – LEASE PAYMENTS

This line item provides spending authority to make payments as required by lease-purchase agreements. The General Assembly has repeatedly increased the authorized amounts of lease purchase payments for the program.

- Prior to FY 2016-17, statute capped annual total lease payments (including state and local revenues) at \$80.0 million and limited the State's share to no more than \$40 million.
- Senate Bill 16-072 increased the cap on total lease payments to \$90.0 million (up to \$45 million state share) in FY 2016-17 and \$100.0 million (up to \$50 million state share) in FY 2017-18.

- House Bill 19-1055 (Public School Capital Construction Financial Assistance) further increased the cap to \$105.0 million in FY 2019-20 and \$110.0 million (\$55.0 million state share) in subsequent years.
- Most recently, H.B. 20-1418 (School Finance) increased the cap by \$15.0 million, to a total of \$125.0 million (\$62.5 million state share) in FY 2020-21 and subsequent years.

Pursuant to Section 22-43.7-104 (3), C.R.S., the use of any PSCCA Fund moneys to make lease payments required by lease-purchase agreements is subject to annual appropriation by the General Assembly.

STATUTORY AUTHORITY: Section 22-43.7-104 (3), C.R.S.

REQUEST: The Department requests a continuation appropriation \$125.0 million cash funds from the Public School Capital Construction Assistance Fund to support B.E.S.T. COP payments in FY 2023-24, with no change from the FY 2022-23 appropriation (as adjusted by H.B. 20-1418). The request aligns with the current cap on COP payments under statute.

RECOMMENDATION: Staff recommends approving the request, which aligns with the statutory cap on COP payments approved by the General Assembly during the 2020 Session. Staff's recommendation assumes that the General Assembly intends to provide the Department with the flexibility to support payments up to the statutory cap. Staff notes, however, that the Department has indicated that the program only anticipates \$93.3 million in total COP payments (including \$62.0 million in state funds and \$31.3 million in local funds). Given that statute effectively limits the state share of the COP payments to no more than 50.0 percent of the statutory cap (\$62.5 million in state funds based on a cap of \$125.0 million in total payments), it does not appear to be plausible that the program would reach the statutory cap of \$125 million in total payments.

Staff further recommends avoiding increases in the program's COP commitments in the absence of additional guaranteed revenue streams.

PUBLIC SCHOOL CAPITAL CONSTRUCTION ASSISTANCE BOARD – CASH GRANTS

The General Assembly added this line item to the FY 2014-15 Long Bill to appropriate funds to support the B.E.S.T. Program's cash grants. As discussed above, prior to FY 2014-15, moneys for B.E.S.T. cash grants were continuously appropriated to the Department. However, the enactment of S.B. 14-112 made the program's cash grants subject to annual appropriation by the General Assembly.

The FY 2019-20 Long Bill included an appropriation of \$85.0 million cash funds from the PSCCA Fund for cash grants. Amounts available in subsequent years have been dependent upon the money available in the fund.

Funding was reduced when \$100.0 million in marijuana excise tax revenue was diverted to help balance the state budget for FY 2020-21. With an improving revenue picture, S.B. 21-207 (Public School Capital Construction Assistance Fund), required the transfer of \$100.0 million from the Marijuana Tax Cash Fund to the PSCCA on June 1, 2022 and provided a related appropriation. However, in response to declining Marijuana Tax Cash Fund projections, House Bill 22-1341 (Marijuana Tax Cash Fund) staged the transfers to instead require \$50.0 million on June 1, 2022; \$30.0 million on June 1,

2023; and \$20.0 million on June 1, 2024. Senate Bill 23-220 then replaced the \$30.0 million 2023 transfer with transfers from the State Education Fund (\$15.0 million), State Land Board revenue (\$10.0 million), and repurposing of air quality improvement grants (\$4.7 million).

Since FY 2022-23, the appropriation in this line item has been based on a calculation of revenue to the PSCCAF anticipated in the current year (e.g., FY 2023-24 for FY 2024-25 appropriations) less existing commitments from the fund for administration, certificate of participation obligations, and administration. Appropriations may therefore vary significantly based on revenue anticipated from marijuana excise taxes and state land board revenues, as well policy decisions of the General Assembly.

STATUTORY AUTHORITY: Section 22-43.7-104, C.R.S.

REQUEST: The Department requests a continuing appropriation of \$159,705,220 cash funds from the Public School Capital Construction Assistance Fund for FY 2024-25. This figure has not been adjusted since the November 1 submission.

RECOMMENDATION: The preliminary staff recommendation is based on current law and projected revenue. However, staff anticipates recommending adjustments to this figure based on updated March 2024 revenue projections.

SCHOOL DISTRICT OPERATIONS, CAPITAL CONSTRUCTION, PUBLIC SCHOOL CAPITAL CONSTRUCTION ASSISTANCE BOARD - CASH GRANTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$160,000,000	\$0	\$160,000,000	\$0	\$0	0.0
Other legislation	(294,780)	0	(294,780)	0	0	0.0
TOTAL	\$159,705,220	\$0	\$159,705,220	\$0	\$0	0.0
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$159,705,220	\$0	\$159,705,220	\$0	\$0	0.0
SI BEST cash grants	13,244,780	0	13,244,780	0	0	0.0
TOTAL	\$172,950,000	\$0	\$172,950,000	\$0	\$0	0.0
INCREASE/(DECREASE)	\$13,244,780	\$0	\$13,244,780	\$0	\$0	0.0
Percentage Change	8.3%	0.0%	8.3%	0.0%	0.0%	0.0%
FY 2024-25 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	(\$13,244,780)	\$0	(\$13,244,780)	\$0	\$0	0.0

FINANCIAL ASSISTANCE PRIORITY ASSESSMENT

This line item provides the funding necessary to conduct the financial assistance priority assessment of public school facilities throughout the state as required by Section 22-43.7-108, C.R.S. Pursuant to Section 22-43.7-104 (3), C.R.S., subject to annual appropriation, the Department may expend moneys in the PSCCA Fund to pay the costs of contracting for the financial assistance priority assessment. The Department contracted with Parsons (an assessment, design, and construction consultant) for the original assessment. In FY 2015-16, the General Assembly provided an additional \$2.7 million in one-time funding to: (1) reconfigure and adjust the priority assessment database; and (2) train the new

assessment staff added to the Division of Public School Capital Construction Assistance through FY 2015-16 R7.

STATUTORY AUTHORITY: Section 22-43.7-108, C.R.S.

REQUEST: The Department requests an appropriation of \$150,000 cash funds from the Public School Capital Construction Assistance Fund.

RECOMMENDATION: Staff recommends the request for a continuation appropriation of \$150,000 cash funds.

STATE AID FOR CHARTER SCHOOL FACILITIES

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

Subsequently, the General Assembly modified this program in significant ways. First, eligibility for funding was modified. As currently enacted, the program allocates annual appropriations among charter schools on a per pupil basis, except that a qualified charter school does not include one that does not have capital construction costs, is operating in a district school facility that does not have capital construction costs, or is operating in a state facility and is not obligated to make lease payments.

Second, the amount appropriated for the program was modified. With the enactment of H.B. 14-1292 (Student Success Act), the General Assembly made the following changes to funding for the program:

- Increased the appropriation from the State Education Fund from \$7.0 million in FY 2013-14 to \$13.5 million in FY 2014-15 and required an increase to \$20.0 million in FY 2015-16 and subsequent years.
- Authorized additional funding for charter school capital construction from marijuana excise tax revenues. Beginning July 1, 2014, the bill directs the State Treasurer to deposit 12.5 percent of marijuana excise tax moneys deposited into the Public School Capital Construction Assistance Fund (PSCCAF) into the Charter School Facilities Assistance Account within the PSCCAF. Moneys in the account are subject to annual appropriation by the General Assembly. Consistent with the Committee's policy to spend prior year marijuana revenues, the Department spends money deposited into the Charter School Facilities Assistance Account in the year *after* the money is collected.

In the 2019 Session, H.B. 19-1055 again changed the amounts available for this line item. The bill annually adjusts the amount available from each fund source based on statewide student enrollment in charter schools.

- For the State Education Fund, the bill adjusts the previous base (\$20.0 million per year) based on a comparison of charter school enrollment (as a percentage of statewide pupil enrollment) in the

preceding budget year to the percentage of students that were enrolled in charter schools in the 2017-18 school year.

- For marijuana excise tax revenues, the bill continues to deposit a percentage of total marijuana excise tax revenues into the Charter School Facilities Assistance Account. However, the transfer is now based on the percentage of statewide student enrollment that was enrolled in charter schools in the previous school year.

The formula above continues to provide the basic statutory funding structure for this program, but there have been temporary adjustments. H.B. 20-1418, which changed the allocation of marijuana excise taxes for FY 2020-21. Senate Bill S.B. 23-287 (School Finance) provided a one year increase of \$10.0 million from the State Education Fund.

STATUTORY AUTHORITY: Sections 22-54-124(3)(a)(IV)(C) and 22-43.7-104(2)(d)

REQUEST: The Department requests \$33,865,416 cash funds for this line item, reflecting annualization of a one-time appropriation in FY 2023-24 but no other adjustments.

RECOMMENDATION: The preliminary staff recommendation is discussed earlier in this packet and summarized in the table below.

SCHOOL DISTRICT OPERATIONS, CAPITAL CONSTRUCTION, STATE AID FOR CHARTER SCHOOL FACILITIES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$33,865,416	\$0	\$33,865,416	\$0	\$0	0.0
Other legislation	\$10,000,000	\$0	\$10,000,000	\$0	\$0	0.0
TOTAL	\$43,865,416	\$0	\$43,865,416	\$0	\$0	0.0
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$43,865,416	\$0	\$43,865,416	\$0	\$0	0.0
Annualize prior year legislation	(10,000,000)	0	(10,000,000)	0	0	0.0
SI Charter school capital construction assistance	(1,151,948)	0	(1,151,948)	0	0	0.0
TOTAL	\$32,713,468	\$0	\$32,713,468	\$0	\$0	0.0
INCREASE/(DECREASE)	(\$11,151,948)	\$0	(\$11,151,948)	\$0	\$0	0.0
Percentage Change	(25.4%)	0.0%	(25.4%)	0.0%	0.0%	0.0%
FY 2024-25 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	\$1,151,948	\$0	\$1,151,948	\$0	\$0	0.0

Staff requests permission to adjust that allocation from the Charter School Facilities Assistance Account based on the March 2024 Revenue Forecast.

DISTRIBUTIONS TO SCHOOL DISTRICTS FOR PROJECTS TO REPLACE PROHIBITED AMERICAN INDIAN MASCOTS AS REQUIRED BY SECTION 22-1-133, C.R.S.

REQUEST/RECOMMENDATION: The FY 2023-24 School Finance Act included an appropriation of \$300,000 from the State Education Fund to assist school districts in renovations to replace prohibited American Indian mascots. This was a one-time appropriation. The Department does not request, and staff does not recommend ongoing funding in FY 2024-25.

(F) INDIRECT COST ASSESSMENT

INDIRECT COST ASSESSMENT

This line item reflects indirect cost assessments for the various subdivisions and line items in the Assistance to Public Schools division. The Department uses the funds collected to offset General Fund that would otherwise be required in the Management and Administration division for General Department and Program Administration and a variety of centrally appropriated line items.

STATUTORY AUTHORITY: Section 24-31-101 and 102, C.R.S.

REQUEST: The Department requests an appropriation of \$3,838,078 total funds, including an increase of \$1,018 reappropriated funds from the FY 2022-23 appropriation.

RECOMMENDATION: Staff recommends the adjustments shown in the table below, based on updated information from the Department.

(4) EDUCATOR TALENT

This section includes funding that is associated with a variety of programs related to educator licensure, educator effectiveness, training, recruitment, and retention efforts.

EDUCATOR TALENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 Appropriation						
SB 23-214 (Long Bill)	\$15,126,562	\$12,346,046	\$2,780,516	\$0	\$0	45.6
Other legislation	198,689	89,699	108,990	0	0	1.6
TOTAL	\$15,325,251	\$12,435,745	\$2,889,506	\$0	\$0	47.2
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$15,325,251	\$12,435,745	\$2,889,506	\$0	\$0	47.2
SI Department reorganization (pending)	0	0	0	0	0	0.0
R13 Ed talent mentorship grant program	0	0	0	0	0	0.0
Annualize prior year legislation	23,673	14,250	9,423	0	0	0.4
Annualize prior year budget actions	173,811	86,017	87,794	0	0	0.0
TOTAL	\$15,522,735	\$12,536,012	\$2,986,723	\$0	\$0	47.6
INCREASE/(DECREASE)	\$197,484	\$100,267	\$97,217	\$0	\$0	0.4
Percentage Change	1.3%	0.8%	3.4%	0.0%	0.0%	0.8%
FY 2024-25 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	\$3,137,136	\$3,137,136	\$0	\$0	\$0	1.2

DECISION ITEMS – EDUCATOR TALENT

→ R13 EDUCATOR TALENT MENTORSHIP GRANT PROGRAM [LEGISLATION REQUIRED]

REQUEST: The Department requests \$3,132,271 General Fund and 1.2 FTE in FY 2024-25 and ongoing to sustain support for the Teacher Mentorship Grant Program. The Teacher Mentorship Grant Program is currently funded with Federal American Rescue Plan (ARPA)/Elementary and Secondary School Emergency Relief (ESSER) dollars, which is set to expire September 30, 2024.

The Mentor Teacher Grant Program would provide \$3 million in annual funding to school districts, BOCES or charter schools for induction and mentoring support for teachers in their first three years.

The additional \$132,271 will support continued technical assistance from the CDE staff person (1.0 FTE) currently managing the grant program, plus additional grants management support (.2 FTE) that is currently being funded out of the ESSER state set-aside.

RECOMMENDATION: Staff recommends the request and recommends that the Committee sponsor legislation to authorize this program as a state-authorized function of the Department of Education. Although the Department has been operating the program using federal ESSER funds, it does not have statutory authority to receive and expend state funds for this purpose. While staff is supportive of the program, **staff notes that funding could be authorized at a lower level, if necessary to help balance the budget.** Staff also recommends that any FTE funding included in a JBC-sponsored bill be calculated consistent with JBC common policy. Any funding will need to be included in legislation, so the staff recommendation includes no funding in the Long Bill.

EVIDENCE: The Department has indicated that the evidence continuum is not applicable to this program as a full evaluation cycle has not taken place. However, qualitative responses have been strong, and JBC staff anticipated that program could be classified as “theory informed” based broader national evidence. The Department did not point to particular studies, but a quick staff search on the topic indicated that there has been substantial research on the impact of mentorship in teacher induction programs generally. One article summarized a number of empirical studies as follows.

This review critically examines 15 empirical studies, conducted since the mid-1980s, on the effects of support, guidance, and orientation programs—collectively known as induction—for beginning teachers. Most of the studies reviewed provide empirical support for the claim that support and assistance for beginning teachers have a positive impact on three sets of outcomes: teacher commitment and retention, teacher classroom instructional practices, and student achievement. Of the studies on commitment and retention, most showed that beginning teachers who participated in induction showed positive impacts. For classroom instructional practices, the majority of studies reviewed showed that beginning teachers who participated in some kind of induction performed better at various aspects of teaching, such as keeping students on task, using effective student questioning practices, adjusting classroom activities to meet students’ interests, maintaining a positive classroom atmosphere, and demonstrating successful classroom management. For student achievement, almost all of the studies showed that students of beginning teachers who participated in induction had higher scores, or gains, on academic achievement tests. There were, however, exceptions to this overall pattern—in particular a large randomized controlled trial of induction in a sample of large, urban, low-income schools—which found some significant positive effects on student achievement but no effects on either teacher retention or teachers’ classroom practices....¹⁰

This suggests that these programs can usually demonstrate positive effects on factors such as retention, but the ability to do so may depend on program specifics. Thus, tracking the impact of this program at the state level, if authorized and funded, will be particularly important.

ANALYSIS:

- The request notes that support for new-to-the-profession teachers is a critical aspect in the successful retention of educators in our Colorado schools. With the current teacher shortage

¹⁰ Ingersoll and Strong, The Impact of Induction and Mentoring Programs for Beginning Teachers: A Critical Review of the Research, *Review of Educational Research*, Volume 18, Issue 2, June 1, 2011. <https://journals.sagepub.com/doi/abs/10.3102/0034654311403323>

across the state, providing a high-quality mentorship program is essential for early career teachers. Additionally, induction and mentoring is required for any new-to-the-profession teacher to obtain a professional teacher license.

- The Department initiated a larger version of this program with \$12.9 million of federal ESSER funds, funding two cohorts in FY 2022-23 and FY 2023-24. The table below compares the original program (years 1 and 2) and the new proposal for a state-funded program.

TEACHER MENTORSHIP GRANT PROGRAM (R13)		
	“ORIGINAL” PROGRAM	REQUESTED ONGOING
Fund Source	Federal Funds (ESSER III)	General Fund
Amount	\$12,921,652	\$3,132,271
FTE	1.0 FTE + ESSER Grants Admin FTE	1.2 FTE
Time Frame	Cohort 1: 2022-23 and 2023-24 school years (\$9.5M; 26 programs @ \$364,000 per 2-yr grant) Cohort 2: 2023-24 school year (\$3.2M; 33 programs @ \$94,454 per grant for 1 yr)	Annual Grant Cycle, Ongoing Appropriation
Authorization	Other (State Board Approved Action)	

- The primary rationale for launching the program is to address teacher retention issues. Induction and mentoring is required by state statute for new teachers, but there is currently no related state funding available through the Department of Education. An existing program funded in the Department of Higher Education is focused on institutions and provides training and compensation for mentors, while the proposed CDE program will focus on local-level initiatives to support teacher mentorship and induction programs. This includes training and compensation for mentors but also other interventions.
- In the existing program, ESSER funds have been used for mentor and inductee stipends, teacher release time, mentor training, technology such as video observation, and other supports for teachers in years 1-3 and their mentor teachers.
- Initial results indicate that of teachers who participated, 97 percent plan to stay in education, which is a notable improvement over national educator retention rates of 82.7 percent for teachers in year 1-5.¹¹ The Department notes that in FY 2022-23, more than 19.0 percent of educators turned over and moved either to a new classroom or out of the profession; prior to this, turnover was 14-16 percent. Educator retention is a significant and growing concern.
- The Department has explained that grants would be distributed on an annual basis through an open competitive grant process. New school districts, charter schools, or BOCES would be awarded grants each year to build, enhance, and strengthen mentoring programs. Department staff

¹¹ “Public School Teacher Attrition and Mobility in the First Five Years”, National Center for Education Statistics, U.S. Department of Education, April 2015. See also some data specific to Colorado: https://ies.ed.gov/ncee/edlabs/regions/central/pdf/REL_2019001.pdf

have indicated that grants would range from \$25,000 to \$100,000 and would support 50-60 districts per year. The program thus far has been flexible in terms of the types of supports provided, but will continue to monitor its effectiveness. The Department's Educator Talent team indicates that getting support for mentorship and teacher induction is something they have sought for multiple years.

① EDUCATOR LICENSURE CASH FUND – POTENTIAL BILL

The Department did not submit a formal request related to the Educator Licensure Cash Fund, but recently drew staff attention to the fact that the statutory provisions that make this funding continuously appropriated repeal at the end of FY 2023-24.

Additional Background:

- The Educator Licensure Cash Fund receives licensing fees submitted by teachers. The State Board of Education has authority to adjust the fees as needed to cover the direct and indirect costs of teacher licensing activities. The General Assembly may supplement this funding with General Fund. The cash fund has been continuously appropriated to the Department since at least FY 2011-12. As indicated by the Department, Section 22-60.5-112 (1)(b), C.R.S., which makes this fund continuously appropriated, repeals July 1, 2024.
- The fund receives revenue of \$2.8 to \$3.2 million per year, and this has been sufficient to support educator licensing activities in most years. When the State shifted from a 3 year to a five year renewal structure for teacher licenses, supplemental General Fund was provided, but the Department appears to believe that the program can continue to self-sustain. It is gradually spending down an existing fund balance of \$1.14 million at the beginning of FY 2023-24.
- Ideally, a bill to keep this fund continuously appropriated would run *before* the Long Bill. However, if this is not feasible, such a bill could be run as part of the Long Bill package.

LINE ITEM DETAIL – EDUCATOR TALENT

OFFICE OF PROFESSIONAL SERVICES

This office is responsible for administration of the Colorado Educator Licensure Act and is funded entirely through fees paid by educators seeking licenses, endorsements, and authorizations. Section 22-60.5-112, C.R.S., authorizes the State Board of Education to adjust fees charged for licensing purposes annually, if necessary, so that the revenue generated approximates the direct and indirect costs of administering the Colorado Educator Licensing Act. Fee revenues are deposited into the Educator Licensure Cash Fund.

Prior to FY 2011-12, funding for the Office of Professional Services was subject to annual appropriation. However, Section 22-60.5-112 (1) (b) (I), C.R.S. (as modified by H.B. 18-1100 (Educator Licensure Cash Fund and S.B. 21-206 (Educator Licensure Cash Fund), continuously appropriates funds in the Educator Licensure Cash Fund to the Department from FY 2011-12 through FY 2023-24.

House Bill 21-1104 (Professional Educator Licensure Renewal Period) significantly modified funding for this Office. This bill extended the licensing period for professional educators from five to seven years. Based on this, revenue to the Educator Licensure Cash Fund was expected to decline by \$1.82 million in both FY 2021-22 and FY 2022-23, as license renewal payments moved out to future years. The bill included a reduction of 4.0 FTE and \$358,512 cash funds for the office and provided backfill of \$2,922,976 General Fund to be spent over FY 2021-22 and FY 2022-23.

STATUTORY AUTHORITY: Sections 22-60.5-101, 22-2-109, and 22-9-101, C.R.S.

REQUEST: The Department requests an appropriation of \$3,621,295 total funds, including \$85,532 to annualize prior year salary survey and \$9,423 to annualize S.B. 23-248 (Consolidate Ed Prep Programs).

RECOMMENDATION: Staff recommends the request, which is calculated consistent with Committee common policy and shown below.

EDUCATOR TALENT, OFFICE OF PROFESSIONAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$3,417,530	\$770,901	\$2,646,629	\$0	\$0	26.2
Other legislation	\$108,990	\$0	\$108,990	\$0	\$0	0.8
TOTAL	\$3,526,520	\$770,901	\$2,755,619	\$0	\$0	27.0
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$3,526,520	\$770,901	\$2,755,619	\$0	\$0	27.0
Annualize prior year budget actions	85,352	7,273	78,079	0	0	0.0
Annualize prior year legislation	9,423	0	9,423	0	0	0.2
TOTAL	\$3,621,295	\$778,174	\$2,843,121	\$0	\$0	27.2
INCREASE/(DECREASE)	\$94,775	\$7,273	\$87,502	\$0	\$0	0.2
Percentage Change	2.7%	0.9%	3.2%	0.0%	0.0%	0.7%
FY 2024-25 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

EDUCATOR EFFECTIVENESS UNIT ADMINISTRATION

The General Assembly created this line item in FY 2012-13 to support the ongoing costs of the Educator Effectiveness Unit charged with implementation of S.B. 10-191 (Principal and Teacher Effectiveness). Senate Bill 21-185 (Supporting Educator Workforce in Colorado) provided an increase in FY 2021-22 which was annualized in FY 2022-23 to include \$1,230,110 General Fund and 5.7 FTE for the administration of programs created or reauthorized in S.B. 21-185, including the Quality Teacher Recruitment Program, the Educator Recruitment and Retention program, and the Teacher Recruitment and Educator Preparation Program (TREP)

STATUTORY AUTHORITY: Section 22-9-104, C.R.S.

REQUEST: The Department requests an appropriation of \$3,547,491 total funds for FY 2024-25, including annualization of prior year salary survey.

RECOMMENDATION: The staff recommendation is summarized in the table below and aligns with the request, which is calculated consistent with Committee common policy.

EDUCATOR TALENT, EDUCATOR EFFECTIVENESS UNIT ADMINISTRATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$3,459,032	\$3,325,145	\$133,887	\$0	\$0	18.2
TOTAL	\$3,459,032	\$3,325,145	\$133,887	\$0	\$0	18.2
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$3,459,032	\$3,325,145	\$133,887	\$0	\$0	18.2
Annualize prior year budget actions	88,459	78,744	9,715	0	0	0.0
SI Department reorganization (pending)	0	0	0	0	0	0.0
TOTAL	\$3,547,491	\$3,403,889	\$143,602	\$0	\$0	18.2
INCREASE/(DECREASE)	\$88,459	\$78,744	\$9,715	\$0	\$0	0.0
Percentage Change	2.6%	2.4%	7.3%	0.0%	0.0%	0.0%
FY 2024-25 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

QUALITY TEACHER RECRUITMENT PROGRAM

The General Assembly added this line item to the FY 2014-15 Long Bill to support appropriations for the Quality Teacher Recruitment Program created in S.B. 13-260 (School Finance). Section 22-94-102, C.R.S., directs the Department to contract with organizations working with school districts and boards of cooperative educational services (BOCES) to recruit, select, train, and retain highly qualified teachers in areas that have historically had difficulty attracting and retaining such teachers.

In December 2013, the Department selected the Public Education Business Coalition (PEBC) and Teach for America (TFA-Colorado) as grant recipients, with each program receiving half of the annual grant funds (\$1,470,000 per year). The programs divided the State geographically, with each program placing teachers in specific districts, with PEBC largely serving rural districts and TFA Colorado's efforts focused in Denver, Harrison, and Pueblo City.

The TFA-Colorado program places most teachers as the “teacher of record” in the first year of the program and requires a two-year commitment from recruits. In contrast, PEBC has placed the majority of recruits as “residents” in mentor teacher classrooms for the first year. The PEBC participants become teachers of record in the second year and have made a three year commitment to the program (including the residency year). The PEBC also makes a five-year commitment to provide supports to program participants.

Beginning in the 4th grant period (FY 2018-19) Fort Lewis College became an additional grantee.

Section 22-94-103, C.R.S., requires the vendors conducting the program to submit annual reports to the Department and requires the Department to contract with a third party to conduct annual evaluations of the program. The Department has contracted with OMNI Research to evaluate the program, and OMNI. Program materials, including evaluations, are available on the Department's website: <https://www.cde.state.co.us/educatortalent/qtrp>.

A recent evaluation report¹² posted (2020 to 2022 funding cycle) indicates that in school year 2021-22, the program served 502 teachers (incorporating five cohorts) and 34,000 students in 40 school districts and the CSI system. *Staff notes that at a cost of \$3.0 million per year, the cost to the State per teacher involved in the program is \$5,976 per year.* As reflected in the chart below, teacher retention in the school district where they were initially placed is 40 percent for the PEBC program and only 15 percent for the TFA program. However, the report also notes that many program participants remain in the teaching program even after departing the district where initially placed.

Table 1.2. Cohort 4 Teachers (Initially Placed in 2017-18) in Grant-partner Districts in 2021-22

	PTR	TFA CO
Initially placed in a grant-partner district in 2017-18	100	81
Completed 1 st in a grant-partner district (2017-18)	89 (89%)	74 (91%)
Completed 2 nd year in a grant-partner district (2018-19)	63 (63%)	62 (77%)
Completed 3 rd year in a grant-partner district (2019-20)	58 (58%)	41 (51%)
Completed 4 th year in a grant-partner district (2020-21)	47 (47%)	25 (31%)
Left profession/teaching position over the summer of 2021	0	-6
Transferred to a non-grant partner district	-2	-4
*Unknown status	-5	0
Completed 5 th year in a grant-partner district (2021-22)	40 (40%)	15 (19%)

Note: *We use a conservative approach to teacher retention. When teachers had an unknown status, we treated them as not retained in a grant-partner district.

The General Assembly appropriated \$3.0 million per to support the program from FY 2014-15 through FY 2018-19. The FY 2019-20 Long Bill also included \$3.0 million to support the program. However, facing the revenue shortfalls associated with the COVID-19 pandemic, the General Assembly eliminated the FY 2019-20 state funding for the program through mid-year adjustments during the 2020 Session (leaving \$40,000 to support the contract for the program evaluation). Instead, the Governor's office used federal COVID-19 funds in lieu of the state support of the program. The General Assembly did not appropriate any funds for the program in FY 2020-21, but the Governor's Office directed GEER funds of \$3,211,800 to the previous grantees for FY 2020-21.

Beginning in FY 2021-22, funding for the program was restored in S.B. 21-185 (Supporting Educator Workforce in Colorado). This bill also modified the statute to specify that contractors must supply "licensed" teachers, rather than "highly qualified" teachers. Grantees for the two-year cycle that began in FY 2021-22 were the same as in recent years: PEBC, TFA-Colorado, and Fort Lewis College. The OMNI institute continues to be the evaluator for the 2021-22 through FY 2022-23 cycle.

¹² <https://www.cde.state.co.us/cdedepcom/qualityteacherrecruitmentyear2report>

STATUTORY AUTHORITY: Section 22-94-102, C.R.S.

REQUEST: The Department requested continuation funding of \$3,000,000 General Fund for the program.

RECOMMENDATION: Staff recommends approving the request for a continuation level of \$3,000,000 General Fund.

EDUCATOR RECRUITMENT AND RETENTION PROGRAM - FINANCIAL ASSISTANCE

Senate Bill 21-185 (Supporting Educator Workforce in Colorado) creates the Educator Recruitment and Retention Program. The program is designed to: support the transition of members of the armed forces into a second career to serve as educators; support nonmilitary-affiliated educator candidates preparing to serve as educators; match members of the armed forces and nonmilitary-affiliated educator candidates with high need schools, including in rural districts; and fill teaching positions in subject areas affected by the educator workforce.

The program provides:

- Educator recruitment support through one-on-one counseling, career and teacher job fairs, substitute teacher boot camps; job placement platforms for educators and local education providers; candidate coaching for job placement opportunities; professional development through the first three years of service as an educator; and retention counseling for local education providers.
- Financial assistance of up to \$10,000 for the tuition costs of an educator preparation program in which a qualified applicant is enrolled if the applicant agrees to teach for a period of three years in a rural or small rural district. Funding is subject to repayment if the applicant does not fulfill the service condition.

The program is open to:

- Members of the armed forces and those honorably discharged, with financial assistance available only for those who apply within three years after military retirement or separation;
- Individuals who have a baccalaureate or higher degree;
- Individuals employed as paraprofessionals and working toward a baccalaureate degree to pursue teacher licensure; and
- Individuals who meet state career and technical education requirements or have 18 semester hours of postsecondary enrollment and six years of military experience in a career or technical field.

Senate Bill 21-185 included an appropriation of \$5,000,000 General Fund for the financial assistance portion of the program, and the fiscal note reflected this amount as ongoing.

The administrative costs related to this program, as well as \$575,000 General Fund for educator recruitment and support services, is included in the Educator Effectiveness Unit Administration line item.

STATUTORY AUTHORITY: Sections 22-60.3-201 through 205, C.R.S.

REQUEST: The Department requests \$5,000,000 General Fund for the Educator Recruitment and Retention Program – Financial Assistance line item.

RECOMMENDATION: Staff recommends the request for \$5,000,000 General Fund for the Educator Recruitment and Retention Program – Financial Assistance line item.

SCHOOL LEADERSHIP PILOT PROGRAM

The General Assembly added this line item to the FY 2020-21 Long Bill to support the School Leadership Pilot Program created in H.B. 19-1002 (Leadership Professional Development for School Principals) to provide training for school principals. The bill requires the program to identify a cohort of high quality school principals and allow other school principals (statewide) to observe and interact with the high-performing cohort and to receive professional development in school leadership.

The bill required the Department of Education to design the program in FY 2019-20 and to implement the program no later than July 2020. The Department may contract with an external entity to assist with program design and implementation. The bill required the program design to include: (1) a method to identify and select high-quality principals to participate; (2) learning objectives and goals of the program; (3) methods to achieve those objectives and goals; and (4) a method to evaluate the program's success. For FY 2020-21 and FY 2021-22, the bill required the State Board of Education to award a grant to the local education provider that employs each school principal selected to participate, either as a member of the highly-qualified cohort or as a participant receiving professional development.

By January 15, 2022, the Department was required to report to the General Assembly, including detailing actual participation, an evaluation of the program's impact, and recommendations.

For FY 2019-20, the bill appropriated \$272,929 General Fund and 0.9 FTE to the Department of Education to support program design. The Final Legislative Council Staff Fiscal Note for the bill anticipated an appropriation of \$751,615 General Fund per year in FY 2020-21 and FY 2021-22. The General Assembly reduced the appropriation by \$375,807 General Fund (50.0 percent) for FY 2020-21 as a budget balancing measure. The FY 2021-22 Long Bill continued funding at this level, but the balance was fully restored for FY 2021-22 through S.B. 21-268 (Public School Finance).

House Bill 22-1248 (Extend School Leadership Pilot Program) struck the previous July 1, 2022 repeal date for the program and modified statute to specify that the General Assembly “shall annually appropriate up to two hundred fifty thousand dollars to the department for the implementation of [the program], including money to pay the costs of designing and implementing the program...”

STATUTORY AUTHORITY: Section 22-13-201 through 205, C.R.S.

REQUEST: The Department requested \$254,865 General Fund for FY 2024-25 and 1.2 FTE, including \$4,865 to annualize prior year salary.

RECOMMENDATION: **Staff recommends \$250,000 General Fund** for the program and 1.2 FTE. Staff has not included the annualization of prior year salary survey given statutory language restricting the appropriation to \$250,000.

TEACHER DEGREE APPRENTICESHIP PROGRAM

As an alternative route to teacher licensure, S.B. 23-087 creates a teacher degree apprenticeship program. The program builds on elements of existing alternative teacher licensure programs, including a bachelor's degree requirement, training programs approved by the Department, and structured on-the-job training. The program is run collaboratively with the U.S. Department of Labor Office of Apprenticeship and the state apprenticeship office.

STATUTORY AUTHORITY: Section 22-60.5-111 and 111.5, C.R.S.

REQUEST: The Department requests \$103,949 General Fund for this program, which was created in S.B. 23-087. The request includes \$14,250 to annualize this legislation.

RECOMMENDATION: Staff recommends the request for \$103,949, which is calculated consistent with Committee common policy.

TEACHER MENTORSHIP GRANT PROGRAM

REQUEST: The Department requested \$3,132,271 General Fund and 1.2 FTE for this program, which requires new legislation, in Request R13.

RECOMMENDATION: As described previously, staff recommends that the Committee sponsor related legislation, but the request cannot be funded through the Long Bill as there is not yet statutory authority.

(5) STUDENT LEARNING

This section includes: (1) funding and oversight for facility schools that serve students in specialized out-of-district placements and related programs to improve services for students with exceptionally severe or specialized needs; (2) funding and technical assistance to school districts to improve early literacy services; and (3) other programs to enhance educational learning supports, interventions, and planning.

STUDENT LEARNING						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 Appropriation						
SB 23-214 (Long Bill)	\$63,265,622	\$6,800,223	\$56,248,774	\$216,625	\$0	32.9
Long Bill supplemental	(571,416)	(571,416)	0	0	0	0.0
Other legislation	19,406,189	842,160	18,780,654	(216,625)	0	8.2
TOTAL	\$82,100,395	\$7,070,967	\$75,029,428	\$0	\$0	41.1
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$82,100,395	\$7,070,967	\$75,029,428	\$0	\$0	41.1
SI Department reorganization	0	0	0	0	0	0.0
FTE notation adjustments	0	0	0	0	0	1.0
R7 Facility school baseline model inflation	3,664,956	0	3,664,956	0	0	0.0
Technical adjustments	0	0	0	0	0	0.0
Annualize prior year legislation	(257,420)	(321,843)	64,423	0	0	0.9
Annualize prior year budget actions	743,407	601,419	141,988	0	0	0.0
TOTAL	\$86,251,338	\$7,350,543	\$78,900,795	\$0	\$0	43.0
INCREASE/(DECREASE)	\$4,150,943	\$279,576	\$3,871,367	\$0	\$0	1.9
Percentage Change	5.1%	4.0%	5.2%	0.0%	0.0%	4.6%
FY 2024-25 EXECUTIVE REQUEST						
Request Above/(Below)	\$85,212,138	\$7,350,543	\$77,861,595	\$0	\$0	42.0
Recommendation	(\$1,039,200)	\$0	(\$1,039,200)	\$0	\$0	(1.0)

DECISION ITEMS – STUDENT LEARNING

→ R7 FACILITY SCHOOL BASELINE MODEL INFLATION

REQUEST: The Department requests an increase of \$2,425,756 from the State Education Fund in FY 2024-25 to address projected inflation and expansion in the use of facility schools. This request modifies *and lowers* the annualization assumed in S.B. 23-219 (Supports to Students and Facility Schools; a JBC bill) for FY 2024-25 only. Because of the size, complexity, and adjustments anticipated in the annualization for S.B. 23-219, the Department submitted this change as a decision item, rather than including the fiscal note annualization amount as the second-year impact of new legislation. The table below compares the annualization for FY 2024-25 included in the S.B. 23-219 final fiscal note with the most recent estimate incorporated in R7. The Department currently anticipates that additional annualization assumed for FY 2025-26 in the fiscal note will occur and that costs for new specialized

day schools will be \$11.2 million in FY 2025-26 compared to \$3.1 million in FY 2023-24; however, out-year figures will also continue to evolve.

FACILITY SCHOOL BASELINE FUNDING MODEL COSTS NOVEMBER REQUEST			
	FY 2023-24 ENACTED	FY 2024-25 PROJECTION/REQUEST	CHANGE
SB 23-219 Fiscal Note Assumption	\$26,648,310	\$31,077,641	\$4,429,331
R7 Request	26,648,310	29,074,066	2,425,756
Request above/(below) Fiscal Note Assumption		(\$2,003,575)	

RECOMMENDATION: Staff recommends an increase of \$3,664,956 for this line item, bringing it to a total of \$30,313,266 for the Facility School line item, based on updated data from the Department. As shown, this update brings the request much closer to the figure in the original fiscal note for S.B. 23-219, but is still lower than the fiscal note estimate. **This figure is based on increasing the existing baseline funding model components by 5.2 percent, which is anticipated to be the final Denver-Aurora-Lakewood CPI adjustment for CY 2023. Staff recommends that the most recent calendar year inflation rate be the consistent, ongoing method for calculating the inflationary adjustment for the facility school baseline funding model.**

FACILITY SCHOOL BASELINE FUNDING MODEL COSTS NOVEMBER REQUEST – RECOMMENDATION BASED ON STAFF/DEPARTMENT UPDATE			
	FY 2023-24 ENACTED	FY 2024-25 RECOMMEND	CHANGE
SB 23-219 Fiscal Note Assumption	\$26,648,310	\$31,077,641	\$4,429,331
R7 Recommendation	26,648,310	30,313,266	3,664,956
Rec. above/(below) Fiscal Note Assumption		(\$764,375)	

ANALYSIS:

Background – S.B. 21-274 and S.B. 23-219 (Supports for Students and Facility Schools)

The facility school system was authorized by the General Assembly to ensure that students receiving publicly-funded educational services in various types of specialized institutions such as hospitals and therapeutic residential and day treatment facilities receive appropriate educational services. Due in part to a national movement away from residential placements for youth (many of whom were in the child welfare system), Colorado experienced a decline from 61 schools serving 1,882 students in 2010 to just 30 schools serving 769 students in 2022. Facing a decline of this magnitude, school districts struggled to find appropriate placements for their most difficult-to-serve youth.

In response, the Joint Budget Committee sponsored S.B. 21-274 (Sustainable Model to Serve Facility Students), which created a work group to study the problem. The report and recommendations of the group were developed into a JBC bill, S.B. 23-219 (Supports for Students and Facility Schools), which significantly increased funding for these types of schools using a new baseline funding model and launched various initiatives to improve oversight of the system through accreditation of the schools, create a new pathway to develop day school programs for students with exceptionally severe or specialized needs, create a new shared operational services grant program to support more efficient back-end services for schools, and create a new technical assistance office, among other efforts. (See the description in the Facility School subdivision for additional detail.)

The intent of these initiatives was to reverse the decline in available placements for students with the most serious placement needs and support expansion of these needed services. This is expected to be a long-term project, since it takes time to develop and launch a new school.

Baseline Funding Model

The baseline funding model established in S.B. 23-219 outlined the costs and structure for the new funding model. Consistent with prior law and practice, facility schools continue to be supported by a combination of state and other funding sources. Funding sources include special education payments from school districts and, for hospital based schools, insurance and other hospital revenues. The bill identified specific amounts built into the model for FY 2023-24 but specified that inflationary and other adjustments in future years would be established through the annual budget process.

As specified in the bill, for FY 2023-24, the state is paying:

- Up to \$50,149 per school per month less the offset for special education payments (\$55 per student day) or hospital revenue (\$75 per student per day) for schools with up to *eight students*.
- Up to \$59,697 per school per month, less the same offsets, for schools with up to *sixteen students*.
- No more than \$2,549 per month *per student for student enrollment counts over 16* (less the same offsets). The per student (SFTE) amount decreases based on student enrollment thresholds. (These thresholds are for up to 32 students, up to 44 students, and more than 44 students in FY 2023-24.)

BASELINE FUNDING - EXISTING SCHOOLS – FY 2023-24			
	BASELINE FUNDING ESTIMATE	ENROLLMENT ESTIMATE	FUNDING PER SFTE PER YEAR
Total Baseline Funding Required	\$30,883,093	832	\$37,119
Tuition offset - school districts	(5,688,452)	709	8,023
Hospital offset - insurance/other	(1,623,600)	123	13,200
Balance - state payment*	\$23,571,041	832	\$28,330

*Includes base amounts in the Long Bill, as well as new appropriations in this bill.

FY 2024-25 Adjustments

The Department's updated request increases baseline funding amounts by 4.7 percent for the various model cost components, based on the CPI change projected for CY 2023 in June and September 2023. Staff is updating this figure to 5.2 percent, based on the (almost) final CPI included in the Legislative Council Staff December 2023 forecast.

Offsets for special education and hospital revenue remain the same as in FY 2023-24 (\$55 per day for special education revenue and \$75 per day for hospital revenue), and the submission includes projected annual enrollment for existing schools, as well as an allowance for two new schools that are not yet on-line, one serving 12 and one serving 35 students.

The FY 2024-25 estimate is based on serving 1,016 students in 35 schools, reflecting significant expansion from the 832 students used for FY 2023-24 calculations. Funding is from the State Education Fund, and if the appropriation is too high, funds that are not needed in the model will revert to the State Education Fund.

→ OTHER ANNUALIZATION OF S.B. 24-219 (SUPPORTS FOR STUDENTS AND FACILITY SCHOOLS) – TECHNICAL CORRECTIONS

REQUEST: The Department requested \$265,423 cash funds from the State Education Fund for annualization of components of the S.B. 24-219 fiscal note other than the baseline funding model

RECOMMENDATION: Staff has noted some technical errors in the Department’s annualization request. The staff recommendation is shown below and is consistent with the bill’s fiscal note. Staff recommends using the amounts in the fiscal note and thus the changes from FY 2023-24 in the “Fiscal Note” column. The difference in the total amount is that the Shared Operational Services Grant was intended to be a one-time appropriation in FY 2023-24 that was used over two years, but the request showed two years of funding at the \$200,000 level.

FY 2024-25 S.B. 23-219 ANNUALIZATION EXCLUDING FACILITY SCHOOL FUNDING MODEL COSTS (CHANGE FROM FY 2023-24 APPROPRIATION)		
	FISCAL NOTE	REQUEST
Facility School Office, Board, and Technical Assistance Center (includes data system, personal services operating costs)	\$164,423	\$264,423
Shared Operational Services Grant (one-time \$200K grant was to be used over two years)	(200,000)	0
Facility School Workgroup & Evaluation	100,000	0
Total	\$64,423	\$264,423

❶ SI STATE SCHOOL COSTS IN FACILITY SCHOOL SECTION

Previously, funding for private facility schools and state schools for students with specialized needs, including the Colorado School for the Deaf and the Blind and the school at the Mental Health Institute at Pueblo, were funded through the same mechanism. Senate Bill 23-219 separated out the funding for the private institutions, which are now funded using a baseline funding model. The state-funded institutions are, however, funded in the same manner as in the past. Notably, this funding represents only a small portion of the total support received by these state facilities, which also receive direct General Fund subsidies for their operations. However, it is a component of their funding that is variable and adjusts for enrollment.

REQUEST/RECOMMENDATION: The Department’s FY 2024-25 budget request includes no change in funding for the state schools, which are appropriated at FY 2023-24 at \$1,925,110. Additional data provided indicates that costs are likely to be close to, but below, the current appropriation level, so that **no adjustment is required**. The calculation is as follows.

Pupil count: The Department is estimating approximately 11.0 student FTE at CMHI Pueblo and 122 student FTE eligible for payment at the Colorado School for the Deaf and the Blind.

Per pupil funding amount: State school per pupil funding is calculated as the statewide base per pupil amount times 1.73. The Colorado Constitution requires the statewide base per pupil funding amount to increase by the rate of inflation each year.

STATE SCHOOL FUNDING		
	FY 23-24 PROJECTION	FY 24-25 PROJECTION
CDE: CSDB	\$1,684,764	\$1,792,083
CDHS: MHI (Pueblo only)	\$86,020	\$91,499
Appropriation (Current/Recommended)	\$1,925,110	\$1,925,110
Statewide Base Per Pupil (x 1.73)	\$13,972	\$14,699
*Assumes 6.37% growth for FY 24 & FY 25 based on average from FY 21 to FY 23.		
FY24 Statewide Base Per Pupil based on \$8,076.41, and FY25 on \$8,496.38.		

❖ EARLY LITERACY PROGRAM ONE-TIME OPTION FOR BALANCING MARIJUANA TAX CASH FUND

One of the strategies used last year to address insufficient money in the Marijuana Tax Cash Fund was a one-year shift in the Early Literacy section of the Department of Education Long Bill from appropriations from the Marijuana Tax Cash Fund to appropriations from the Early Literacy Fund. The Early Literacy Fund receives an annual statutory transfer of \$34,000,000 from the General Fund, and has built up a significant balance.

In FY 2023-24, the JBC appropriated an additional **\$5,378,578** from the Early Literacy Fund for the Early Literacy Competitive Grant Program, in lieu of an appropriation of the same amount from the Marijuana Tax Cash Fund. This adjustment was intended to be one-time only, and was “annualized out” in the Department’s request. However, **staff believes the same strategy could be used for one more year in FY 2024-25 for up to the same amount**, as the balance in the Early Literacy Fund is projected to be \$6,864,354 at the beginning of FY 2024-25.

LINE ITEM DETAIL – STUDENT LEARNING

(A) LEARNING SUPPORTS, INTERVENTION AND PLANNING

PRESCHOOL TO POSTSECONDARY EDUCATION ALIGNMENT

Senate Bill 08-212 (Colorado Achievement Plan for Kids or "CAP4K") required the State Board of Education, assisted by the Colorado Commission on Higher Education (CCHE), to develop standards and assessments for children progressing through the public education system [Sections 22-7-1001 through 1019, C.R.S.]. This line item provides funding for the personal services and operating expenses associated with the ongoing implementation of this bill.

STATUTORY AUTHORITY: Section 22-7-1001, C.R.S.

REQUEST: The Department requests an appropriation of \$739,254 total funds and 4.0 FTE for FY 2024-25. The request include an increase of \$39,016 to annualize prior year salary survey and a reduction of \$44,000 to annualize H.B. 22-1212 (Promotion of Apprentices).

RECOMMENDATION: Staff recommends the request. The calculation is consistent with Committee common policy.

STUDENT LEARNING, LEARNING SUPPORTS, INTERVENTION, AND PLANNING, PRESCHOOL TO POSTSECONDARY EDUCATION ALIGNMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$700,238	\$37,584	\$662,654	\$0	\$0	4.0
Other legislation	\$44,000	\$44,000	\$0	\$0	\$0	0.0
TOTAL	\$744,238	\$81,584	\$662,654	\$0	\$0	4.0
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$744,238	\$81,584	\$662,654	\$0	\$0	4.0
Annualize prior year budget actions	39,016	747	38,269	0	0	0.0
Annualize prior year legislation	(44,000)	(44,000)	0	0	0	0.0
TOTAL	\$739,254	\$38,331	\$700,923	\$0	\$0	4.0
INCREASE/(DECREASE)	(\$4,984)	(\$43,253)	\$38,269	\$0	\$0	0.0
Percentage Change	(0.7%)	(53.0%)	5.8%	0.0%	0.0%	0.0%
FY 2024-25 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

COMPUTER SCIENCE EDUCATION GRANTS

The General Assembly added the Computer Science Education Grants for Teachers line item to the FY 2018-19 Long Bill to support appropriations for a grant program created in S.B. 17-296 (School Finance). The program provides grants for eligible teachers who wish to pursue additional postsecondary education and training in order to then provide computer science education to K-12 students. Originally funded with \$500,000 cash funds from the State Education Fund and 0.4 FTE, the General Assembly added approximately \$500,000 in the Long Bill appropriation for FY 2019-20 (for a total appropriation of \$1,048,600 and 0.4 FTE in the FY 2019-20 Long Bill), but the FY 2020-21 Long Bill reduced the appropriation by \$500,000. Funding has been retained at that level.

House Bill 19-1277 (Computer Science Grant Program) created a second grant program, the Computer Science Education Grant Program, to provide grants to public schools to increase the participation of traditionally underrepresented students in computer science education. This program was not funded in FY 2023-24 and repeals July 1, 2024.

STATUTORY AUTHORITY: Section 22-97-101 through 103, C.R.S.

REQUEST: The Department requests an appropriation of \$564,621 cash funds from the State Education Fund, including an increase of \$5,218 to annualize FY 2023-24 salary survey, and 0.4 FTE.

RECOMMENDATION: Staff recommends \$564,621 cash funds from the State Education Fund and 0.4 FTE. This is calculated consistent with Committee common policy.

COLORADO HIGH IMPACT TUTORING PROGRAM

House Bill 21-1234 (Supplemental Education High-impact Tutoring Programs) created the Colorado High-impact Tutoring Program to provide grant funding to local education providers to create high-impact tutoring programs to address learning loss and unfinished learning related to the COVID-19 pandemic. The bill authorized local education providers to apply for grants and specified required components of applicants' program plans as well as criteria that the Department must use in awarding grants. In any year in which grants are provided, the bill requires participating local education providers to report certain information to the Department and requires the Department to report to the education committees of the General Assembly. For FY 2021-22, the bill appropriated \$4,981,720 General Fund and 1.1 FTE to the Department of Education. The program repeals July 1, 2026.

STATUTORY AUTHORITY: Sections 22-105-101 through 107, C.R.S.

REQUEST: The Department requests \$4,988,859 General Fund and 1.2 FTE. This includes an increase of \$7,387 to annualize prior year salary survey.

RECOMMENDATION: Staff recommends the request, consistent with Committee common policy, but notes that the calculation includes restoration of a Long Bill supplemental reduction of \$571,416 General Fund applied in response to Department Request for funding to administer ESSER funds.

STUDENT LEARNING, LEARNING SUPPORTS, INTERVENTION, AND PLANNING, COLORADO HIGH-IMPACT TUTORING PROGRAM						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$4,981,472	\$4,981,472	\$0	\$0	\$0	1.2
Long Bill supplemental	(571,416)	(571,416)	0	0	0	0.0
TOTAL	\$4,410,056	\$4,410,056	\$0	\$0	\$0	1.2
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$4,410,056	\$4,410,056	\$0	\$0	\$0	1.2
Annualize prior year budget actions	578,803	578,803	0	0	0	0.0
SI Department reorganization	0	0	0	0	0	0.0
TOTAL	\$4,988,859	\$4,988,859	\$0	\$0	\$0	1.2
INCREASE/(DECREASE)	\$578,803	\$578,803	\$0	\$0	\$0	0.0
Percentage Change	13.1%	13.1%	0.0%	0.0%	0.0%	0.0%
FY 2024-25 EXECUTIVE REQUEST						
REQUEST	\$4,988,859	\$4,988,859	\$0	\$0	\$0	1.2
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

CONTENT SPECIALISTS

This line item provides funding to support five "content specialists" to provide leadership, guidance, and support for schools and school districts in specific content areas to positively impact student

achievement: (1) mathematics; (2) science; (3) social studies (history, geography, civics, and economics); (4) arts (visual arts and music); and (5) achievement gaps.

During the 2019 Session, two bills added funding for this line item for FY 2019-20:

- H.B. 19-1192 (Inclusion of American Minorities in Teaching Civil Government) added an *ongoing* appropriation of \$37,495 cash funds from the State Education Fund.
- H.B. 19-1110 (Media Literacy) added a *one-time* appropriation of \$19,816 General Fund for FY 2019-20.

During the 2020 Session, H.B. 20-1032 (Timing K-12 Education Standards Review) adjusted the statutory timeline for the Department's review of statewide academic content standards. Rather than reviewing all of the content standards at one time (previous statute would have required the next review by July 2024), the bill requires the Department to review one third of the standards by July 1, 2022, one third by July 1, 2024, and the final set by July 1, 2026. This modified the timing for additional appropriations required to support the content review.

STATUTORY AUTHORITY: Section 22-7-1005, C.R.S.

REQUEST: The Department requests an appropriation of \$574,006 total funds, including an increase of \$11,175 to annualize prior year salary survey and a reduction of \$92,174 to annualize the impact of H.B. 20-1032.

RECOMMENDATION: Staff recommends the request. The fiscal note for H.B. 20-1032 reflected the adjustment requested for FY 2024-25. The fiscal note further indicated that funding for the program should be reduced in FY 2024-25 and then increased again in FY 2025-26 based on the timing of content standards reviews.

STUDENT LEARNING, LEARNING SUPPORTS, INTERVENTION, AND PLANNING, CONTENT SPECIALISTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$647,355	\$92,174	\$555,181	\$0	\$0	5.0
Other legislation	\$7,650	\$7,650	\$0	\$0	\$0	0.0
TOTAL	\$655,005	\$99,824	\$555,181	\$0	\$0	5.0
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$655,005	\$99,824	\$555,181	\$0	\$0	5.0
Annualize prior year budget actions	11,175	0	11,175	0	0	0.0
Annualize prior year legislation	(92,174)	(92,174)	0	0	0	0.0
TOTAL	\$574,006	\$7,650	\$566,356	\$0	\$0	5.0
INCREASE/(DECREASE)	(\$80,999)	(\$92,174)	\$11,175	\$0	\$0	0.0
Percentage Change	(12.4%)	(92.3%)	2.0%	0.0%	0.0%	0.0%
FY 2024-25 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

SCHOOL BULLYING PREVENTION AND EDUCATION CASH FUND

The General Assembly created this line item in the FY 2016-17 Long Bill to support the School Bullying Prevention and Education Grant Program originally created in H.B. 11-1254 (Bullying in Schools). House Bill 11-1254 authorized the receipt of gifts, grants, and donations to support the program but did not provide state funding, and the program did not receive any state funding prior to FY 2015-16.

House Bill 15-1367 (Retail Marijuana Taxes) included a contingent appropriation of \$2.0 million General Fund (from the Proposition AA Refund Account) into the School Bullying Prevention and Education Cash fund for FY 2015-16. The General Assembly continued to support the program in FY 2016-17 with an appropriation of \$900,000 cash funds from the Marijuana Tax Cash Fund into the School Bullying Prevention and Education Cash Fund; the appropriation included a one-time reduction (of \$1.1 million) from the \$2.0 million provided in FY 2015-16 to balance appropriations from the Marijuana Tax Cash Fund. Because the School Bullying Prevention and Education Cash Fund is continuously appropriated to the Department, a second appropriation out of the cash fund is not necessary.

Subject to available appropriation, statute requires the Department to provide grants to public schools and facility schools to support the implementation of evidence-based practices and policies to reduce the incidence of bullying. It also requires the Department to collaborate with the School Safety Resource Center, school districts, and others to research best practices and evidence-based practices to reduce bullying activity and to provide best practices and other resources on the Department's website.¹³

After the passage of Proposition BB in 2015, which approved the distribution of funds to the Bullying Prevention and Education Grant Program, the State Board of Education approved rules for the administration of the program in May 2016 establishing criteria for the review of applications. The Department limited grants to no more than \$40,000 per school per year for the first cohort of recipients and \$25,000 per school per year for the second cohort.

The program, operating on a three-year grant cycle, made the first grants in FY 2016-17.

- In the first year (FY 2016-17), 23 entities submitted applications for bullying prevention grants. The Department approved 17 applications, representing 14 school districts (including the Charter School Institute and the South Central BOCES) and 71 separate schools.
- The Department saw increased interest for the second cohort (beginning in FY 2019-20), receiving 29 applications representing 154 schools, with requests totaling \$10.8 million over the three-year grant cycle (relative to \$5.7 million projected to be available). The Department approved 22 applications, representing 20 local education agencies (LEAs) and 109 schools for the second cohort.

Under the program rules, grant recipients must use the funds to support evidence-based programs to reduce bullying activity and must report to the Department each year regarding the practices implemented, the number and grade levels of students served, the fidelity of implementation, and the grantees progress in achieving the goals of the grant.

¹³ The Department's resources are available at: <http://www.cde.state.co.us/mtss/bullying/bestpractices>

In response to the revenue challenges associated with the COVID-19 pandemic, the General Assembly reduced the appropriation to the School Bullying Prevention Cash Fund to \$1.0 million from the Marijuana Tax Cash Fund for FY 2020-21, a reduction of \$1.0 million below the FY 2019-20 appropriation. Based on a FY 2021-22 Long Bill floor amendment and action by the conference committee on the Long Bill, funding was restored to \$2.0 million in FY 2021-22, including \$1.0 million from the General Fund and \$1.0 million cash funds from the Marijuana Tax Cash Fund.

STATUTORY AUTHORITY: Sections 22-93-101 through 106, C.R.S.

REQUEST: The Department requests a continuation appropriation of \$2,000,000, including \$1,000,000 cash funds from the Marijuana Tax Cash Fund and \$1,000,000 General Fund to the School Bullying Prevention and Education Cash Fund for FY 2024-25.

RECOMMENDATION: Staff recommends approving the request for continuation funding of \$2,000,000, including \$1,000,000 cash funds from the Marijuana Tax Cash Fund and \$1,000,000 General Fund, consistent with Committee common policy.

WORKING GROUP FOR IDENTIFICATION OF AND EDUCATIONAL SUPPORT FOR STUDENTS WITH DYSLEXIA

The General Assembly added this line item to the FY 2020-21 Long Bill to support the Working Group for Identification of and Educational Support for Students with Dyslexia created in H.B. 19-1134 (Identification and Interventions for Students with Dyslexia). The bill requires the Department of Education to convene an eleven-member group to study the identification of and support for dyslexic students. The bill provided appropriations for the working group to meet ten times in FY 2019-20, and the fiscal note was based on four meetings in FY 2020-21. The bill included appropriations to support travel and expenses for both working group participants and Department staff, as well as contracted facilitation and resources to support substitute teachers to allow teacher members of the working group to meet during the school year.

The bill required the working group to submit a progress report to the Commissioner of Education by December 1, 2019, and a report of its recommendations no later than July 1, 2020 (and by each July 1 thereafter). The bill required the Commissioner to submit the group's report and any recommendations for legislation to the State Board of Education and the Education Committees of the General Assembly no later than February 1, 2021. The working group repeals September 1, 2029.

The group has submitted three reports thus far and continues to meet regularly.¹⁴

STATUTORY AUTHORITY: Sections 22-20.5-103, C.R.S.

REQUEST: The Department requests a continuation appropriation of \$40,616 General Fund to support the working group's activities in FY 2024-25.

¹⁴

<https://www.cde.state.co.us/coloradoliteracy/codyslexiaworkgroup#:~:text=The%20working%20group%20is%20also, interventions%20for%20students%20with%20dyslexia.>

RECOMMENDATION: Staff recommends approving the request for \$40,616 General Fund, which is consistent with the Committee’s common policies and with the ongoing responsibilities of the group pursuant to statute.

ENGLISH LANGUAGE LEARNERS TECHNICAL ASSISTANCE

The General Assembly added this line item to the FY 2014-15 Long Bill to support additional technical assistance staff related to English language learners (ELLs). The line item supports staff providing technical assistance to local education providers to improve services for ELL students statewide.

The Department has used these funds to provide a series of professional development opportunities each year from FY 2014-15 through FY 2017-18 and to provide one-on-one support to school districts as needed and requested. The Department has worked to target the professional development opportunities based on the needs of school and district personnel to both improve understanding of requirements related to EL services and deliver effective practices to support improved services. The Department (Office of Culturally and Linguistically Diverse Education or CLDE) offers a series of professional learning opportunities, including regional professional learning, webinars, regional director networking meetings, and targeted support. In addition, the Department hosts an annual CLDE Academy for district CLDE directors, coordinators, and teachers. Finally, the Department offers district-wide reviews and is in the process of developing school-level reviews of English language development programs.

STATUTORY AUTHORITY: Section 22-24-106, C.R.S.

REQUEST: The Department requests an appropriation of \$436,600 total funds and 5.0 FTE for FY 2024-25. The request includes an increase of \$18,822 to annualize prior year salary survey.

RECOMMENDATION: Staff recommends the request for \$436,600 total funds (including \$377,481 General Fund and \$59,119 cash funds from the State Education Fund) and 5.0 FTE for FY 2024-25, calculated consistent with Committee common policy.

PARENTS ENCOURAGING PARENTS CONFERENCES

The General Assembly added this program through S.B. 19-215 (Parents Encouraging Parents Conference). The bill requires the Department of Education to provide up to four PEP conferences per year for parents and families of children with disabilities. The conferences bring together parents and families of children with disabilities and professionals in the field to offer education, support, and information, and to provide a forum for discussion.

The conferences have historically been funded entirely with federal funds provided through the federal Individuals with Disabilities Education Act (IDEA). However, beginning in FY 2018-19, the U.S. Department of Education does not allow the use of federal funds to provide food for the conference participants. Federal funding continues to cover facility, lodging, and conference costs. The state funding (\$68,000 General Fund appropriated in S.B. 19-215) is intended to cover food costs for the four conferences each year.

STATUTORY AUTHORITY: Section 22-20-120, C.R.S.

REQUEST: The Department requests a continuation appropriation of \$68,000 General Fund, with no change from the FY 2022-23 appropriation.

RECOMMENDATION: Staff recommends approving the request for continuation funding of \$68,000 General Fund for FY 2024-25, consistent with Committee common policy.

RESTRAINT COMPLAINT H.B. 22-1376

House Bill 22-1376 changed state law related to school discipline, use of restraint and seclusion, data reporting and availability, enforcement authority, and school resource officers. Funding in this line item supports Department of Education enforcement authority for investigations and decisions regarding the use of restraint on students and related training provided by the Department.

STATUTORY AUTHORITY: Sections 22-32-147, C.R.S.

REQUEST: The Department requests continuation of \$122,501 General Fund and 1.0 FTE for FY 2024-25

RECOMMENDATION: Staff recommends approving the request for continuation funding of \$122,501 General Fund and 1.0 FTE for FY 2024-25, consistent with Committee common policy.

SCHOOL CLIMATE H.B. 22-1376

House Bill 22-1376 changed state law related to school discipline, use of restraint and seclusion, data reporting and availability, enforcement authority, and school resource officers. This includes requiring the Department to develop online profile reports for each school district reporting absenteeism, expulsion, suspension, arrest, and use of physical restraint and seclusion on students. It also requires the Department of Education to standardize the reporting method schools use to collect and report on suspensions, arrests, absenteeism, and other school infractions.

STATUTORY AUTHORITY: Sections 22-1-138 and 139, C.R.S.

REQUEST: The Department requests \$102,264 General Fund for FY 2024-25, including \$3,047 to annualize of FY 2023-24 salary.

RECOMMENDATION: Staff recommends the requested amount of \$102,264 General Fund for FY 2024-25, consistent with Committee common policy, but has added a notation for 1.0 FTE, consistent with the fiscal note for the bill and program administration (as the Department added a salary survey adjustment).

LEGAL REPRESENTATION FOR DUE PROCESS COMPLAINTS PURSUANT TO SECTION 22-20-108 (3), C.R.S.

House Bill 23-1168 requires the Department of Education to contract with a nonprofit organization to develop a list of attorneys qualified to represent parents in special education disputes with public schools and to pay the organization \$20,000 General Fund per year thereafter to pay attorneys.

STATUTORY AUTHORITY: Sections 22-1-141, C.R.S.

REQUEST/RECOMMENDATION: The Department requests, and staff recommends, \$20,000 General Fund for FY 2024-25, consistent with the fiscal note for H.B. 23-1168.

MATH EDUCATOR TRAINING AND IMPROVEMENT PLANNING

House Bill 23-1231 (Math in PreK-12th Grade) requires the Department to make available free, optional trainings for K-12 educators in math education using a train-the-trainer model. Training must include interventions to assist students who are struggling in mathematics. The Department must create and maintain a list of evidence-based curricula and assessment options for math, including remote options available to parents, and, if requested, must provide technical assistance to rural and small rural districts in interventions to help students struggling in math. To support these requirements, the bill appropriated \$594,530 General Fund and 3.2 FTE for FY 2023-24, which was to annualize to \$470,892 General Fund and 3.5 FTE in FY 2024-25.

STATUTORY AUTHORITY: Sections 22-2-146.5, C.R.S.

REQUEST/RECOMMENDATION: Consistent with the fiscal note for H.B. 23-1231, the Department requests, and staff recommends, \$470,892 General Fund and 3.5 FTE for FY 2024-25.

EXPULSION HEARING OFFICER TRAINING AND SUPPORT

House Bill 23-1291 clarifies the school expulsion hearing process, including specifying that a school district has the burden of providing by a preponderance of the evidence that a student violated state law and the school district's policy. Among other provisions, the Department of Education is required to create and maintain an online training program for hearing officers. The bill included funding for the Department for a staff position to manage the stakeholder process, report data on trainings, and manage contracts with a vendor to develop trainings, and included funding for training costs. The bill included an appropriation of \$162,720 General Fund for FY 2023-24, and the fiscal note reflected a need for an appropriation of \$113,949 and 1.0 FTE in FY 2024-25.

STATUTORY AUTHORITY: Section 22-33-105 (2.4)(c), C.R.S.

REQUEST/RECOMMENDATION: Consistent with the fiscal note for H.B. 23-1231, the Department requests, and staff recommends, \$113,949 General Fund and 1.0 FTE for FY 2024-25.

(B) EARLY LITERACY

Background – Early Literacy, H.B. 12-1238, and S.B. 19-199

House Bill 12-1238 (READ Act) eliminated the Read-to-Achieve Program and replaced it with the Early Literacy Program. Current law provides two fund sources for the Early Literacy Program:

- \$34.0 million per year transferred from the State Education Fund to the Early Literacy Fund, beginning in FY 2014-15 (as increased by H.B. 14-1292 (Student Success Act) and H.B. 14-1298 (School Finance)).
- \$7.5 million (in FY 2020-21) appropriated directly from the Marijuana Tax Cash Fund to support the Early Literacy Competitive Grant Program. Prior to the enactment of H.B. 16-1408 (Cash Fund Allocations for Health-related Programs), these funds were from tobacco litigation settlement moneys that had previously supported the Read-to-Achieve Program. However, H.B. 16-1408 eliminated the transfer of tobacco settlement money to the Early Literacy Fund and instead directly supports the Early Literacy Competitive Grant Program with marijuana excise tax funds. House Bill 18-1393 (Effective Implementation of READ Act) increased the FY 2018-19 appropriation from the Marijuana Tax Cash Fund for the Early Literacy Competitive Grant Program from \$4.4 million provided in the Long Bill to \$5.5 million.

For FY 2014-15 through FY 2018-19, the READ Act directed the Department to:

- Provide *at least* \$4.0 million per year in competitive grants (H.B. 18-1393 amended this requirement from a requirement of \$4.0 million to *at least* \$4.0 million and added \$1.0 million to the program).
- Spend \$1.0 million per year on regional professional development provided by the Department.
- Utilize up to 1.0 percent of the total annual appropriation from the Early Literacy Fund to administer the program.
- Distribute any remaining funds as “per pupil intervention funding,” distributed to local education providers based on the number of students in each district identified as having significant reading deficiencies in the preceding school year.

Based on concerns about the pace of improvement in literacy outcomes, the General Assembly enacted S.B. 19-199 (READ Act Implementation Measures) to modify the uses of funds under the READ Act both by the Department and by local education providers that receive funds.

Some of the key changes in S.B. 19-199, as subsequently amended, included:

- Requiring that early literacy services provided by local education providers (LEPs) be evidence-based;
- Requiring that each early grade teacher successfully completes evidence-based training in teaching reading, provided by the LEP, CDE, or an institution of higher education. If requested by the LEP, CDE must provide training at no cost. LEPs must submit evidence to CDE that teachers have successfully completed training. H.B. 21-1129 extended the deadline for completing this training to the beginning of the FY 2022-23 school year.
- Requiring that per-pupil funding allocations to LEP be used strictly for specified early literacy activities, rather than allowing these funds to be more broadly embedded in school district spending plans.
- Requiring multi-year professional evaluation of the program, with the first report completed by July 1, 2021.

Along with the statutory changes, the bill changed the structure of funding under the READ Act for FY 2019-20 to reflect the new requirements for schools as well as the Department’s new responsibilities. Additional changes adopted during the 2022 legislative session included:

- Adding new training requirements in the science of reading for principals, administrators, and reading interventionists, with a related appropriations increase (S.B. 22-004 Evidence-Based Training In Science Of Reading); and
- Adding flexibility in the Long Bill, though a footnote, to enable the program to move up to \$1,500,000 among program line items, with a restriction that that transfers to program administration may not increase that line item by more than 10.0 percent (expected to cover the costs for up to 2.0 FTE). This was to address a pattern of reversions and a growing Early Literacy Fund balance. The program expects to use this flexibility to increase Early Literacy Grants.

The FY 2024-25 request and recommendation, which incorporates solely common policy adjustments, is for \$42,652,035 total funds, including \$34,278,285 from the Early Literacy Fund, which is supported with an annual statutory \$34.0 million transfer from the State Education Fund. Other funding sources include \$5,378,678 from the Marijuana Tax Cash Fund and \$2,997,072 from the State Education Fund.

Overall appropriations from the Early Literacy Fund in this division and for centrally appropriated amounts exceed the annual transfer of \$34.0 million to the fund in order to spend down an existing reserve. In FY 2023-24, due to shortfalls in the Marijuana Tax Cash Fund, the JBC modified the funding sources in this section to temporarily refinance the \$5,378,678 from the Marijuana Tax Cash Fund from reserves in the Early Literacy Fund. The Early Literacy Fund is projected to have a balance of \$6,864,354 at the beginning of FY 2024-25, even after this one-time refinance.

Spending for the program has remained significantly below the appropriation for both program administration and evidence-based training. The Department's budget schedules indicate that \$1.25 million was transferred from the evidence-based training line item to the line item for early literacy competitive grants in FY 2022-23, using the flexibility granted in the Long Bill by footnote, but actual grant expenditures did not increase. The Department has indicated that it encountered some technical issues in awarding the resulting grant funds in FY 2022-23 but expects to have these issues resolved going forward.

Program Impact: Ongoing program evaluations are required by the READ Act. An evaluation by WestEd was published June 12, 2023.¹⁵ Highlights were as follows.

- There have been modest gains in achievement level, indicating a return to prepandemic performance for some students.
- Students with multiple identifications (e.g., Significant Reading Deficiency (SRD) and English language learner or student with an individualized education plan) remain underserved. For these students, reading deficiency designation identification rates remained higher and CMAS scores much lower than for other students with an SRD.
- CMAS proficiency in English Language Arts remains stubbornly low for students who have ever been identified with an SRD.
- Professional development requirements were seen as positively impacting teacher practice and alignment toward science of reading principles.

¹⁵ <https://www.cde.state.co.us/coloradoliteracy/readactperpupilssummaryreportyear3>

- The evaluation recommended that CDE: focus attention on the persistently low rates of CMAS proficiency in English Language Arts; identify additional resources and strategies to better serve students with multiple designations; continue to support districts and schools with related job-embedded coaching; and consider providing grant funds to support ongoing visits from external literacy consultants.

EARLY LITERACY PROGRAM ADMINISTRATION AND TECHNICAL SUPPORT

The General Assembly added this line item to the FY 2020-21 Long Bill to support Early Literacy Program administration, technical assistance, and monitoring activities under H.B. 12-1238 and S.B. 19-199. Prior to the enactment of S.B. 19-199, the General Assembly had supported the Department's administrative costs in the appropriation for the Early Literacy Competitive Grant Program. However, S.B. 19-199 separated appropriations for program administration and technical assistance from the actual grant program.

STATUTORY AUTHORITY: Section 22-7-1210 (4)(d)(I), C.R.S.

REQUEST: The Department requests an appropriation of \$1,900,891 cash funds from the Early Literacy Fund and 9.3 FTE, including an adjustment to annualize prior year salary survey. A

RECOMMENDATION: The staff recommendation is reflected in the table below and is based on Committee common policy, which aligns with the request. Staff notes that actual spending from the line item remained low in FY 2022-23 (at \$1,092,553), but staff will wait for another year of actual data to make a related recommendation for changes, given that this section has the flexibility to move funding among line items.

STUDENT LEARNING, EARLY LITERACY, EARLY LITERACY PROGRAM ADMINISTRATION AND TECHNICAL SUPPORT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$1,862,420	\$0	\$1,862,420	\$0	\$0	9.3
TOTAL	\$1,862,420	\$0	\$1,862,420	\$0	\$0	9.3
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$1,862,420	\$0	\$1,862,420	\$0	\$0	9.3
Annualize prior year budget actions	38,471	0	38,471	0	0	0.0
SI Department reorganization (pending)	0	0	0	0	0	0.0
TOTAL	\$1,900,891	\$0	\$1,900,891	\$0	\$0	9.3
INCREASE/(DECREASE)	\$38,471	\$0	\$38,471	\$0	\$0	0.0
Percentage Change	2.1%	0.0%	2.1%	0.0%	0.0%	0.0%
FY 2024-25 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

EARLY LITERACY COMPETITIVE GRANT PROGRAM

Created in FY 2013-14, this line item supports the Early Literacy Competitive Grant Program. Prior to FY 2019-20, this line item also included funding to support the Department's costs for program administration and technical assistance provided to local education providers under the READ Act. As discussed above, those activities now fall under the Early Literacy Program Administration and Technical Support line item.

Senate Bill 19-199 appropriated \$7.5 million total funds (including \$2,121,322 cash funds from the Early Literacy Fund and \$5,378,678 cash funds from the Marijuana Tax Cash Fund) for the Early Literacy Competitive Grant Program in FY 2019-20, an increase of \$2.5 million above the \$5.0 million provided for competitive grants in FY 2018-19. The FY 2020-21 through FY 2023-24 appropriations continued that level of funding.

STATUTORY AUTHORITY: Sections 22-7-1210 (4)(d)(I)(C) and 22-7-1211, C.R.S.

REQUEST: The Department requests an appropriation of \$7,500,000 cash funds (including \$5,378,678 from the Marijuana Tax Cash Fund and \$2,121,322 from the Early Literacy Fund), with no change from the FY 2021-22 appropriation.

RECOMMENDATION: Staff recommends the request for continuation funding of \$7,500,000. While staff is currently reflecting the funding sources requested, these funding sources were adjusted in FY 2023-24 and could be adjusted again in FY 2024-25, with a net \$0 impact to total program funding.

EARLY LITERACY PROGRAM EVIDENCE BASED TRAINING PROVIDED TO TEACHERS

The General Assembly added this line item to the FY 2020-21 Long Bill to support the evidence based training activities required by S.B. 19-199. By the start of the 2021-22 school year, the bill requires local education providers that receive funding through either the competitive grant program or per pupil intervention funding to ensure that all teachers employed to teach kindergarten through third grade completes (or has completed) evidence based training in teaching reading. As a result of the COVID-19 pandemic, the State Board of Education delayed that requirement until January 31, 2022, to allow additional time for teachers to receive the training. House Bill 21-1129 extended the deadline to fall 2022.

Statute requires the Department to provide evidence based training in reading instruction at no cost to local education providers that request such training. Senate Bill 19-199 appropriated \$2,702,557 cash funds from the Early Literacy Fund for this purpose for FY 2019-20 and continued that amount for FY 2020-21. The Long Bill included an appropriation of the same amount for FY 2021-22, but actual expenditure data indicates that training expenditures were only \$611,091 in FY 2020-21, \$1,020,261 in FY 2021-22, and \$1,373,958 in FY 2022-23. The Department anticipated that most teachers would complete the training by the end of FY 2021-22. Lower expenditures may in part reflect more use of on-line training than was originally anticipated. New flexibility that began in FY 2022-23 enables the Department to reallocate unspent training funds to grants. Although it faced technical challenges doing this in FY 2022-23, it expects the issues will be resolved for FY 2023-24.

STATUTORY AUTHORITY: Section 22-7-1208 (6)(c), C.R.S.

REQUEST: The Department requests \$2,740,397 cash funds from the Early Literacy Fund, with an increase of \$32,532 to annualize FY 2023-24 salary survey.

RECOMMENDATION: Staff recommends the request, which is calculated consistent with common policy. Staff expects to recommend appropriation changes next year if spending continues to be far below the appropriation.

STUDENT LEARNING, EARLY LITERACY, EARLY LITERACY EVIDENCE PROGRAM EVIDENCE BASED TRAINING PROVIDED TO TEACHERS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$2,707,865	\$0	\$2,707,865	\$0	\$0	3.5
TOTAL	\$2,707,865	\$0	\$2,707,865	\$0	\$0	3.5
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$2,707,865	\$0	\$2,707,865	\$0	\$0	3.5
Annualize prior year budget actions	32,532	0	32,532	0	0	0.0
TOTAL	\$2,740,397	\$0	\$2,740,397	\$0	\$0	3.5
INCREASE/(DECREASE)	\$32,532	\$0	\$32,532	\$0	\$0	0.0
Percentage Change	1.2%	0.0%	1.2%	0.0%	0.0%	0.0%
FY 2024-25 EXECUTIVE REQUEST						
REQUEST	\$2,740,397	\$0	\$2,740,397	\$0	\$0	3.5
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

EARLY LITERACY PROGRAM EXTERNAL EVALUATION

The General Assembly added this line item to the FY 2020-21 Long Bill to support the external evaluation of the Early Literacy Program required by S.B. 19-199. No later than October 1, 2019, the bill required the Department to issue a request for proposals and contract for an independent evaluation of the use of per pupil intervention funding and the competitive grant program. The evaluation also has to include a multi-year evaluation to determine whether student outcomes meet the goals of the READ Act.

Senate Bill 19-199 appropriated \$750,000 cash funds from the Early Literacy Fund to support the evaluation costs in FY 2019-20. The Final Legislative Council Staff Fiscal Note for the bill assumed that amount would be ongoing in subsequent years.

The Department selected WestEd to perform the independent evaluation of whether grants to local education providers are successful in moving students' reading growth to the state standards and whether the providers' use of per pupil intervention funding and/or competitive grant program funding result in measurable progress in students' reading. The reports are available at the following link: <https://www.cde.state.co.us/coloradoliteracy/read-act-independent-evaluation-of-colorado-read>

STATUTORY AUTHORITY: Section 22-7-1209 (8)(a), C.R.S.

REQUEST: The Department requests an continuation appropriation of \$750,000 cash funds from the Early Literacy Fund.

RECOMMENDATION: Staff recommends approving the request for \$750,000 cash funds for FY 2024-25. Ongoing evaluation is important to assessing this program's effectiveness and adjustments that may be required.

EARLY LITERACY PROGRAM PUBLIC INFORMATION CAMPAIGN

The General Assembly added this line item to the FY 2020-21 Long Bill to support the public information campaign required by S.B. 19-199. Beginning with FY 2019-20, the bill requires the Department to contract with an external entity to develop and implement a public information campaign related to the importance of reading and to highlight local education providers that are achieving success.

The bill appropriates \$500,000 cash funds from the Early Literacy Fund and 0.5 FTE to support the campaign in FY 2019-20. The Final Legislative Council Staff Fiscal Note for the bill assumed that amount would be ongoing in subsequent years.

The Department selected Cactus (a full-service marketing and research firm with a price agreement with the State) to research, develop, and implement the campaign in Spring of 2020. The campaign is ongoing (for more information see the campaign's website at: <https://readwithme.today/>).

STATUTORY AUTHORITY: Section 22-7-1209 (7), C.R.S.

REQUEST: The Department requests \$504,124 cash funds from the Early Literacy Fund and 0.5 FTE for FY 2024-25. The request includes an increase of \$1,863 cash funds to annualize prior year salary survey funding.

RECOMMENDATION: Staff recommends the request for \$504,124 cash funds for FY 2024-25. The calculation as requested is consistent with Committee common policy.

EARLY LITERACY PROGRAM PER PUPIL INTERVENTION FUNDING

Created in FY 2014-15, this line item reflects funding to be distributed to local education providers based on the statutory formula for early literacy per pupil intervention funding. The FY 2013-14 Long Bill supported this line item with interest income earned on the Public School (Permanent) Fund transferred to the Early Literacy Fund. However, S.B. 13-260 (School Finance) eliminated the annual transfer of interest earned on the Permanent Fund and instead transferred \$16.0 million from the State Education Fund to the Early Literacy Fund to support the Early Literacy Program in FY 2013-14. The enactment of H.B. 14-1292 (Student Success Act) and H.B. 14-1298 (School Finance) increased the annual transfer from the State Education Fund to the Early Literacy Fund by \$18.0 million (for a total transfer of \$34.0 million) in FY 2014-15 and subsequent years.

The Department allocates per pupil intervention funding to local education providers based on the number of students identified with SRDs in the previous budget year. Section 22-7-1210.5, C.R.S., directs the distribution and use of per pupil intervention funds, including reporting requirements for local education providers that receive funding. Section 22-7-1210.5 (4), C.R.S., specifies the eligible uses of per pupil intervention funds.

The General Assembly appropriated more than \$33.2 million per year to this line item for FY 2014-15 through FY 2018-19 (all funding dedicated to early literacy that was not appropriated for program administration or the competitive grant program). The enactment of S.B. 19-199 shifted some funds previously appropriated for per pupil intervention funding to the uses outlined in the previous line items (additional funding for the competitive grant program, evidence based training for teachers, the external evaluation, and the public awareness campaign). Those shifts reduced the amount available for per pupil intervention funding to \$26,261,551 in FY 2019-20 (appropriated in S.B. 19-199). Funding at this level has continued.

STATUTORY AUTHORITY: Sections 22-7-1210 (4)(d)(I)(D) and 22-7-1210.5, C.R.S.

REQUEST: The Department requests a continuation appropriation of \$26,261,551 cash funds from the Early Literacy Fund (transferred from the State Education Fund pursuant to Section 22-7-1210 (1) (d), C.R.S.) for FY 2024-25, with no change from the FY 2021-22 appropriation.

RECOMMENDATION: Staff recommends approving the request for continuation funding of \$26,261,551 cash funds. Staff recommends that the General Assembly continue to monitor results and student outcomes under the early literacy program (as modified by S.B. 19-199). Prior to the original requirements established in S.B. 19-199, student outcomes associated with per pupil intervention funding raised questions about local education providers' use of the funds and effectiveness of the program overall. The Department has indicated to staff that it is seeing promising changes in activities in the field that related to the changes made in S.B. 19-199, and staff is hopeful that results will improve. In addition, staff notes that the COVID-19 pandemic both delayed implementation of some of the requirements and added to challenges for struggling readers.

EARLY LITERACY ASSESSMENT TOOL PROGRAM

The General Assembly added this line item to the FY 2014-15 Long Bill to provide ongoing support for the Early Literacy Assessment Tool (ELAT) Program originally created in H.B. 12-1345 (2012 School Finance Bill). The READ Act (H.B. 12-1238) requires public school teachers in kindergarten through third grade to administer an interim assessment to all students to determine whether children are on track to reach grade level reading proficiency. Students identified as significantly below grade level must take a diagnostic assessment to determine specific areas of need for reading improvement. Teachers then use the assessment data to develop a collaborative intervention plan (READ Plan) with the child's parents.

Associated with the early literacy assessment requirements in the READ Act, House Bill 12-1345 required the Department to issue a competitive request for proposals to procure an Early Literacy Assessment Tool (ELAT) for districts' use and appropriated \$3.0 million cash funds from the State Education Fund to procure the tool. For participating districts, the use of the ELAT defrays assessment costs that would otherwise be required by the READ Act; districts may choose between

state-approved assessments for READ Act implementation (one of which is the ELAT) but must pay for tools other than the ELAT. The ELAT provision (Section 22-2-141, C.R.S.) requires the ELAT software to, at a minimum:

- Provide individualized assessments with immediate results.
- Store and analyze assessment results, recommend activities that are aligned with the assessment results, and assist in tracking student performance and identifying strategies to improve student performance.
- Provide student grouping recommendations based on the assessment scores and provide proposed lesson plans on a short-term cycle.
- Assist in generating and populating individualized plans to improve students' reading skills.

The Department began transitioning from the diagnostic assessment that the state provided in FY 2013-14 (“Burst”) to Amplify’s “DIBELS Deep” diagnostic assessment in FY 2014-15. The Department contracted with Amplify to supply the ELAT for FY 2015-16 through FY 2017-18. For FY 2018-19 through FY 2022-23, the Department contracted with both Amplify and Istation to provide two options for participating districts. Beginning in FY 2023-24, it has selected Amplify DIBELS and Lectura to provide the assessments under ELAT.

STATUTORY AUTHORITY: Section 22-2-141, C.R.S.

REQUEST: The Department requests a continuation appropriation of \$2,997,072 cash funds from the State Education Fund.

RECOMMENDATION: Staff recommends approving the request for \$2,997,072 cash funds.

(C) FACILITY SCHOOLS

While most children in Colorado receive public education services through school districts (or schools that are authorized by the State Charter School Institute), some children receive their education through schools operated by community-based facilities or state-operated programs.¹⁶ In 2008, the General Assembly took steps to improve the quality and consistency of education provided in these community-based facilities and state-operated schools through several structural changes. The General Assembly modified the method of funding facility schools and certain state programs by:

- Removing pupils educated by facility schools from districts' pupil enrollment counts for purposes of funding.
- Requiring facility schools and state-operated programs to report information directly to the Department's Facility Schools Unit concerning individual students, including the student's district of residence and the actual number of days of attendance each month.

¹⁶ Pursuant to Section 22-54-129 (1)(f), C.R.S., “state programs” include the Colorado School for the Deaf and the Blind and the education programs operated by the Colorado Mental Health Institutes at Pueblo and Fort Logan. Because the State has closed the facility at Fort Logan, the School for the Deaf and the Blind and the Colorado Mental Health Institute at Pueblo are the only remaining state programs.

- Allowing facility schools and state-operated schools to bill the Department for statewide average per pupil revenues times 1.33, and allowing facility schools to bill for an additional one-third of per pupil revenue to support Summer school programs. In 2013, the General Assembly modified this provision to provide statewide base per pupil funding times 1.73 in an effort to increase funding for facility schools.

The General Assembly also created a Facility Schools Board to adopt curriculum standards, accountability measures, and graduation requirements for facility schools. This act also created the Facility Schools Unit within the Department of Education charged with:

- Developing and maintaining a list of approved facility schools.
- Making recommendations concerning curriculum standards and graduation standards.
- Maintaining information and records for students who receive educational services from approved facility schools.
- Communicating and collaborating with the Department of Human Services, county departments of social services, and other agencies regarding the placement and transfer of students in facilities.

S.B. 21-274 (Sustainable Model to Serve Facility School Students)

In response to sharp declines in enrollment in facility schools and many facility school closures, the Joint Budget Committee sponsored S.B. 21-274 (Sustainable Model to Serve Facility School Students). The bill incorporated appropriations for one-time supplemental payments for FY 2021-22 (\$5.7 million), which were followed by additional one-time payments of \$5.1 million, while a work group, funded through S.B. 21-274, developed recommendations for how to address the decline and the lack of appropriate placements for students with exceptionally severe or specialized needs.

S.B. 23-219 (Supports to Students and Facility Schools)

During the 2023 legislative session, the JBC sponsored S.B. 23-219. The bill made multiple changes to the regulation and funding of facility schools, and modified the duties of the Office of Facility Schools in the Colorado Department of Education. These changes support services for children and youth with exceptionally severe or specialized needs that school districts are unable to serve adequately within their regular or specialized educational services. The bill:

- Creates a new baseline funding model for facility schools effective FY 2023-24. Previously, funding for facility schools was based on a per-pupil model (1.73 x state base per pupil funding/\$55 per student per day in FY 2022-23). The new model provides a stable revenue stream to enable small schools to maintain operations even when student numbers fluctuate. Average state funding provided for schools under this new model is approximately 76.0 percent more than the funding provided for schools in the prior two years, which included temporary supplemental payments.
- Creates the specialized day school as a type of approved facility school. Previously, facilities had to be licensed by the Department of Human Services (for residential and day treatment programs) or the Department of Public Health and Environment (for hospitals) before they could seek and receive approval to become a facility school. This new category of facility school can be authorized by the Department of Education without prior licensing by another agencies. The bill requires the Facility Schools Board in the Department of Education to promulgate rules for authorizing specialized day schools as facility schools by July 1, 2024.

- Requires the State Board of Education to begin accrediting facility schools by December 1, 2026, based on the recommendations of the Facility Schools Board. The bill expands the oversight role of the Facility School Board to accreditation. Schools have one year from approval as a facility school to become accredited. Beginning October 1, 2026, the bill requires the Office of Facility Schools and the Facility Schools Board to create and publish an accreditation outcome report for each approved facility school as part of the process to determine whether an approved facility school becomes and remains accredited.
- Creates the Shared Operational Services Grant Program for FY 2023-24 and FY 2024-25. This is a two-year grant program to support an eligible applicant in providing shared operational services for facility schools, such as food services, janitorial, shared office spaces, billing and other “back end” services, with the goal of lowering facility school operational costs.
- Creates the Technical Assistance Center in the Office of Facility Schools to provide technical assistance support to school districts and related administrative units, with priority to serve rural and remote school districts and related administrative units. The center is intended to improve services for students with exceptionally severe or specialized needs, with a focus on those who cannot access an appropriate facility school placement for geographic or other reasons.
- Extends and adds responsibilities for the Facility School Work Group to monitor implementation of changes to the facility school system. Requires the Department to contract for a third-party program evaluation through the Office of Facility Schools. Modifies Work Group membership to include parents and guardians and schools that are not currently approved facility schools.
- Requires the Departments of Education, Human Services, Health Care Policy and Financing, and Public Health and Environment to collaborate to create an interagency resource guide to provide assistance to facilities that are pursuing licensing to operate as an approved school. Requires state agencies to identify and recommend legislation and changes to rules and administrative processes to facilitate licensing and approval processes.
- Requires the Department of Health Care Policy and Financing to recommend a plan to ensure approved schools may access Medicaid reimbursement funding for therapeutic services to the maximum extent feasible.
- Makes changes to the structure for funding Department of Education administration for facility schools. Under current law, administration for the Department is tied to 2.0 percent of state expenditures for facility schools. As modified in this bill, administration amounts are based on appropriations.

The bill included an appropriation of \$18,780,654 cash funds from the State Education Fund and eliminated an existing Long Bill appropriation for facility school administration by \$216,625 reappropriated funds. The fiscal impact is projected to grow, driven primarily by the expected addition of new facility schools, as reflected in the table below.

S.B. 23-219 FISCAL NOTE EXPENDITURES/APPROPRIATIONS REQUIRED FOR DEPARTMENT OF EDUCATION RELATED TO NEW FUNCTIONS AMOUNTS ARE FROM THE STATE EDUCATION FUND			
COST COMPONENTS	FY 2023-24	FY 2024-25	FY 2025-26
Department of Education			
Personal Services	\$509,642	\$548,950	\$638,225
Operating Expenses	5,535	6,210	7,560
Capital Outlay Costs	6,680	1,670	1,670
Shared Operational Services Grant	200,000	0	0
Evaluation Contractor	50,000	150,000	150,000
Working Group Facilitator Contract	50,000	50,000	50,000
Funding for New Specialized Day Schools	3,077,269	6,778,019	11,211,736
Additional Funding for Baseline Model	14,664,903	15,383,484	15,798,838
Data System Costs	0	129,450	0
Centrally Appropriated Costs ¹	80,712	89,903	109,283
FTE – Personal Services	4.1 FTE	4.6 FTE	5.6 FTE
Total	\$18,644,741	\$23,137,686	\$27,967,312
Total FTE	4.1 FTE	4.6 FTE	5.6 FTE

¹ Not included in appropriation in first year.

FACILITY SCHOOLS OFFICE, FACILITY SCHOOLS BOARD, AND FACILITY SCHOOL TECHNICAL ASSISTANCE CENTER

This line item supports several different functions related to administration of the facility school system: the Facility Schools Office, Facility Schools Board, and the Facility School Technical Assistance Center. Previously, administrative costs were funded by withholding up to 2.0 percent of the amount payable to each approved facility school. However, changes included in S.B. 23-219 allows for direct appropriation from the State Education Fund for these functions.

The Facility School Technical Assistance Center, created in S.B. 23-219, is expected to grow annually for five years “to provide technical assistance to school districts and related administrative units serving students with exceptionally severe or specialized needs who need to be served by an approved facility school but are unable to access an approved facility school due to lack of proximity....or other factors.”

STATUTORY AUTHORITY: Sections 22-2-401 through 22-2-407, 410, and 412, C.R.S.

REQUEST: The Department requests an appropriation of \$1,017,365 for this line item, including an increase of \$264,423 to annualize the impact of S.B. 23-219 related to expansion of facility school technical assistance services and an increase of \$14,460 to annualize prior year salary survey.

RECOMMENDATION: Staff recommends the request, which is calculated consistent with Committee common policy.

**STUDENT LEARNING, FACILITY SCHOOLS, FACILITY SCHOOLS OFFICE, FACILITY SCHOOL BOARD, AND
FACILITY SCHOOL TECHNICAL ASSISTANCE CENTER**

	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
Other legislation	\$521,857	\$0	\$738,482	(\$216,625)	\$0	4.1
SB 23-214 (Long Bill)	\$216,625	\$0	\$0	\$216,625	\$0	3.0
TOTAL	\$738,482	\$0	\$738,482	\$0	\$0	7.1
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$738,482	\$0	\$738,482	\$0	\$0	7.1
Annualize prior year legislation	264,423	0	264,423	0	0	0.5
Annualize prior year budget actions	14,460	0	14,460	0	0	0.0
SI Department reorganization	0	0	0	0	0	0.0
TOTAL	\$1,017,365	\$0	\$1,017,365	\$0	\$0	7.6
INCREASE/(DECREASE)	\$278,883	\$0	\$278,883	\$0	\$0	0.5
Percentage Change	37.8%	0.0%	37.8%	0.0%	0.0%	7.0%
FY 2024-25 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

STATE SCHOOL FUNDING

Although Senate Bill 23-219 changed the funding structure for community-based facility schools managed by private operators, it did not change the structure created in 2008 for students attending state programs (state-operated schools). Pursuant to Section 22-54-129 (1)(f), C.R.S., “state programs” include the Colorado School for the Deaf and the Blind and the education programs operated by the Colorado Mental Health Institutes at Pueblo and Fort Logan. Because the State has closed the facility at Fort Logan, the School for the Deaf and the Blind and the Colorado Mental Health Institute at Pueblo are the remaining state programs. Statute requires that these schools receive funding in an amount equal to the pupil enrollment of each state program for the applicable budget year multiplied by 1.73x the statewide base per pupil funding for the applicable budget year. This amount is translated into a daily rate, and each facility school receives a daily rate for each child in attendance for up to 235 days each school year. The state programs also receive direct General Fund support for their operations.

STATUTORY AUTHORITY: Section 22-54-129 (2)(c)(II), C.R.S.

REQUEST: The Department request a continuation amount of \$1,925,110 cash funds from the State Education Fund for FY 2024-25. The Department’s analysis suggests that the funding required for the two state schools should be within the existing base appropriation amount.

STATE SCHOOL FUNDING		
	FY 23-24 PROJECTION	FY 24-25 PROJECTION
CDE: CSDB	\$1,684,764	\$1,792,083

STATE SCHOOL FUNDING		
	FY 23-24 PROJECTION	FY 24-25 PROJECTION
CDHS: MHI (Pueblo only)	\$86,020	\$91,499
Appropriation	\$1,925,110	\$1,925,110
Statewide Base Per Pupil (x 1.73)	\$13,972	\$14,699
*Assumes 6.37% growth for FY 24 & FY 25 based on average from FY 21 to FY 23.		
FY24 Statewide Base Per Pupil based on \$8,076.41, and FY25 on \$8,496.38.		

RECOMMENDATION: Based on the data provided, staff recommends a continuation amount of \$1,925,110 from the State Education Fund for this line item.

FACILITY SCHOOLS FUNDING

This line item provides funding for the Department to make payments to facility schools as required by Section 22-54-129, C.R.S. Prior to FY 2023-24, this provision authorized the payment of the state average per pupil revenue times 1.73 and included funding for state-operated programs. Pursuant to S.B. 24-219, facility schools are funded beginning in FY 2023-24 using a baseline funding model that is described in statute. This line item now includes solely funding for facility schools (excludes state-operated programs) and is calculated using the baseline funding model. The new model provides a higher level of funding than the prior model and allows for more stable support, particularly for schools serving fewer than 16 students.

STATUTORY AUTHORITY: Section 22-54-129, C.R.S.

REQUEST: The Department requests \$29,074,066 cash funds from the State Education Fund, including the Department's initial request for annualization of S.B. 24-219, which was incorporated in request R7.

RECOMMENDATION: The table below incorporates the staff recommendation for request R7, based on updated data. The staff calculation, described in more detail earlier in this packet, is based on the Department's estimate of new facility schools that may open in FY 2024-25 and a 5.2 percent inflationary adjustment for all schools based on calendar year 2023 inflation.

STUDENT LEARNING, FACILITY SCHOOLS, FACILITY SCHOOL FUNDING						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
Other legislation	\$17,742,172	\$0	\$17,742,172	\$0	\$0	0.0
SB 23-214 (Long Bill)	\$8,906,138	\$0	\$8,906,138	\$0	\$0	0.0
TOTAL	\$26,648,310	\$0	\$26,648,310	\$0	\$0	0.0
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$26,648,310	\$0	\$26,648,310	\$0	\$0	0.0
R7 Facility school baseline model inflation	3,664,956	0	3,664,956	0	0	0.0
TOTAL	\$30,313,266	\$0	\$30,313,266	\$0	\$0	0.0

STUDENT LEARNING, FACILITY SCHOOLS, FACILITY SCHOOL FUNDING						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
INCREASE/(DECREASE)	\$3,664,956	\$0	\$3,664,956	\$0	\$0	0.0
Percentage Change	13.8%	0.0%	13.8%	0.0%	0.0%	0.0%
FY 2024-25 EXECUTIVE REQUEST	\$29,074,066	\$0	\$29,074,066	\$0	\$0	0.0
Request Above/(Below) Recommendation	(\$1,239,200)	\$0	(\$1,239,200)	\$0	\$0	0.0

FACILITY SCHOOL WORK GROUP AND PROGRAM EVALUATION CONTRACTS

Senate Bill 21-274 (Sustainable Model for Facility School Funding) required the Department to convene a work group of stakeholders related to facility schools to develop a new model for educational services for a target population of students. The resulting recommendations were used to develop S.B. 24-219. Senate Bill 24-219 continues the work group and requires it to continue to report annually throughout the program's implementation period. Statute details specific items that must be included in annual reports through October 1, 2026.

This line item also includes funding for a qualified third-party evaluator to report on whether facility school placements for students with exceptionally severe or specialized needs has stabilized or increased, whether reliance on homebound and out-of-state placements has decreased, whether administrative units that are unable to access approved facility schools receive sufficient support, and whether parents, guardians, advocates, county human services agencies, and other interested parties find that the facility school implementation plan has had a positive impact on student services, among other measures. The evaluator is required to submit a report to the work group and the Facility School Office to be included in a legislative report on October 1, 2025.

STATUTORY AUTHORITY: Section 22-2-407.5, C.R.S.

REQUEST: The Department requested a continuation appropriation of \$100,000 for this line item for FY 2024-25.

RECOMMENDATION: The staff recommendation is for \$200,000 cash funds from the State Education Fund, which is consistent with the fiscal note for S.B. 23-219, which reflects an FY 2024-25 need for \$50,000 for a facilitator for the work group and \$150,000 for the third-party evaluation.

FACILITY SCHOOLS SHARED OPERATIONAL SERVICES GRANT PROGRAM

Senate Bill 23-219 created a shared operational services grant program to award an eligible applicant grant money for the span of two budget years to contract with an organization that provides or coordinates shared operational services for facility school grantees. The goal of the grant is to demonstrate whether facility schools, which are often small, can reduce their costs by collaborating in obtaining services such as food services, janitorial services, office space, technical assistance on Medicaid services, security, and technology. One component for assessing applicants is the sustainability of services after the grant has completed. A grant for this initiative was successfully

awarded. An interim and final report on the impact of the grant will be included in reports due to the General Assembly on October 1, 2025, and October 1, 2026.

STATUTORY AUTHORITY: Section 22-4-411, C.R.S.

REQUEST: The Department requested a continuation appropriation of \$200,000 for this line item for FY 2024-25.

RECOMMENDATION: The staff recommendation does not include an appropriation for this line item, consistent with the fiscal note for S.B. 23-219, which reflected a one-time appropriation of \$200,000 in FY 2023-24 for this program.

(6) SCHOOL QUALITY AND SUPPORT

This section contains appropriations associated with a variety of accountability and school improvement programs, as well as the Department’s efforts associated with schools of choice, blended, and on-line education programs.

SCHOOL QUALITY AND SUPPORT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 Appropriation						
SB 23-214 (Long Bill)	\$22,908,440	\$8,327,436	\$3,704,172	\$0	\$10,876,832	32.4
Other legislation	416,494	416,494	0	0	0	1.2
HB 24-1183 (Supplemental)	50,000	50,000	0	0	0	0.0
TOTAL	\$23,374,934	\$8,793,930	\$3,704,172	\$0	\$10,876,832	33.6
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$23,374,934	\$8,793,930	\$3,704,172	\$0	\$10,876,832	33.6
SI Department reorganization	1,284,662	0	0	0	1,284,662	7.4
R12 Proactive intervention expansion	500,000	500,000	0	0	0	0.0
Annualize prior year legislation	(300,546)	(300,546)	0	0	0	(0.2)
Annualize prior year budget actions	23,731	534	23,197	0	0	(0.4)
TOTAL	\$24,882,781	\$8,993,918	\$3,727,369	\$0	\$12,161,494	40.4
INCREASE/(DECREASE)	\$1,507,847	\$199,988	\$23,197	\$0	\$1,284,662	6.8
Percentage Change	6.5%	2.3%	0.6%	0.0%	11.8%	20.2%
FY 2024-25 EXECUTIVE REQUEST						
Request Above/(Below)						
Recommendation	(\$1,293,325)	(\$8,663)	\$0	\$0	(\$1,284,662)	(7.5)

DECISION ITEMS – SCHOOL QUALITY AND SUPPORT

→ R12 PROACTIVE INTERVENTION EXPANSION

REQUEST: The request includes an increase of \$500,000 General Fund, to be continued in future years, for the School Transformation Grant Program. The requested increase (on a current base of \$7.0 million in state funding and approximately \$8.0 million in federal funds) would be used specifically for schools which are early in the accountability clock process, similar to \$1.0 million added in FY 2023-24. The Department anticipates that the combination of \$1.0 million added for proactive intervention in FY 2023-24 and the \$500,000 in this request would enable it to provide support for 10-12 schools “on the clock” (because they are rated priority improvement or turnaround). These schools would receive a \$20,000 planning grant, followed by \$50,000 to \$100,000 for implementation, with the goal of avoiding having these schools remain on the accountability clock. Schools that remain on the clock require intensive (and expensive) state interventions.

EVIDENCE LEVEL: The Department previously indicated that this program is “theory-informed”. It notes that outcomes are measured for existing turnaround support, but there is no existing proactive

intervention program for schools early on the clock, so outcomes are not specific to this group. Staff concurs.

RECOMMENDATION: Staff recommends the request for a \$500,000 General Fund increase for FY 2024-25 and ongoing. Staff notes that this request was initiated by the Governor's Office but is supported by the State Board.

ANALYSIS:

Background - School Transformation Grant Program

The General Assembly began funding grants for school transformation in FY 2014-15, when it authorized \$2.0 million cash funds from the State Education Fund to support the School Turnaround Leaders Development Program. The program requires the Department to contract with providers of high-quality turnaround leadership development programs and to award grants to school districts and charter schools throughout the State that are in Turnaround or Priority Improvement status under the statewide accountability system. As the program has been modified over time, including in H.B. 18-1355, program grants support identifying and recruiting school turnaround leaders, providing professional development for educators in schools that are implementing priority improvement, and planning for and implementing rigorous school redesign strategies. Senate Bill 23-137 expanded the program for FY 2022-23 (only) to schools in "Improvement" status. As outlined in Section 22-13-101 through 107, C.R.S., qualifying schools, school districts, and charter schools are eligible to participate and receive grants for up to three years. The General Assembly approved an increase of \$2,314,027 General Fund and 1.8 FTE for FY 2019-20 to expand services available under the program. For FY 2022-23, the Executive Branch requested, and the JBC and General Assembly approved, a \$2,000,000 General Fund increase, bringing the total for the program to \$6,450,371 from the General Fund and State Education Fund and 3.0 FTE. In FY 2023-24, the JBC and General Assembly expanded the program with \$1.0 million for proactive intervention for schools that are early in the accountability process.

Background - School Accountability Systems

The School Transformation Grant Program is one component of the State's broader school accountability system. Colorado currently operates under two different accountability systems: the state system established under the S.B. 09-163 (Education Accountability System), as amended in H.B. 18-1355, H.B. 21-1161, and S.B. 22-137, and the federal system, established under the Every Student Succeeds Act (ESSA) of 2015. Schools may be identified as failing to meet standards and requiring additional support under either or both of the systems. In academic year 2019-20, out of over 3,100 schools in Colorado, 100 schools were identified using only the state accountability criteria, 192 schools qualified under federal accountability criteria, and 79 schools qualified under both.

Under the State system, the Department evaluates the performance of schools and school districts relative to state expectations for academic performance. Schools are assigned one of four ratings. Schools identified in the two bottom categories--*priority improvement* or *turnaround*--have historically been eligible for state funding supports (funded primarily in the School Transformation Grant Program line item) and are subject to sanctions if they are not successful in improving their results over time. If a school remains in this status for five years, the State Board of Education is required to take one of four actions: closure, become a charter, pursue external management, or pursue a school of innovation pathway. Pursuant to H.B. 21-1161 (Suspend Statewide Assessments for Select Grades) and S.B. 22-137 (Transition Back to Standard K-12 Accountability), the accountability system (and clock) was suspended for FY 2020-21 and FY 2021-22 but took affect again in FY 2022-23.

The separate federal accountability system also identifies and provides supports for schools deemed to be struggling. The system is particularly focused on identifying and offering supports to the lowest performing 5.0% of Title I schools and the lowest performing 5.0% of schools based on the performance of disaggregated groups (such as English Language Learners). The federal government also suspended its accountability system during the pandemic and has also re-started its accountability system.

Background - the EASI Application and the Broader System of School Supports

Even though eligibility for supports under the state and federal accountability systems differ, the State attempts to provide a unified system of support offerings that can be accessed by schools through a single application, known as Empowering Action for School Improvement (EASI). The application uses a needs-based approach to award services and funding. Through the EASI application process, schools can access a various levels and types of programs, as reflected in the table below.

RESOURCES AVAILABLE TO DISTRICTS AND SCHOOLS IDENTIFIED FOR IMPROVEMENT	
Exploration Supports: Diagnostic Reviews, stakeholder & community and Engagement Planning, Improvement Planning, Early implementation	1 year. Up to \$42,000 for specialized reviews facilitated by CDE and up to \$80,000 for holistic review or district strategic planning using an external provider.
District Designed and Led Improvement Strategies: Districts initiate and expand supports for schools in need of improvement. Improvements are expected to build on planning activities. The Department provides a list of external providers that districts may choose to engage to assist in school leadership development, school improvement support, and other related areas.	Up to 2.5 years. Districts may receive up to \$50,000 for schools identified for targeted support (federal system) or on the state accountability clock; up to \$25,000 for schools in select other categories.
State Offered Services - Most intensive: Accountability Pathways and Planning - for schools on year 3, 4, 5 of the accountability clock. For those nearing the end of the accountability clock, supports exploring turnaround options, taking action, and increasing readiness for the State Board of Education	1 year for planning +up to 2.5 years for supports. Funding is up to \$30,000 per year for planning and \$100,000 per year for implementation per school. A district applying to support multiple schools may receive up to \$400,000 per year.
State-offered Services – Schools on Improvement, Priority, Improvement, & Watch: <i>Multi-tiered System of Supports:</i> prevention-based framework of team-driven data-based problem solving	Up to 2.5 years. \$5,000 for 1 st six months (new LEA), \$65,000 per year after
<i>Connect for Success:</i> Opportunity for schools identified for support and improvement to connect and learn from High Achieving Schools, including receiving a diagnostic visits, reports and support developing an action plan	Up to 2.5 years. \$20,000 for year 1. \$80,000 per school for year 2-3.
<i>School Turnaround Leadership Development Program:</i> Opportunity for educators to connect and partner with leadership development program	Variable time period. Cost depends on the turnaround leadership development provider
<i>School Turnaround Network:</i> The Network accelerates student achievement for select schools through targeted support and flexible resources. This a collaborative endeavor between local schools, their district, and the Department. Schools participate in enhanced diagnostic reviews and planning support, professional learning opportunities with peer schools, and supplemental grants, as well as professional development, on-site performance management, network events, and principal cohort gatherings	Up to 3.5 years. \$30,000 per school for year 1, \$75,000 for year 2, and \$30,000 for year 3
<i>Continuation of Services:</i> Allows for additional support and funding schools and districts to extend services under one of the four options above	Up to 1.5 years. Up to \$40,000.

RESOURCES AVAILABLE TO DISTRICTS AND SCHOOLS IDENTIFIED FOR IMPROVEMENT

Facilitated Board Support: Work with school board members to increase understanding of effective governance practices, increased boards support of district improvement efforts, and a develop action plan to improve academic outcomes Up to \$10,000 per school board

Only a small share of the schools that are eligible to participate in the support programs described above actually do so, as reflected in the table below.

	SCHOOLS ELIGIBLE TO APPLY FOR A GRANT AWARD (NOTE: IMPROVEMENT SCHOOLS WERE ELIGIBLE IN EASI COHORT 6)			SCHOOLS RECEIVING A GRANT AWARD		
	FEDERAL ONLY	STATE ONLY	BOTH	FEDERAL ONLY	STATE ONLY	BOTH
EASI Cohort 1 (2017-18)	158	92	66	37	14	11
EASI Cohort 2 (2018-19)	251	77	81	86	32	49
EASI Cohort 3 (2019-20)	332	73	81	34	32	54
EASI Cohort 4 (2020-21)	329	71	78	32	10	20
EASI Cohort 5 (2021-22)	220	87	61	25	21	24
EASI Cohort 6 (2022-23)	181	323	221	13	39	65

This is in part because not all those who are eligible choose to apply, but it is also due to funding available. Most funds are directed to schools that are far-along in the “accountability clock”, at which point interventions are expensive. The new proactive intervention program seeks to provide less expensive interventions earlier in the process to keep schools from progressing to more intensive interventions.

Effectiveness of State's School Supports

The Department is currently working with the Center for Assessment, Design, Research and Evaluation (CADRE) at the University of Colorado at Boulder's School of Education to evaluate the supports it is providing to the lowest performing schools in the state.

- Initial work by CADRE at the University of Colorado indicated that the program had small positive impacts, with the mixture of results due in part to the range of services available.
- More recent work contracted through the Office of the State Auditor, as well as CADRE, confirms that the program has positive impacts, although the degree of impact varies.
- Through its partnership with CADRE, the Department continues its efforts to determine what interventions are most effective.

As summarized in the Department’s hearing response:

“The Department’s School Transformation Grants are grounded in evidence-based strategies, and include continued evidence-based evaluation, continuous improvement implementation, and ongoing innovation. Unlike most grants, however, CDE’s School Transformation Grant Program provides high levels of individualized technical assistance, partnership and support for schools. Beyond just providing funding for districts, the model includes a CDE staff transformation manager that works on-site with the school, providing feedback and support through implementation challenges and the Department provides professional learning for participating districts and schools across the state. Recently, CDE’s supports for districts and schools have been evaluated in two separate, but related, ways as described below.

The School Transformation Grant includes an annual allocation for CDE to partner with an external evaluator for ongoing evaluation of the programs' effectiveness. This allows CDE support programs to continue to innovate, be evidence-based, and improve support for schools and districts across the state. Beginning in 2020, CDE partnered with the Center for Assessment, Research, Design, and Evaluation (CADRE) at CU Boulder to engage in a multi-part evaluation of support programs funded via the School Transformation Grant. The first phase of the evaluation was a descriptive, quantitative analysis. The final report was completed in February 2021 and titled "Evaluation of Colorado School Turnaround Network and School Turnaround Leadership Development [Programs]: Descriptive Analysis of 2015-2020 Cohorts". In this report, CADRE found "...the patterns show that schools eligible to participate in CDE support programs tended to serve higher proportions of students from historically disadvantaged groups relative to the statewide population of schools" (page 16). Additionally, the external evaluation "...found trends in student achievement consistent with small positive effects for each cohort of [CDE support program] schools for years during and after participating in the programs; these small positive changes are consistent with the average magnitude of positive effects found in other recent studies of school turnaround interventions" (page 3).

The second phase of the evaluation was a multi-phase case study of schools that participated in CDE's support programs, which culminated in a report titled "Learnings from a Multi-site Case Study of Former Turnaround Schools", and completed in July 2022.. The case study included schools that sustained student achievement gains after exiting turnaround status, and was designed to identify and replicate the evidence-based practices in those sites used to achieve outstanding results. CADRE conducted an intensive analysis that included site visits, interviews with school and district leader interviews, focus groups with staff, classroom observations, , and an extensive review of documents such as classroom observation protocols, diagnostic review reports and progress monitoring reports. CADRE found that were several component were critical to sustaining school turnaround success, including:

- CDE's support of short-cycle improvement planning (such as the technical assistance and district supports funded through the School Transformation Grants) performance management, and
- collaboration between state, district, and school, and distributed leadership within schools
- CDE is using these findings to continuously improve the support programs offered through the School Transformation Grant.

Additionally, in the "Evaluation of Colorado's K-12 Education Accountability System prepared for the Office of the State Auditor" that was completed in November 2022, the external evaluator HumRRO studied the impacts of CDE's School Transformation Grants on student outcomes. Across a sample of 212 Priority Improvement or Turnaround schools that participated in the grant program, HumRRO found that "participating schools generally experienced more gains or fewer losses in academic achievement, academic growth, and graduation rates than non-participating schools", and that "participating [high] schools had higher graduation rates than non-participating [high] schools"

Rationale for Adding Funding and Staff Concerns

- **Staff supports offering supports earlier in the accountability process.**
 - The Department has emphasized that **earlier interventions are less expensive**. A school or district that gets to the stage of board action (after 5 years) can require \$400,000 or more a year in funding.

- Perhaps more importantly, schools and districts that remain on the accountability clock are presumed to not be serving their students well, and a school that reaches the end of the clock without improving faces consequences that are disruptive for students, staff and families. **Earlier intervention is likely to be better for students, staff, and families.**
- The program has repeatedly emphasized to staff their interest in intervening earlier rather than later.
- The program has an impressive **history of attempting to evaluate** the programs it implements.

Staff nonetheless has some reservations/cautions.

- **Most schools so far have not required additional state supports to emerge from Priority Improvement/Turnaround.** According to the data developed for the November 2022 accountability system audit, based on data from 2010-11 to 2017-18, 720 schools received Priority Improvement Plan or Turnaround Plan ratings at some point in this period. *Of these 720 schools, only 132 schools (18 percent) remained in these two lower performance rating categories more than two years.* Based on this data, it appears that the majority of schools categorized as having a low performance status successfully emerge from this status with little or no state-funded support services (since there was previously no funding for schools so early on the accountability clock).
- **While the program has a strong history of evaluating outcomes, the impact of this initiative should also be evaluated.** Staff anticipates that it take three to five years until there is sufficient data to evaluate the impact of this initiative. However, if the Committee wishes to ensure that there is such an evaluation, it could add a footnote or RFI to this line item clarifying the purpose for which the funds were added and expressing legislative intent that an evaluation will be conducted when there is sufficient data available.

→ TECHNICAL CORRECTION TO ANNUALIZATION FOR S.B. 23-218 REPEAL SCHOOL TRANSFORMATION GRANT PROGRAM ADMIN CAP

REQUEST: The request did not include annualization for S.B. 23-218. Second year adjustments were not incorporated in the bill's fiscal note

RECOMMENDATION: In reviewing the fiscal note for this bill, which was sponsored by the JBC, staff realized that the fiscal note had failed to include the second-year (annualized) impact of the bill. Since the bill was expected to add 1.0 FTE transformation grants consultant position but had prorated funding for the first year, the funding and FTE notation should be adjusted in the second year (FY 2024-25). Based on a review of staff records, staff has added 0.1 FTE and \$8,663 General Fund for the second year, bringing total costs for the new position from \$115,785 General Fund and 0.9 FTE in FY 2023-24 to \$124,448 General Fund and 1.0 FTE in FY 2024-25, with the components reflected in the table below.

APPROPRIATION SUMMARY – ANNUALIZED IMPACT FY 2024-25	
Prorated FTE	1.0 FTE
Personal Services	\$118,598
Standard Operating	\$1,350

APPROPRIATION SUMMARY – ANNUALIZED IMPACT FY 2024-25	
Capital Outlay	
Other Costs	
Travel for Transformation Grants consultant	\$4,500
Total Expenditures	\$124,448

(A) ACCOUNTABILITY AND TRANSFORMATION

LONGITUDINAL ANALYSES OF STUDENT ASSESSMENT RESULTS

This line item provides funding and staff for longitudinal analyses of student assessment results, including the assignment of individual student identifiers for all students in public schools, including preschool children participating in the Colorado Preschool Program and disabled preschool children receiving special education services. The General Assembly has provided General Fund to support 4.1 FTE within this line item for ongoing work associated with the longitudinal data system. In addition, the Department received a federal grant to improve state longitudinal data systems in FY 2010-11, and used those funds through FY 2013-14. The Department used the federal grant to replace the state's data collection system, link student data from prekindergarten to the workforce, and provide additional enhancements to the state's data systems. In FY 2014-15, H.B. 14-1298 (School Finance) appropriated \$298,000 cash funds from the State Education Fund to support the creation and assignment of unique student identifiers for children receiving state- or federally- subsidized early childhood education services. The General Assembly has continued that amount each year since then, including FY 2020-21. However, statutory authority this activity ended with the adoption of H.B. 22-1295 (Department of Early Childhood).

STATUTORY AUTHORITY: Section 22-2-134, C.R.S.

REQUEST: The Department requests an appropriation of \$620,960 General Fund and 5.1 FTE for FY 2024-25. The request includes annualization of prior year salary survey (\$21,435) and a reduction of \$0,384 General Fund and 0.5 FTE for annualization of FY 2022-23 request R7.

RECOMMENDATION: Staff recommends the request for \$620,960 General Fund and 5.1 FTE, which is calculated consistent with Committee common policy. The annualization for request R7 is consistent with Committee votes in FY 2022-23.

ACCOUNTABILITY AND IMPROVEMENT PLANNING

The General Assembly created this line item in FY 2013-14 to support accountability and improvement planning efforts associated with the implementation of S.B. 09-163. The line item supports training, technical assistance, and data analysis provided to districts and schools, especially low-performing districts and schools. The line item also supports an independent State Review Panel to review struggling schools' and districts' improvement plans and advise the State Board of Education regarding consequences for those districts and schools under the accountability clock created by S.B. 09-163. Beginning in FY 2023-24, the JBC added \$56,702 General Fund and 0.5 FTE for a three year term-limited position to help this unit address workload driven by the reorganization of Adams 14

and the needs of other districts that are far along on the accountability clock. This additional position annualizes out in FY 2026-27.

STATUTORY AUTHORITY: Section 22-11-201, C.R.S.

REQUEST: The Department requests \$1,902,616 total funds and 11.9 FTE and includes an increase of \$35,832 General Fund to annualize prior year salary survey.

RECOMMENDATION: The staff recommendation is shown in the table below. In addition to the annualization of salary survey, as described earlier in this document, staff has added federal funds and FTE that are relocated from the Appropriated Sponsored Programs line item to provide additional transparency on the resources available in this department section.

SCHOOL QUALITY AND SUPPORT, ACCOUNTABILITY AND TRANSFORMATION, ACCOUNTABILITY AND IMPROVEMENT PLANNING						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$1,866,784	\$1,316,452	\$0	\$0	\$550,332	11.9
TOTAL	\$1,866,784	\$1,316,452	\$0	\$0	\$550,332	11.9
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$1,866,784	\$1,316,452	\$0	\$0	\$550,332	11.9
SI Department reorganization	514,937	0	0	0	514,937	3.2
Annualize prior year budget actions	35,832	35,832	0	0	0	0.0
TOTAL	\$2,417,553	\$1,352,284	\$0	\$0	\$1,065,269	15.1
INCREASE/(DECREASE)	\$550,769	\$35,832	\$0	\$0	\$514,937	3.2
Percentage Change	29.5%	2.7%	0.0%	0.0%	93.6%	26.9%
FY 2024-25 EXECUTIVE REQUEST						
Request Above/(Below)	\$1,902,616	\$1,352,284	\$0	\$0	\$550,332	11.9
Recommendation	(\$514,937)	\$0	\$0	\$0	(\$514,937)	(3.2)

LOCAL ACCOUNTABILITY SYSTEM GRANT PROGRAM

Senate Bill 19-204 created the Local Accountability System Grant Program to provide grants to local education providers who wish to create local accountability systems to supplement the state accountability system. The grants are to establish and implement local accountability systems, including identifying and developing appropriate measures, evaluating quality, analyzing data, and assisting with stakeholder communication. Grants must be \$25,000 to \$50,000 per year for single local education provider and must not exceed \$75,000 per year for a group of local providers. In the third year of the grant program, the Department is required to contract with an external evaluator to prepare a summary evaluation report of the implementation of the local accountability systems that receive grants. Funds must be distributed over three budget years. Unexpended amounts from each annual appropriation may be rolled forward for expenditure in the following fiscal year.

Senate Bill 19-204 included an appropriation of \$493,097 General Fund for FY 2019-20, but funding was eliminated for FY 2020-21 as a budget balancing measure. Senate Bill 21-168 (Public School Finance) restored funding of \$493,907 General Fund for the program for FY 2021-22.

Changes included in H.B. 22-1390 (School Finance) specified that as a result of the suspension of funding during FY 2020-21, this year would not be considered a grant program year for purposes of determining the third year of the program. This made FY 2022-23 the third year of the grant program, and H.B. 22-1390 thus added \$100,000 for the program evaluation that is required to occur on the third year of each grant cycle. The program and related reporting continues indefinitely.

Additional information about the program may be found on the Department's website, including reports to the General Assembly about the program (second legislative report submitted January 15, 2023 and first evaluation report submitted July 2023).

<https://www.cde.state.co.us/localaccountabilitysystemgrant>

STATUTORY AUTHORITY: Section 22-11-703, C.R.S.

REQUEST: The Department requests an appropriation of \$500,174 General Fund and 0.4 FTE, including an increase of \$1,909 General Fund to annualize prior year salary survey.

RECOMMENDATION: Staff recommends the request for an appropriation of \$500,174 General Fund and 0.4 FTE General Fund. The calculation is consistent with Committee common policy.

SCHOOL TRANSFORMATION GRANT PROGRAM

The General Assembly added the School Turnaround Leaders Development Program line item to the FY 2015-16 Long Bill to support the School Turnaround Leaders Development Program created in S.B. 14-124 (School Turnaround Leaders Development Program). The program, first funded with \$2.0 million cash funds from the State Education Fund in FY 2014-15, requires the Department to contract with providers of high-quality turnaround leadership development programs and award grants to school districts and charter schools throughout the State to develop school leaders with the skills and competencies required to turn around low-performing schools. Leaders of schools in Turnaround or Priority Improvement status under the statewide accountability system are eligible to participate.

The bill allowed the Department to award planning and program design grants to approved providers during the first three years of implementation; the State Board of Education approved six providers to support the program, five of which have served program participants. Over the first three years of the program (FY 2014-15 through FY 2016-17), the State Board approved a total of \$449,537 in planning and design grants to providers. Grants to participants (school leaders) allow the grantees to participate in leadership training provided by one of the approved providers. For FY 2015-16 through FY 2017-18, the program served a total of 256 participants representing 21 school districts (including the State Charter School Institute).

House Bill 18-1355 (Public Education Accountability System) expanded the program to include additional supports and activities and renamed the program the School Transformation Grant Program. In addition to leadership development, the grant program can now support school wide

improvement activities as well as planning and implementation for accountability pathways directed by the State Board of Education. Based on the changes in H.B. 18-1355, the General Assembly renamed the line item “School Transformation Grant Program” in the FY 2019-20 Long Bill. In addition, the General Assembly approved an increase of \$2,314,027 General Fund and 1.8 FTE for FY 2019-20 to expand services available under the program. The General Assembly initially added a further \$1,000,000 for FY 2020-21, but this was removed to help balance the budget in the wake of the COVID-19 pandemic. The JBC and General Assembly approved a request to increase funding by \$2,000,000 General Fund in FY 2022-23, and added an additional \$1,000,000 for a proactive intervention pilot (services for schools that are early in the accountability clock) in FY 2023-24. The JBC also sponsored S.B. 23-218 (Repeal School Transformation Grant Program Administration Cap) to eliminate a statutory restriction on the portion of the funding that could be used for administration and added a new 1.0 FTE position in FY 2023-24.

STATUTORY AUTHORITY: Section 22-13-103, C.R.S.

REQUEST: The Department requests \$8,090,396 total funds and 3.9 FTE, including \$19,009 to annualize prior year salary survey and \$500,000 for R12 Proactive Intervention Expansion.

RECOMMENDATION: The staff recommendation is included in the table below. The recommendation incorporates all components of the request, which reflects committee common policy for annualizing salary survey and the staff recommendation for request R12. In addition, staff has added \$8,663 General Fund and 0.1 FTE to annualize the impact of S.B. 23-218 (Repeal School Transformation Admin Cap).

SCHOOL QUALITY AND SUPPORT, ACCOUNTABILITY AND TRANSFORMATION, SCHOOL TRANSFORMATION GRANT PROGRAM						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$7,455,602	\$5,447,354	\$2,008,248	\$0	\$0	3.0
Other legislation	\$115,785	\$115,785	\$0	\$0	\$0	0.9
TOTAL	\$7,571,387	\$5,563,139	\$2,008,248	\$0	\$0	3.9
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$7,571,387	\$5,563,139	\$2,008,248	\$0	\$0	3.9
R12 Proactive intervention expansion	500,000	500,000	0	0	0	0.0
Annualize prior year budget actions	19,009	14,730	4,279	0	0	0.0
Annualize prior year legislation	8,663	8,663	0	0	0	0.1
SI Department reorganization (pending)	0	0	0	0	0	0.0
TOTAL	\$8,099,059	\$6,086,532	\$2,012,527	\$0	\$0	4.0
INCREASE/(DECREASE)	\$527,672	\$523,393	\$4,279	\$0	\$0	0.1
Percentage Change	7.0%	9.4%	0.2%	0.0%	0.0%	2.6%
FY 2024-25 EXECUTIVE REQUEST						
	\$8,090,396	\$6,077,869	\$2,012,527	\$0	\$0	3.9

SCHOOL QUALITY AND SUPPORT, ACCOUNTABILITY AND TRANSFORMATION, SCHOOL TRANSFORMATION GRANT PROGRAM						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Request Above/(Below) Recommendation	(\$8,663)	(\$8,663)	\$0	\$0	\$0	(0.1)

FEDERAL SCHOOL TRANSFORMATION ADMINISTRATION AND SUPPORT [NEW LINE ITEM]

This line item includes funding provided by the federal government for administration and support of school transformation activities. Additional funding that is used to provide grant support to qualifying schools (approximately \$8.0 million per year) is included in the Appropriated Sponsored Programs line item.

REQUEST: The Department request did not include this new line item, but the Department provided the information needed to create it and assign the correct amount of funds.

RECOMMENDATION: Staff recommends the creation of this new line item to reflect \$769,725 federal funds and 4.2 FTE to more transparently reflect department staff working on school transformation activities. This funding is relocated from the Appropriated Sponsored Programs line item in the School District Operations division and is discussed as a component of staff-initiated departmental reorganization.

EDUCATOR PERCEPTION

The General Assembly added this line item to the FY 2014-15 Long Bill to provide \$100,000 General Fund to support the administration of the biennial Teaching, Empowering, Leading, and Learning (TELL) Survey which surveys school-based educators statewide to assess teaching conditions.

House Bill 08-1384 (Retention of Qualified Educators) authorized the Department to conduct a biennial survey of teaching and learning conditions. The goal of the bill and program is to survey every school-based licensed educator regarding their perceptions of teaching and learning conditions to provide insights for policy decisions at the school, local district, and state levels. The Department has worked with a variety of partners to administer the survey. According to the tellcolorado.org website, the Department has partnered with the New Teacher Center, the Colorado Association of School Boards (CASB), the Colorado Association of School Executives (CASE), the Colorado League of Charter Schools, the American Federation of Teachers (Colorado), and the Colorado Education Association. The Department administered the survey for the fifth time in FY 2017-18, although previous administrations were largely supported by alternative fund sources.

Beginning with FY 2019-20, the Department transitioned to a new system to fund the survey. The FY 2019-20 appropriation included \$75,000 General Fund to support the administration of the survey in FY 2019-20, with the assumption that the “off-year” appropriation (FY 2020-21) would provide \$25,000 to support the vendor’s costs for analysis and maintenance. House Bill 21-1087 (Teaching and Learning Conditions Survey) provided funding for investments in FY 2021-22 to enhance online tools. The fiscal note for the bill indicated that “on year” costs would be \$83,500, while “off year” costs would be \$25,000.

STATUTORY AUTHORITY: Section 22-2-503, C.R.S.

REQUEST: The Department requests an appropriation of \$25,000 for the “off year” costs of the Educator Perception line item.

RECOMMENDATION: Staff recommends approving the request for \$25,000 General Fund for FY 2024-25, which is consistent with the General Assembly's decisions from prior years and the fiscal note for H.B. 21-1087. This includes annualization of an FY 2023-24 supplemental appropriation to correct the “on-year” FY 2023-24 appropriation.

H.B. 23-1241 ACCOUNTABILITY, ACCREDITATION, STUDENT PERFORMANCE, AND RESOURCE INEQUITY TASK FORCE

House Bill 23-1241 creates the 25-member Accountability, Accreditation, Student Performance, and Resource Inequity Task Force in the Colorado Department of Education (CDE) to study academic opportunities, inequities, best practices, and improvements to the K12 accountability and accreditation system. The Department must contract with a facilitator to guide the work of the task force and write related reports. An interim report is due by March 1, 2024 and a final report before November 15, 2024. The bill included an appropriation \$300,709 General Fund and 0.3 FTE for FY 2023-24 and made this funding available through FY 2024-25.

REQUEST/RECOMMENDATION: The Department did not request, and staff does not recommend, an appropriation for the task force for FY 2024-25. The necessary funds will be rolled forward from the FY 2023-24 appropriation.

(B) SCHOOLS OF CHOICE

SCHOOLS OF CHOICE

The General Assembly added this line item to the FY 2019-20 Long Bill to support the staff carrying out the Department’s responsibilities under the State’s Charter Schools Act (Sections 22-30.5-101 through 22-30.5-704, C.R.S.). In FY 2019-20, the line item included an appropriation of \$315,504 General Fund and 2.6 FTE to reflect the state-funded staff related to charter school oversight. In FY 2020-21, the Committee began reflecting \$10.0 million federal funds and 4.0 FTE associated with federal charter school grants (and under the supervision of the Schools of Choice Office) from the Appropriated Sponsored Programs line item in the Assistance to Public Schools section of the Long Bill. As a result, the line item now seeks to reflect the total funds associated with the Schools of Choice Office.

STATUTORY AUTHORITY: Section 22-30.5-101 through 22-30.5-704, C.R.S.

REQUEST: The Department requests an appropriation of \$10,686,791 total funds, including \$360,291 General Fund, and 6.8 FTE for this line item, including an increase of \$14,882 General Fund to annualize prior year salary survey.

RECOMMENDATION: Staff recommends the request for \$10,686,791 total funds, including \$360,291 General Fund, and 6.8 FTE for FY 2024-25, which is calculated to be consistent with Committee common policy.

SUPPLEMENTAL ON-LINE EDUCATION SERVICES

Pursuant to H.B. 06-1008 [Section 22-5-119, C.R.S.], this program provides funding to ensure that supplemental on-line courses are affordable for school districts, BOCES, and charter schools. This line item provides funding to the Colorado River BOCES (formerly part of the Mountain BOCES) to contract with a supplemental on-line course provider to offer on-line courses at a cost of no more than \$200 per student per semester course. This is subject to available appropriations. The source of funding is federal mineral lease revenues that are credited to the State Public School Fund.

For FY 2007-08 through FY 2015-16, the General Assembly annually appropriated \$480,000 cash funds for this purpose. The enactment of H.B. 16-1222 (Supplemental Online and Blended Learning Resources) increased the appropriation to \$960,000 in FY 2016-17. The General Assembly increased the appropriation to \$1,020,000 for FY 2017-18 and further increased the appropriation to \$1,220,000 in FY 2018-19. The Colorado River BOCES is contracting with two providers, Colorado Digital Learning Solutions (providing courses) and the iLearn Collaborative (providing blended learning professional development opportunities to districts and schools), to operate the program.

The Colorado River BOCES has reported significant increases in enrollment in this program since 2015, with course enrollments increasing from 432 in FY 2015-16 to 3,352 courses in FY 2019-20 to 11,943 course provided in FY 2021-22. JBC staff has previously observed that this program model is a cost-effective way to ensure that schools – particularly rural school districts – are able to purchase on-line courses to supplement their course offerings and help students comply with higher education admission guidelines.

STATUTORY AUTHORITY: Section 22-5-119, C.R.S.

REQUEST: The Department requests a continuation appropriation of \$1,220,000 cash funds from the State Public School Fund (derived primarily from federal mineral lease revenue) for FY 2024-25.

RECOMMENDATION: Staff recommends the request for \$1,220,000 cash funds from the State Public School Fund.

OFFICE OF ON-LINE AND HYBRID LEARNING AND INNOVATION SCHOOLS

Senate Bill 07-215 changed the oversight, structure, and funding of public school on-line education. This act required the State Board of Education to establish quality standards for on-line programs. The act also created the Division of On-line Learning in the Department to support on-line programs, certify multi-district programs, and document and track complaints about on-line programs. Finally, S.B. 07-215 also created a nine-member On-line Learning Advisory Board to report to the State Board on the operations of on-line programs and to provide policy recommendations. Provisions related to certifying and funding multi-district online schools have been amended in subsequent legislation.

For FY 2023-24, the Department requested, and the JBC and General Assembly approved, the addition of 1.5 FTE in this line item. This included 1.0 FTE to address administrative work (such as reviews of on-line school applications and managing complaints) and technical assistance (such as how to start on-line schools and programs) for online and blended learning programs. It also included 0.5 FTE to manage Department workload related to Innovation Schools, a type of school that operates under a school district but for which some district and state requirements are waived. These schools require State Board approval, and the Department has related workload. The name of the line item was also changed in FY 2023-24 to reflect broader responsibilities.

STATUTORY AUTHORITY: Section 22-30.7-101 et seq., C.R.S.

REQUEST: The Department requests an appropriation of \$543,519 total funds (General Fund and State Education Fund) and 4.8 FTE for FY 2024-25. The request includes an increase of \$7,720 total funds and 0.1 FTE to annualize FY 2023-24 R6 Personnel for School Support and \$13,526 to annualize prior year salary survey.

RECOMMENDATION: The staff recommendation is consistent with the request, which aligns with Committee common policy. It is summarized in the table below.

SCHOOL QUALITY AND SUPPORT, SCHOOLS OF CHOICE, OFFICE OF ONLINE AND HYBRID LEARNING AND INNOVATION SCHOOLS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATE D FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$522,271	\$46,347	\$475,924	\$0	\$0	4.7
TOTAL	\$522,271	\$46,347	\$475,924	\$0	\$0	4.7
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$522,271	\$46,347	\$475,924	\$0	\$0	4.7
Annualize prior year budget actions	21,248	2,330	18,918	0	0	0.1
TOTAL	\$543,519	\$48,677	\$494,842	\$0	\$0	4.8
INCREASE/(DECREASE)	\$21,248	\$2,330	\$18,918	\$0	\$0	0.1
Percentage Change	4.1%	5.0%	4.0%	0.0%	0.0%	2.1%
FY 2024-25 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

(7) STUDENT PATHWAYS

This section contains funding for a variety of programs associated with health and wellness, dropout prevention, student reengagement, and career readiness.

STUDENT PATHWAYS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 Appropriation						
SB 23-214 (Long Bill)	\$43,333,458	\$10,124,724	\$33,023,776	\$184,958	\$0	19.6
Other legislation	38,078,852	38,078,852	0	0	0	7.1
HB 24-1183 (Supplemental)	215,616	215,616	0	0	0	0.0
TOTAL	\$81,627,926	\$48,419,192	\$33,023,776	\$184,958	\$0	26.7
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$81,627,926	\$48,419,192	\$33,023,776	\$184,958	\$0	26.7
SI Department reorganization	9,193,475	0	0	0	9,193,475	8.9
FTE notation adjustments	0	0	0	0	0	0.4
R10 CDIP enhancement	0	0	0	0	0	0.0
R11/BA6 STEM extended learning time programming	0	0	0	0	0	0.0
BA5 Path4ward funding increase	102,835	102,835	0	0	0	0.0
Annualize prior year legislation	(31,078,852)	(31,078,852)	0	0	0	(4.0)
Annualize prior year budget actions	67,919	30,344	37,575	0	0	0.0
TOTAL	\$59,913,303	\$17,473,519	\$33,061,351	\$184,958	\$9,193,475	32.0
INCREASE/(DECREASE)	(\$21,714,623)	(\$30,945,673)	\$37,575	\$0	\$9,193,475	5.3
Percentage Change	(26.6%)	(63.9%)	0.1%	0.0%	n/a	19.9%
FY 2024-25 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	(\$7,193,475)	\$2,000,000	\$0	\$0	(\$9,193,475)	(8.4)

DECISION ITEMS – STUDENT PATHWAYS

→ R10 CDIP ENHANCEMENT

REQUEST: The Governor's Office requests \$2,000,000 in one-time General Fund to increase funding for the Career Development Incentive Program (CDIP). This funding will allow the Colorado Department of Education (CDE) to provide a one-time boost in the per-pupil reimbursement rates for the 2023-24 school year. The request states that this will provide an additional \$100 (approximate) per pupil enrolled in CDIP for School Year 2023-24, bringing reimbursement closer to historical reimbursement rates and the \$1,000 Tier 1 cap. The request proposes to add funding in FY 2024-25 to retroactively fund FY 2024-25 CDIP enrollment, based on a projected FY 2023-24 enrollment of 16,000, given average annual program growth of 30-35 percent. This proposal is discussed in more detail in a staff budget briefing issue. While legislation is not required to add funding to the program, the General Assembly may wish to consider changes to the program and might consider including funding as part of such legislation.

RECOMMENDATION: Staff does not recommend this request for one-time funds. Staff believes that any further increases for CDIP need to be more carefully considered in the context of legislation that is considering an appropriate path forward for supporting school districts in promoting industry certifications and work-based learning initiatives. In particular, **staff wonders if the funds requested might be more fruitfully used for front-end funding for school districts that wish to expand their industry certification and work-based learning options.** For example, could these funds be used in a modest continuation of some of the one-time federal ESSER-funded grant programs that the Department made available to support development of career-connected pathways (e.g., Rural Co-action)? While such a use would require the addition of state statutory provisions, those could be added, given that the Department already has experience running related grant programs.

EVIDENCE: Request R10 calls this program “theory informed”, but it does not claim that it is evidence-informed. In response to staff questions about program evaluations, the Department has noted that formal evaluation of the program is not required nor funded in statute, and 2023-24 is the first time ever that any FTE has been provided to CDE for the CDIP program, so overall capacity has been quite limited. The Department states that it hopes to utilize the Student Pathways Unit evaluator (that was approved by the JBC in Feb. 2023 for 2023-2026) to evaluate this program in the future considering its growth, popularity and the amount of funding associated with it.

*ANALYSIS:*¹⁷

Background: The CDIP program provides financial incentives for school districts and charter schools that encourage high school students, grades 9-12, to complete qualified industry credential programs, pre-apprenticeships, apprenticeships and internships aligned with in-demand industries, as well as Computer Science Advanced Placement (AP) courses. School districts, charter schools or BOCES that participate in CDIP can receive up to \$1,000 for each pupil who completes a program, and as of 2023, 120% of the established reimbursement rate for each pupil who is eligible for free or reduced-price lunch, distributed in tiered order. The demand in the first tier, qualified industry credential programs, pre-apprenticeships, and apprenticeships has always been so high that the State has only ever funded tier one.

Structurally, funding is awarded based on industry certifications awarded by a school in the prior year, i.e., FY 2023-24 funding is distributed based on FY 2022-23 completions. Thus, figures in the chart below is based on FY 2021-22 completions that received financial support distributed in FY 2022-23 based on FY 2022-23 funds available.

S.B. 23-065: The program’s funding was doubled effective FY 2023-24 through S.B. 23-065 (Career Development Success; Sens. Lundeen & Bridges and Reps. Bird and Wilson). The bill made a number of program changes, but most important from a fiscal perspective was increasing the funding for the program on an ongoing bases from \$5.0 to \$10.0 million General Fund with a statutory change to require that the minimum funding provided increase from \$1.0 to \$9.5 million. The bill required that, *of the FY 2023-24 appropriation*, \$5.0 million must be used to double the total per-pupil money for school districts and charter schools that require all students to enroll in and successfully complete a

¹⁷ Staff acknowledges with appreciation that portions of this background and analysis were developed by Tayg Hill, JBC Legislative Budget and Policy Assistant in fall 2023. The final recommendations remain the responsibility of the author as the JBC analyst for Department of Education programs other than school finance and categorical programs..

qualifying program or advanced placement course prior to graduation. Any remaining money may be used for “regular” CDIP enhancements. In future years, all the money will be for “regular” CDIP.

Distribution History and Forecast

The actual amount distributed to Local Education Providers (LEPs) has varied greatly year over year, as reflected in the table below. *Staff requested forecast information from the Governor’s Office, but this had not been provided before the staff document was completed, so JBC staff has provided a forecast.*

Thus far in FY 2023-24, the Department has distributed CDIP money based on FY 2022-23 industry certifications, apprenticeships, and pre-apprenticeships, but it has not yet distributed the funds for school district enhancements based on graduation requirements or the balance remaining after that. The Department indicates that it currently expects that only about \$500,000 will be required for graduation enhancements, and thus staff is assuming that approximately \$4.5 million, in addition to the \$4.2 million already distributed to districts for CDIP, will be distributed to districts this year.

The table below includes the actual funding history through FY 2022-23, and JBC staff estimates for FY 2023-24 and FY 2024-25 (includes actual FY 2022-23 certifications with a JBC staff estimate of the amount to be reimbursed in FY 2023-24, and JBC staff’s estimate for FY 2023-24 certifications and FY 2024-25 reimbursements with two options).

CAREER DEVELOPMENT INCENTIVE PROGRAM OUTCOMES AND FUNDING HISTORY & JBC STAFF FORECAST							
OUTCOME YEAR	FUNDING YEAR	INDUSTRY-RECOGNIZED CERTIFICATIONS	PRE-APPRENTICESHIP & APPRENTICESHIP*	TOTAL OUTCOMES REIMBURSED	INCENTIVES DISTRIBUTED	AMOUNT PER OUTCOME	TOTAL APPROPRIATION, INC. ADMIN**
FY 2017	FY 2018	1,807	0	1,807	\$999,994	\$553	\$1,000,000
FY 2018	FY 2019	3,688	0	3,688	2,000,002	542	2,000,000
FY 2019	FY 2020	5,133	0	5,133	4,800,022	935	5,000,000
FY 2020	FY 2021	6,441	0	6,441	4,279,851	664	4,500,000
FY 2021	FY 2022	6,147	0	6,147	6,033,034	981	6,270,000
FY 2022	FY 2023	9,130	0	9,130	4,286,089	469	4,520,000
FY 2023	FY 2024	10,430	361	10,791	9,214,771	854	9,520,000
<u>JBC Staff Forecast</u>							
FY 2024	FY 2025 Base	11,915	431	12,346	9,250,000	749	9,520,000
FY 2024	FY2025+\$2M	11,915	431	12,346	11,250,000	911	11,520,000

*Apprenticeships and pre-apprenticeships first received funding in FY 2023-24 based on statutory changes.

**Since FY 2019-20 a footnote has specified that \$200,000 of the appropriation shall not be used for direct incentives.

The primary rationale provided by the Governor’s Office for adding funding appears to be that demand for the program continues to grow, and the Governor’s Office would like to maintain funding at close to \$1,000 per student while ongoing efforts to determine how to restructure funding to support student career development continues, based on the recommendations of the H.B. 22-1215 Task Force.

JBC Staff remains very supportive of efforts to reconsider and restructure funding as needed to support district efforts at student career development. Staff also believes that an incentive structure may be useful as an ongoing component of statewide efforts to increase career-connected pathways. **However, staff is concerned about increasing funding for this program while the best path forward is being studied.** Staff concerns include the following:

- **The reasons for the increase in demand for funding are not understood.** *To a large extent, the increase may simply reflect the fact that school districts have become more aware of the funding and have begun applying for it. There is huge variation in which districts are seeking the reimbursement and the number of certifications claimed compared to the size of each district's graduating cohort. Are the school districts whose students would most benefit from these programs actually changing behavior in ways beneficial to students?* We simply don't know.
- As described in more detail below, **some school districts that are already receiving more than one incentive payment per graduating senior**, which suggests that, at least under the current structure, **the cost for the program could grow to \$68.4 million if all districts claimed a certification for every graduating student at the \$1,000 level.**
- While funding has grown rapidly, the State's understanding of the *impact* of the program has not caught up. For example, there are currently 122 industry-recognized certificates for which reimbursement is sought based on FY 2022-23 awards. These range from certificates in Adobe Photoshop (715 of certificates) to Subaru University certification (75 Level 1 certificates) to certification as a front desk representative (3). All of these have been approved through a process led by the Colorado Workforce Development Council, but no other data is available on either the costs associated with providing these programs or value of the programs to students. Indeed, staff is not yet certain whether the increase in program applications corresponds with an increase in district offerings or just with increases in district awareness about the program.
- **Staff understands that a process for further refining which certifications count in the program is currently underway. However, given that awards are based on prior year certifications, staff understands that any funding distributed in FY 2024-25 will not take these changes into account.** Funding for the program has just been doubled; staff suggests that additional increases should at least wait for greater clarity on what programs will be incentivized, as well as (at least potentially) more substantial changes that attempt to adjust incentive amounts based on the cost of delivering programs and, at some point, the real value to students of the certifications.
- The request identifies this as a need for one year of funding, but broader plans to restructure CDIP and the overall approach to career development funding seem unlikely to be completed before the 2025 legislative session. Since CDIP funding is provided in the year *after* related certifications are awarded, **there seems to be a significant risk that additional "stop gap" funding would be required for *at least* two years before any substantial programmatic changes.**
- JBC Staff believes that CDIP is incentivizing districts for an activity that should be a core function of what districts do to prepare all students for life after high school. Staff believes that additional funding to help districts reorient in ways that benefit students could be very beneficial. Staff can also envision an ongoing role for incentives, if they are carefully targeted. However, **given state budget constraints, the fact that CDIP more than doubled in FY 2023-24, and that the impacts of CDIP are not well understood, staff would prefer to see near-term funding targeted toward assisting districts with front-end funding to roll out new career-connected programs.**

CDIP Outcomes Claimed by District

- In the table below: (1) Large districts (1,000 or larger graduating cohort) are in yellow; (2) Medium districts (200-999 graduating cohort) are in pink; and (3) Small districts (Less than 200 graduating cohort) are in blue.
- Funded outcomes per graduate is shown with “color scales” ranging from green (high) to red (low). As shown, there are a few districts that are receiving outcomes incentives for more than 100 percent of their graduating class, presumably because incentives are also provide for students n lower grades.
- Approximately 4,972 students (graduating cohort) are in districts that do not participate in the program at all. The largest of these is Pueblo 60 (1,050 graduates) but several medium sized districts also do not participate.

FY 2022-23 CAREER DEVELOPMENT INCENTIVE PROGRAM PARTICIPATION AND OUTCOMES COMPARED TO GRADUATING HIGH SCHOOL COHORT SIZE			
DISTRICT NAME	FUNDED OUTCOMES FY 2022-23	CO HIGH GRAD COHORT FY 23*	FUNDED OUTCOMES AS PERCENTAGE OF GRADUATING COHORT
Colorado Springs Academy 20	238	2,090	11.4%
Adams 12 Five Star Schools	531	2,925	18.2%
Adams County 14	280	497	56.3%
Adams-Arapahoe 28J	227	2,446	9.3%
Akron R-1	45	50	90.0%
Archuleta County 50 Jt	8	115	7.0%
Aspen 1	18	131	13.7%
Bayfield 10 Jt-R	20	88	22.7%
Bennett 29J	43	98	43.9%
Boulder Valley Re 2	1,044	2,351	44.4%
Brush RE-2(J)	26	80	32.5%
Buffalo RE-4J	4	50	8.0%
Arapahoe Byers 32J	16	765	2.1%
Calhan RJ-1	7	50	14.0%
Campo RE-6	2	15	13.3%
Fremont Canon City RE-1	219	201	109.0%
Centennial R-1	0	15	n/a
Center 26 JT	5	50	10.0%
Charter School Institute	690	1,340	51.5%
Cherry Creek 5	511	4,345	11.8%
Clear Creek RE-1	8	55	14.5%
Colorado Springs 11	218	1,720	12.7%
Crowley County RE-1-J	11	50	22.0%
Delta County 50(J)	61	351	17.4%
Denver County 1	408	6,624	6.2%

FY 2022-23 CAREER DEVELOPMENT INCENTIVE PROGRAM PARTICIPATION AND OUTCOMES COMPARED TO GRADUATING HIGH SCHOOL COHORT SIZE			
DISTRICT NAME	FUNDED OUTCOMES FY 2022-23	CO HIGH GRAD COHORT FY 23*	FUNDED OUTCOMES AS PERCENTAGE OF GRADUATING COHORT
El Paso District 49	79	3,254	2.4%
Dolores County RE No.2	3	50	6.0%
Dolores RE-4A	17	50	34.0%
Douglas County Re 1	586	5,121	11.4%
Durango 9-R	133	444	30.0%
Eagle County RE 50	166	511	32.5%
East Grand 2	81	97	83.5%
Elbert 200	10	154	6.5%
Elizabeth School District	160	154	103.9%
Ellicott 22	23	65	35.4%
Englewood 1	15	215	7.0%
Estes Park R-3	8	50	16.0%
Fort Morgan Re-3	91	245	37.1%
El Paso Fountain 8	207	500	41.4%
Fremont RE-2	32	86	37.2%
Greeley 6	9	1,639	0.5%
El Paso Harrison 2	53	774	6.8%
Holyoke Re-1J	46	54	85.2%
Jefferson County R-1	977	6,154	15.9%
Johnstown-Milliken RE-5J	204	237	86.1%
Julesburg Re-1	19	84	22.6%
Lake County R-1	24	78	30.8%
Las Animas RE-1	14	150	9.3%
El Paso Lewis-Palmer 38	188	558	33.7%
Littleton 6	107	1,207	8.9%
Mancos Re-6	77	50	154.0%
Manitou Springs 14	55	96	57.3%
Manzanola 3J	9	15	60.0%
Adams Mapleton 1	13	517	2.5%
McClave Re-2	4	50	8.0%
Meeker RE-1	28	52	53.8%
Mesa County Valley 51	206	1,635	12.6%
Montrose County RE-1J	154	458	33.6%
Norwood R-2J	2	15	13.3%
Peyton 23 Jt	10	59	16.9%
Platte Canyon 1	0	60	0.0%
Platte Valley RE-7	31	72	43.1%
Larimer Poudre R-1	540	2,306	23.4%

FY 2022-23 CAREER DEVELOPMENT INCENTIVE PROGRAM PARTICIPATION AND OUTCOMES COMPARED TO GRADUATING HIGH SCHOOL COHORT SIZE			
DISTRICT NAME	FUNDED OUTCOMES FY 2022-23	CO HIGH GRAD COHORT FY 23*	FUNDED OUTCOMES AS PERCENTAGE OF GRADUATING COHORT
Pueblo County 70	102	653	15.6%
Garfield Roaring Fork RE-1	0	475	0.0%
Rocky Ford R-2	20	56	35.7%
Salida R-32	0	113	0.0%
Sanford 6J	3	50	6.0%
Sangre De Cristo Re-22J	1	15	6.7%
Arapahoe School District 27J	1,029	2,446	42.1%
South Routt RE 3	7	15	46.7%
St Vrain Valley RE1J	355	2,351	15.1%
Steamboat Springs RE-2	27	210	12.9%
Summit RE-1	37	271	13.7%
Larimer Thompson R2-J	149	1,173	12.7%
Trinidad 1	27	50	54.0%
Upper Rio Grande School District C-7	7	50	14.0%
Vilas RE-5	3	15	20.0%
Weld RE-4	16	550	2.9%
Weld Re-8 Schools	38	194	19.6%
Westminster Public Schools	239	555	43.1%
Widefield 3	322	589	54.7%
Wiggins RE-50(J)	4	56	7.1%
Wiley RE-13 Jt	12	50	24.0%
Woodland Park Re-2	45	141	31.9%
Grand Total	11,464	63,418	18.1%
Total Graduating Cohort 2023		<u>68,390</u>	
Students in districts not participating		4,972	

R11/ BA6 STEM EXTENDED LEARNING TIME PROGRAMMING

REQUEST/RECOMMENDATION: In its November 1, 2023 request, the Governor's Office requested \$8,000,000 in one-time State Education Fund and 0.9 FTE ongoing to bolster academic enrichment and extended learning time programming related to Science, Technology, Engineering, and Math (STEM) as part of the Colorado Academic Accelerator Grant Program established in H.B. 23-1231 (Math in Pre-Kindergarten Through Twelfth Grade). The Office withdrew this request in BA6. As a result, **the Governor's Office does not request, and staff does not recommend, an increase for this item.**

→ BA5 PATH4WARD FUNDING INCREASE [LEGISLATION RECOMMENDED]

REQUEST: The Colorado Department of Education (CDE) requests an increase of \$318,451 for FY 2024-25 for payments to local education providers (LEPs) with eligible students who graduated early per the Fourth Year Innovation Pilot Program (Program) implemented under SB21-106 and administered by the CDHE. The request will bring total funding for the line item to \$386,659

RECOMMENDATION: Staff recommends an increase of \$102,835, which brings the total to the requested \$386,659 after the mid-year supplemental adjustment in FY 2023-24. This represents the amount required for the program, based on student counts and per-student funding authorized. However, staff also requests that the Committee authorize staff to work with the two affected departments—Higher Education and Education—on a bill draft to ensure that the program does not expand to additional districts before the pilot phase ends in 2027 and the State has an opportunity to evaluate programmatic and fiscal impacts.

ANALYSIS:

Program Background

- S.B. 21-106, codified in Section 23-3.3-1301, C.R.S., created the fourth-year innovation learning pilot program. The program is designed to incentivize qualified low-income students and school districts to graduate high school early by supporting such students in continuing their postsecondary education and providing incentive payments to school districts.
- A qualified student is a student who is determined to be “low income” based on qualifying for free-and-reduced lunch at any time during grades 8 through 12 or based on qualifying for a federal Pell grant their last year of high school who then enrolls in a Colorado public postsecondary institution or state-authorized private occupational school program.
- The program was originally capped at five school districts (LEPs), but S.B. 22-140 eliminated this cap without otherwise changing the program, which is structured as a pilot that continues through 2027.
- Funding is based on a “reward” of 25.0 percent of the average state share of average per pupil revenue for FY 2021-22 (\$1,371.13 per student) that goes to the Local Education Provider (LEP)/school district for a qualified student who graduates early, with 75.0 percent of the average state share of average per pupil revenue for FY 2021-22 (\$4,113.38) going to a scholarship for a student graduating a year early, which is reduced to 45 percent (\$2,468.03) for students graduating a semester early).
- Current law requires that the incentives to school districts be distributed by the Department of Education and that the scholarships be administered by the Department of Higher Education.
- The program is being administered by the Department of Higher Education.
- Enrollment and funding required from the two departments is shown in the table below for FY 2022-23 and FY 203-24.

	FY 2022-23	FY2023-24
Affected Student Counts	61 Eligible; 19 Enrolled	197 Eligible; 55 Enrolled
Local Education Provider Payments	\$31,535.99	\$283,823.91
Student Awards	92,139.39	209,782.50
Admin/Technical Assistance Contracts	37,442.64	39,312.36
CDE Total	\$31,535.99	\$283,823.91

	FY 2022-23	FY2023-24
CDHE Total	\$129,582.03	\$249,094.86
Program Total	\$161,118.02	\$532,918.77

- Both the Department of Education and the Department of Higher Education submitted budget amendments for this program to reflect expenditures anticipated for FY 2024-25. These estimates are based on reports from school districts on students who had graduated early or were expected to graduate early in FY 2023-24, so the figures shown should reflect the actual FY 2023-24 funding need.

PROJECTED FY 2024-25 EXPENDITURES		
LEP	TOTAL GRADS	DISTRICT FUNDING (\$1,371.13 PER GRAD)
Greeley-Evans SD6	114	\$156,309
Adams 12 Five Star Schools	62	\$85,010
Clear Creek School District	1	\$1,371
East Grand School District	1	\$1,371
Montezuma-Cortez School District	2	\$2,742
West Grand School District	1	\$1,371
Harrison School District	2	\$2,742
Colorado Early Colleges	20	\$27,423
Aurora Public Schools	64	\$87,752
Cañon City School District	14	\$19,196
Cotopaxi School District	1	\$1,371
Total:	282	\$386,659

Concerns About Ongoing Program Expansion

- The program needs to be evaluated as a pilot.** Staff notes that elements of this program could be cost neutral or even generate savings for the State if it incentivizes students to graduate high school before the October school count and uses related savings to provide postsecondary scholarships. However, the current structure includes incentives for students who graduate one semester early, and the state generates no savings from this. The State might wish to pursue this program regardless, as good public policy, but it should evaluate this before the program moves from the pilot phase. At present, it is unclear if the program is changing student behavior or simply providing incentives to districts for activities that were already occurring.
- Both program administrators and JBC staff are concerned that it will be extremely **difficult to evaluate the impact of a program that ends in 2027 if additional districts continue to join** the program up until the last year.
- In conversations with the two departments, staff has understood that there is concern about departments' **administrative capacity to manage additional school districts coming into the**

program, since grant funding administered by an outside entity that assisted districts in onboarding is apparently phasing out.

→ SI ASCENT – LEGISLATION RECOMMENDED

RECOMMENDATION: Staff recommends that the Committee authorize staff to work on drafting a committee bill that will:

- Prohibit further expansion of the Accelerating Students Toward Concurrent Enrollment (ASCENT) program beyond existing districts and student enrollment. This could either mean restricting to FY 2023-24 enrollment of 1,238, or, minimally, restricting at the FY 2024-25 estimate of 1,666.
- Freeze per-student reimbursements at the FY 2023-24 level of \$8,686, rather than allowing per student funding to increase to the projected per pupil FY 2024-25 of \$10,244.
- Require all students participating in the ASCENT program to complete a CASFA or FAFSA (application for federal/state financial aid);
- Establish a mechanism for collecting aggregated data on the “Student Aid Index” resulting from the CASFA/FAFSA, reflecting student ability to qualify for financial aid and, specifically, what share of students would not have their tuition fully covered if the state established a free tuition guarantee at the \$60,000, \$65,000, \$70,000, or \$75,000 family income level;
- Require districts to provide and the Department of Education to collect, additional data from all participating districts on actual district expenditures for higher education tuition and fees for ASCENT students, expenditures for other direct student subsidies (e.g., textbooks or transportation), expenditures for support services for students (e.g, counseling to students currently enrolled in ASCENT), and any amounts being used by districts toward general overhead or other district costs.
- Require districts to provide, and the Department to collect, other information that may be helpful in determining what services and payments (e.g., for student counseling or assistance for students who don’t qualify for federal aid) would be most important to maintain if the program were restructured to rely primarily on the financial aid available for low income students from the postsecondary system.
- Require a full evaluation of how the program could be modified to more equitably meet state and student needs, using the above data. A due date of November 1, 2024 would be preferred, but the date could need to be delayed to ensure CASFA/FAFSA and other data needed from districts has been collected and the Department has adequate time for analysis.

Staff also recommends that funding for fifth year programs be included in a separate budget line item in the School Finance section so this funding is more visible and can be more easily tracked. This does not require legislation.

Longer term: As discussed in staff’s budget briefing, staff also recommends, moving forward:

- Consider launching a more broad-based free college program that could be accessed by any new high school graduate, subject to income limits. Staff will discuss this option further in the Higher Education briefing. In general, rely on the postsecondary system, which incorporates both state funding and federal and state financial aid supports, to fund student tuition and fees. This will be discussed in more detail during the higher education briefing.

- Restructure ASCENT so that it no longer funds additional years of high school. Instead, provide funding for subsidies to school districts that enable them to offer student supports to qualifying students as one of multiple types of postsecondary workforce readiness interventions.
- If the General Assembly determines ASCENT is filling an important financial aid funding gap for students, add a new mechanism—through the secondary or postsecondary system—to fill the gap for the targeted students.

Develop a phased transition from the old structure to the new structure for districts that have effective programs based on the old structure.

ANALYSIS:

Background – ASCENT

Accelerating Students through Concurrent Enrollment (ASCENT) is a fifth-year high school program that allows students to participate in concurrent enrollment the year after 12th grade, to enroll in postsecondary courses, and to earn college credit at no tuition cost to them or their families. The program is authorized in Section 22-35-108, C.R.S. The General Assembly adopted statutory changes H.B. 22-1390 (Public School Finance), which incorporated components originally in H.B. 22-1002 (Fifth Year High School Concurrent Enrollment) to remove restrictions that capped the size of the program based on a Long Bill footnote, as well as remove other obstacles that had limited the program's size. Under current law, a local education provider may designate a student for the program if the student:

- Has completed or is on schedule to complete at least nine credit hours of postsecondary course work prior to the completion of the qualified student's twelfth-grade year;
- Is not in need of a developmental education course;
- Has been accepted into a postsecondary degree program at an institution of higher education; and
- Has not been designated as an ASCENT program participant in a prior year.

Pursuant to provisions outlined in Section 22-54-204 (4.7), C.R.S., that establish the reimbursement rate for extended high school students, the State pays \$8,686 per student FTE for FY 2023-24 through the school finance formula. The projected per-student cost for FY 2024-25 is \$10,244.

Under statute, students enrolled in the ASCENT program must be counted in high school graduation rates as part of state accountability requirements, although they are not counted as graduates for school finance purposes. School districts are not required to cover additional costs for participating students, such as textbooks, fees, and transportation, though some do. Similarly, school districts are not required to provide participating students with related support services, though many may do so.

Growth of the ASCENT Program and Staff Concerns About Budgetary Impacts

Over the years, school districts and legislators have expressed interest in building connections between K-12 and postsecondary education. JBC Staff has likewise been very supportive of providing a coherent link between K-12 and postsecondary education, given state workforce estimates that most good jobs require some postsecondary training.¹⁸ At the same time, from a budget perspective, Staff

¹⁸ As reported in the 2022 Talent Pipeline report, in 2022 91.4 percent of Tier 1 Top Jobs (jobs that provide a living wage to support a family of 3) and 70.4 percent of Tier 2 Top Jobs (jobs that provide a living wage for an individual) require some type of postsecondary education past a high school diploma. For most of the last ten years, about 55.0 percent of Colorado students have pursued post-secondary education immediately after high school, and about 65.0 percent have

is conscious of the substantial risks to the state budget of unfettered expansion of 5th and 6th year programs. Staff has three major concerns:

- 1) The ASCENT program appears to be growing faster than projected when it was originally uncapped, and the costs may rapidly become unmanageable.
- 2) The State is paying school districts substantially more than community college tuition and fees to support students' 5th and 6th year programs. While the additional funding may be used for student support services, actual uses vary by district and are not transparent.
- 3) The State is funding students at 100 percent General Fund. For some students this is being provided in lieu of federal financial aid, for which they would qualify if they graduated high school. Other students might not qualify for federal financial aid based on their income—but if this is the case, are these the students for which the State wants to prioritize postsecondary financial support?

Growth of the ASCENT Program:

In FY 2021-22 and prior years, ASCENT was capped at 500 slots, a figure set in the Long Bill. Since growth was uncapped in H.B. 22-1390 (School Finance) growth has been dramatic. This is driven in large part by additional districts joining the program. As shown in the table, the estimated cost for FY 2024-25 is \$17.1 million. This compares with \$3.8 million in FY 2021-22.

COMPARISON FY 2021-22 ASCENT CAP VERSUS FY 2023-24 ESTIMATED PROGRAM COST			
	STUDENT FTE	PER STUDENT COST	ESTIMATED COST (STATE FUNDS)
FY 2021-22 ASCENT (capped at 500)	438	\$8,712	\$3,812,185
FY 2023-24 estimate	1,239	8,686	10,761,954
FY 2024-25 estimate	1,666	\$10,244	\$17,066,504
Projected Increase FY 22 to FY 25	1,228	1,532	13,254,319
Percentage increase	280.7%	17.6%	347.7%

Cost to State versus Cost to School Districts:

The State pays districts the extended high school rate of \$8,686 for FY 2023-24 per FTE for ASCENT. This significantly exceeds tuition and mandatory fees for resident students attending the Colorado Community College System. **Even at a community college with high fees, such as the Community College of Denver, the cost for a full-time student to attend 30 credit hours in FY 2023-24 is \$6,062 in tuition and fees, which is \$2,624 less than the typical state payment to a district for a student enrolled in ASCENT.** The district operating the program may use the differential to pay for student books and other materials or student support services, but staff has not thus far found consistent reporting on how these funds are used.

pursued postsecondary education within two years, indicating that even if these students complete postsecondary education (which many do not), Colorado will not be able to meet its workforce needs without importing talent. See Colorado Workforce Development Council 2022 *Talent Pipeline Report*.

<https://cwdc.colorado.gov/resources/colorado-talent-pipeline-report> and Colorado Department of Higher Education, *Pathways to Prosperity: Postsecondary Access and Success for Colorado's High School Graduates*, 2023.

https://cdhe.colorado.gov/sites/highered/files/2023_CDHE_Postsecondary_Report_0.pdf

Does the program substitute state funding for federal financial Aid? Does it target state funds to the right students?

One of the goals of ASCENT according to statute is to “increase the percentage of students who participate in postsecondary education, especially among low-income and traditionally underserved populations”. Nearly 40 percent of ASCENT students are Latinx, a traditionally underserved population. However, the vast majority of ASCENT students (72.6 percent) are not eligible for free or reduced lunch.

2020-21 ASCENT PARTICIPATION BY FREE AND REDUCED LUNCH STATUS	
FRL ELIGIBILITY STATUS	PERCENTAGE
Free lunch	22.2%
Reduced-price lunch	5.2%
Not Eligible	72.6%

Source: Colorado Department of Higher Education, Pathway to Affordability: Annual Report on Dual and Concurrent Enrollment, 2022-19

Federal funding for students in postsecondary education is targeted to qualified low income students. However federal financial aid, including Pell grants, is only available for students who have graduated high school or earned a GED.

- For those students who qualify for a full federal Pell grant but use ASCENT instead, **the State is substituting its limited General Fund dollars for federal support.** A maximum federal Pell grant for FY 2023-24 is \$7,395, which is sufficient to cover community college tuition and fees and some other costs.
- **Low-income students who qualify for federal financial aid may be opting out of ASCENT²⁰—but, if this is true, which students are receiving state financial support through ASCENT?** Some ASCENT students may be lower middle-income students who do not qualify for sufficient financial aid but still find the cost of college daunting. Some ASCENT students may not have access to federal financial aid due to their legal status. And some of these students may well be groups for which the General Assembly wishes to provide additional financial support. However, *if the State wishes to provide equitable support for needy students statewide, there are probably more fair and efficient mechanisms than ASCENT.*

¹⁹ https://cdhe.colorado.gov/sites/highered/files/2021_Concurrent_Enrollment_March_2023.pdf

²⁰ As noted in a December 2022 letter from the Concurrent Enrollment Advisory Board: “We know that students with FRL [free and reduced lunch] status are underrepresented in the ASCENT program, in part as a result of dual eligibility. Many of these students may be eligible for both the ASCENT program and for Federal Pell grants. The Pell grant is often viewed as a better funding option for some students since the funds can be used for more than just tuition (e.g. books, fees, living expenses), though we do not have data to estimate the effect. https://drive.google.com/file/d/1di_bbddNG09ULn2krNrg_I0IAB9dGc7c/view

LINE ITEM DETAIL – STUDENT PATHWAYS

(A) HEALTH AND WELLNESS

S.B. 97-101 PUBLIC SCHOOL HEALTH SERVICES

Pursuant to Section 25.5-5-318, C.R.S. (S.B. 97-101), school districts, boards of cooperative educational services (BOCES), and state K-12 educational institutions are authorized to be reimbursed through Medicaid for health care services²¹ provided to Medicaid-eligible students. In order to do so, districts and BOCES must certify local expenditures on health care services in order to claim and receive federal Medicaid funding.

Districts are required to use the Medicaid funds received to provide student health care services. Each district is required to develop a local services plan that identifies the types of health services needed by students and the services it plans to provide. Districts spend the Medicaid funds for a variety of health-related purposes. The majority of funds are spent: providing nursing and other health clinic services; providing mental health services; providing speech, language, and vision services; providing physical and occupational therapy services; for health-related materials, equipment, and supplies; and conducting health insurance outreach activities (for Medicaid and CHP+).

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

The appropriations to DHCPF for this program include both the federal Medicaid funds (reflected as federal funds) and the local certified matching funds (reflected as cash funds). The total funds appropriated to DHCPF cover the administrative costs incurred by the DHCPF and the Department of Education, as well as actual costs of health care claims. Since FY 2006-07, the appropriation to the Department of Education has only reflected the federal Medicaid funds that are used by the Department of Education to administer the program.

STATUTORY AUTHORITY: Section 25.5-5-318, C.R.S.

REQUEST: The Department requests a continuation appropriation of \$184,958 reappropriated funds and 1.4 FTE for FY 2023-24 for this line item. The request includes an increase of \$2,272 reappropriated funds to annualize the impact of FY 2022-23 salary survey.

²¹ Services for which districts may bill Medicaid include: targeted case management (e.g., time spent developing an individual education plan for a student eligible for special education services or a health care plan for a student with diabetes); direct services (e.g., providing services as mandated in a student's individual education plan); diagnostic services (e.g., a special education-related evaluation); and health encounters (e.g., a school nurse treating a student with a stomach ache).

RECOMMENDATION: Staff recommends approving **\$182,652** reappropriated funds, based on updated data included in the table below. For the Committee’s information, the following table reflects the Department’s *total* anticipated costs (and the total anticipated transfer from HCPF) associated with this program for FY 2024-25, including both this line item and the centrally appropriated amounts associated with the program.

HCPF INTERAGENCY AGREEMENT	
LINE ITEM	FY 2024-25 STAFF REC.
S.B. 97-101 Public School Health Services	\$158,140
Indirect Costs (included in this line item)	\$24,512
Health, Life, and Dental	\$11,446
Short-term Disability	\$163
AED	\$5,379
SAED	\$5,379
Salary Survey	\$3,520
Total	\$208,269

BEHAVIORAL HEALTH CARE PROFESSIONAL MATCHING GRANT PROGRAM

The General Assembly added this line item (as the School Health Professionals Grant Program) to the FY 2015-16 Long Bill to support a matching grant program authorized in S.B. 14-215 (Disposition of Legal Marijuana Related Revenue). Pursuant to Sections 22-96-101 through 105, C.R.S., the program is intended to enhance the presence of school health professionals (often school nurses) in secondary schools throughout the State to facilitate better screening, education, and referral care for secondary school students with substance abuse and other behavioral health needs. Local education providers apply for grants under the program. As outlined in Section 22-96-103, C.R.S., the program is intended to provide funding for the following purposes:

- To increase the presence of school health professionals in secondary schools to provide behavioral health care to students who have mental health, substance use or misuse, or other behavioral health needs.
- To provide training and resources for school staff on the implementation of evidence-based programs for behavioral health education for all students.
- To allow school health professionals to connect students who need behavioral health care with services provided by community-based organizations for treatment and counseling.
- To provide behavioral health care services at recipient schools, including but not limited to screenings, counseling, therapy, referrals to community organizations, and training for students and staff on behavioral health issues.

In FY 2017-18, the General Assembly increased the appropriation by \$9,689,950 cash funds from the Marijuana Tax Cash Fund and 3.0 FTE (from \$2,280,833 and 1.0 FTE in FY 2016-17 to \$11,970,783 and 4.0 FTE in FY 2017-18). For FY 2019-20, S.B. 19-010 (Professional Behavioral Health Services for Schools) added \$3.0 million cash funds from the Marijuana Tax Cash Fund and 1.0 FTE, for a total appropriation of \$14,937,032 and 5.0 FTE in FY 2019-20. For FY 2020-21, the General

Assembly reduced the appropriation by \$3.0 million as a budget balancing action, but \$3.0 million from the Marijuana Tax Cash Fund was restored in S.B. 21-268 (School Finance).

For FY 2022-23, the General Assembly added \$7,000,000 cash funds on a one-time basis from federal ARPA funds deposited to the Behavioral and Mental Health Cash Fund pursuant to S.B. 22-147 and H.B. 22-1243.

Statute restricts administrative costs to 3.0 percent of the annual appropriation to offset costs incurred in implementing the program.

STATUTORY AUTHORITY: Sections 22-96-101 through 105, C.R.S.

REQUEST: The Department requests an appropriation of \$14,988,339 cash funds from the Marijuana Tax Cash Fund and 5.0 FTE. The request includes an increase of \$20,233 cash funds to annualize FY 2023-24 salary survey.

RECOMMENDATION: Staff recommends the requested appropriation of \$14,968,106 cash funds from the Marijuana Tax Cash Fund and 5.0 FTE for FY 2024-25, calculated consistent with Committee common policy.

MENTAL HEALTH EDUCATION RESOURCE BANK AND TECHNICAL ASSISTANCE

The General Assembly added this line item to the FY 2020-21 Long Bill to support the mental health education resource bank required by H.B. 19-1120 (Youth Mental Health Education and Suicide Prevention). With assistance from the Office of Suicide Prevention and the Suicide Prevention Commission in the Department of Public Health and Environment, the bill requires the Department to create and maintain the resource bank. The resources must be available to elementary and secondary schools free of charge and must be available in both English and Spanish.

In addition, upon request, the bill requires the Department to provide technical assistance to a school district, charter school, or board of cooperative services in designing age-appropriate curricula pertaining to mental health. The bill included an appropriation of \$116,550 General Fund and 0.9 FTE for the Department of Education for FY 2019-20, including one-time costs that were eliminated in subsequent years.

STATUTORY AUTHORITY: Section 22-2-127.9, C.R.S.

REQUEST: The Department requests an appropriation of \$49,076 General Fund and 0.6 FTE for FY 2024-25, including \$1,855 to annualize FY 2023-24 salary survey.

RECOMMENDATION: Staff recommends the request for \$49,076 General Fund and 0.6 FTE for FY 2024-25, which is calculated consistent with Committee common policy.

K-5 SOCIAL AND EMOTIONAL HEALTH PILOT PROGRAM

This line item was added in FY 2020-21 to support the K-5 Social and Emotional Health Pilot Program created by H.B. 19-1017 (K-5 Social and Emotional Health). The program was intended to place

additional school mental health professionals (including school counselors, school psychologists, and school social workers) in elementary or K-8 schools that have high poverty and high student needs. The bill authorized the pilot program for three years (FY 2020-21 through FY 2022-23) unless the General Assembly extended the program. House Bill 20-1418 (Public School Finance) delayed implementation as a budget balancing measure and included modifications, including extending the repeal date to July 1, 2033.

Under the program, the Department is required to select no more than ten pilot schools to participate (and may select fewer than ten schools based on available resources). The legislation requires participating schools to hire enough school mental health professionals to follow students as they advance through the school, with the intent that the school maintain a ratio of no more than 250 students per mental health professional. It also requires the Department to adopt rules for the program, to employ or contract with a pilot program coordinator, and to contract for preliminary and final program evaluations. The legislation authorizes appropriations for the program from the Marijuana Tax Cash Fund.

Although funding for the program was not included in the FY 2021-22 Long Bill, \$2,500,000 cash funds from the Marijuana Tax Cash Fund and 1.0 FTE was added in S.B. 21-268 (Public School Finance), making this the first year of implementation.

STATUTORY AUTHORITY: Sections 22-102-101 through 108, C.R.S.

REQUEST: The Department requests a continuation appropriation of \$2,502,388 cash funds from the Marijuana Tax Cash Fund and 1.0 FTE for FY 2024-25, including \$163 to annualize FY 2023-24 salary survey.

RECOMMENDATION: Staff recommends the request for \$2,502,338 cash funds from the Marijuana Tax Cash Fund and 1.0 FTE for FY 2024-25, calculated consistent with Committee common policy.

MENSTRUAL HYGIENE PRODUCT ACCESSIBILITY GRANT PROGRAM

Senate Bill 21-255 created the Menstrual Hygiene Product Accessibility Grant Program to provide menstrual hygiene products at no cost to students. Grant recipients must have at least 50.0 percent of students eligible for free or reduced price lunch. The bill requires the Department of Education to award grants in amounts that are proportionate to the number of students and restrooms in recipient schools, subject to available appropriation.

STATUTORY AUTHORITY: Section 22-2-147, C.R.S.

REQUEST: The Department requests a continuation amount of \$100,000 General Fund, consistent with the appropriation included in S.B. 21-255.

RECOMMENDATION: Staff recommends the request for continuation funding of \$100,000 General Fund for FY 2024-25.

(B) DROPOUT PREVENTION AND STUDENT REENGAGEMENT

House Bill 09-1243 [Section 22-14-101 et. seq., C.R.S.] created the Office of Dropout Prevention and Student Reengagement to collaborate with local education providers to reduce student dropout rates and to increase graduation rates. The Office's duties include:

- Analysis of student data related to dropout rates, completion rates, truancy, suspension and expulsion rates, safety and discipline incidents, and student growth.
- Coordination of departmental efforts and initiatives to address dropout prevention, student reengagement, and adult education.
- Identification of best practices and strategies to reduce dropout rates and increase student engagement and reengagement.
- Securing and managing resources to fund services and supports.

The Department received a five-year competitive grant award of \$14.1 million through the U.S. Department of Education's High School Graduation Initiative Program to begin in FY 2010-11 (the Department spent the funds from FY 2010-11 through September 2016). The Department used these funds to partner with high needs high schools to: develop sustainable, replicable models for dropout prevention and recovery; improve interim indicators; reduce the dropout rate; increase the student re-engagement rate; and increase the graduation rate for high school students.

The Office currently works in three main areas that are supported by both state and federal funds:

- Administers competitive grants, including state grants reflected in this section and the federal Expelled and At Risk Student Services grant, which is included in the Appropriated Sponsored Programs line item in the School District Operations section.
- In collaboration with the Department's data team, supports the collection and sharing of data related to student engagement, dropout, and graduation.
- Develops tools, resources, and other supports to accelerate school and district efforts to improve student engagement, re-engagement, dropout, and graduation rates.

DROPOUT PREVENTION

This line item includes \$2.0 million cash funds from the Marijuana Tax Cash Fund and related FTE to support the Student Re-engagement Grant Program created in H.B. 09-1243, which provides competitive multi-year (up to three-year) grants to school districts and charter schools to provide educational services and supports to students to maintain student engagement and support re-engagement. (A previous version of this line item (in place through FY 2022-23) supported both the Student Re-Engagement Program and the Educational Stability Grant Program. The Educational Stability Grant Program is now funded in a separate line item.)

STATUTORY AUTHORITY: Section 22-14-109, C.R.S.

REQUEST: The Department requests an appropriation of \$2,014,663 cash funds from the Marijuana Tax Cash Fund, and 1.0 FTE for FY 2024-25. The request includes an increase of \$4,363 cash funds to annualize FY 2023-24 salary survey.

RECOMMENDATION: Staff recommends approving an appropriation of \$2,014,663 cash funds from the Marijuana Tax Cash Fund, and 1.0 FTE for FY 2024-25. The calculation as requested is consistent with Committee common policy.

NINTH GRADE SUCCESS GRANT PROGRAM

This line item supports the Ninth Grade Success Grant Program. Senate Bill 19-246 (School Finance) created the Ninth Grade Success Program to provide grants to local education providers to establish ninth grade success programs. Under the bill, programs must include the following components:

- Establishing a cross-disciplinary team of all ninth grade teachers and support staff, including at least one school mental health professional to identify strategies to improve outcomes for students at risk of dropping out.
- Ensuring that ninth grade classes are taught by a single group of teachers, if practicable.
- Implementing a data system that provides real-time access to student behavior, attendance, and grades, as well as the ability to compare data across student groups.
- Prioritizing services, and providing instructional support, for ninth graders at risk of academic failure.
- Ensuring that school personnel receive data on incoming ninth graders and that teachers receive professional development regarding the use of data to inform instruction.
- Providing summer orientation for incoming ninth graders and their families.
- Evaluation of the impact of interventions provided through the program.

Senate Bill 19-246 included an appropriation of \$800,000 General Fund and 0.6 FTE to support the program in FY 2019-20. However, the General Assembly eliminated the appropriation for the program for FY 2020-21 as a budget balancing measure in response to the revenue shortfalls associated with the COVID-19 pandemic. Funding of \$800,000 General Fund and 0.6 FTE was restored for FY 2021-22 through S.B. 21-268 (Public School Finance).

House Bill 23-1231 (Math in Pre-K) added one-time funding of \$1,600,000 General Fund and 1.2 FTE for the program in FY 2023-24 and added requirements that the Department and State Board prioritize grant applicants that:

- Propose programming focused on evidence-informed math skills, and intervention and acceleration strategies; and
- Have academic achievement levels that are consistent ranked lowest for public high schools in the State.

The bill also restricted administrative costs to 5.0 percent of state funds.

The program repeals effective July 1, 2025.

STATUTORY AUTHORITY: Section 22-14-109.5, C.R.S.

REQUEST: The Department requests an appropriation at a continuation level of \$800,000 General Fund and 0.6 FTE for FY 2023-24.

RECOMMENDATION: Staff recommends the request for \$800,000 General Fund and 0.6 FTE for FY 2023-24.

SUPPORTS FOR FOSTER CARE STUDENTS (H.B. 22-1374)

House Bill 22-1374 created the Fostering Educational Opportunities for Youth in Foster Care program in the Department of Human Services, and modified Department of Education training and reporting requirements related to foster youth educational attainment. The bill required the Department of Education to identify goals for improving foster youth educational attainment and expands annual education reporting requirements related to foster youth. The new responsibilities include providing training for new child welfare education liaisons and county department of human services caseworkers; updates to foster education data collection, reporting requirements, and sharing agreements; and annual reporting on the Department's website and to the General Assembly concerning students in out-of-home placement.

STATUTORY AUTHORITY: Section 22-32-138, C.R.S.

REQUEST: The Department requests an appropriation of \$69,247 General Fund for this line item, including \$3,047 to annualize prior year salary survey.

RECOMMENDATION: Staff recommends \$69,247 General Fund, calculated consistent with Committee common policy, but also recommends adding an FTE informational notation of 0.4 FTE. This is the FTE notation that should be reflected associated with the fiscal note for H.B. 22-1374. The notation was assigned to a different line item in the Department reorganization, but, since the General Assembly does not actually control the use of FTE and it appears that the Department has FTE assigned to this program who receive salary survey, it is more transparent to add the 0.4 FTE to the line item.

EDUCATIONAL STABILITY GRANT

The Educational Stability Grant Program was established in H.B. 18-1306 (Improving Educational Stability for Foster Youth). Beginning in FY 2019-20, H.B. 18-1306 requires the Department to provide grants to local education providers to provide services to students in foster care and other highly mobile students. The Legislative Council Staff Fiscal Note for H.B. 18-1306 anticipated \$1.0 million in annual expenditures for the Department starting in FY 2019-20 and a need for 2.0 FTE. Following Department reorganization, 3.0 FTE were reflected in the FY 2023-24 Long Bill.

STATUTORY AUTHORITY: Section 22-32-138, C.R.S.

REQUEST: The Department requests an appropriation of \$1,039,725 General Fund for this line item, including \$6,095 to annualize prior year salary survey.

RECOMMENDATION: Staff recommends the request for \$1,039,725 General Fund, which is calculated consistent with Committee common policy, and 3.0 FTE. Based on further communication with the Department, staff also requests permission to adjust the FTE notation in the line item if appropriate.

H.B. 23-1231 COLORADO ACADEMIC ACCELERATOR GRANT PROGRAM

House Bill 23-1231 (Math in Pre-K-12th Grade) created the Colorado Academic Accelerator Grant Program to create community learning centers that provide free academic enrichment and support activities to help students in science, technology, and math. Eligible grant recipients may include local education providers, community-based organizations, Indian tribes, or a public-private entity. The bill required an appropriation to the Department of Education of \$25.0 million for the program with continuous spending authority through FY 2026-27. The Department may use up to 5.0 percent for monitoring and evaluation programs, including a required contract with a third-party evaluator.

STATUTORY AUTHORITY: Section 22-2-146.6, C.R.S.

REQUEST: The Department did not request an appropriation for this line item for FY 2024-25. The Governor's Office initially proposed an appropriation of \$8.0 million General Fund but subsequently withdrew the request.

RECOMMENDATION: Staff does not recommend an appropriation for this line item. The \$25.0 million previously appropriated will be spent over multiple years.

(C) CAREER READINESS

CAREER DEVELOPMENT SUCCESS PROGRAM

The General Assembly created the Career Development Success Pilot Program in H.B. 16-1289 (Incentives to Complete Career Development Courses). The bill established the program on a pilot basis, for FY 2017-18 and FY 2018-19, to provide financial incentives for participating school districts and charter schools to encourage high school students to enroll in and successfully complete qualified industry certificate programs, internship or pre-apprenticeship programs, and advanced placement courses in computer science. Beginning in FY 2017-18, the bill authorized participating districts and charter schools to receive up to \$1,000 for each pupil who, in the preceding fiscal year, successfully completed a qualified program.

The bill required the General Assembly to appropriate \$1.0 million annually for incentive payments in FY 2017-18 and FY 2018-19. The General Assembly approved an increase of \$1.0 million General Fund (for a total of \$2.0 million) for FY 2018-19 and an additional increase of \$3.0 million (for a total of \$5.0 million) for FY 2019-20. In FY 2019-20, the General Assembly also added a footnote specifying that \$200,000 of the total funding was to be used for activities other than direct incentives. For FY 2020-21, the General Assembly reduced the appropriation to \$4.5 million General Fund as a budget balancing measure.

For FY 2021-22, the Long Bill included \$4,520,000 General Fund. Senate Bill 21-268 (Public School Finance) added \$1,750,000 from the Workers, Employers, and Workforce Centers Cash Fund from money originating as federal Coronavirus State Fiscal Recovery Funds from the American Rescue Plan Act (ARPA funds), for a total of \$6,270,000. After it was determined that the \$1.75 million in additional funds could not be expended in a manner required by federal rules, the JBC included a provision in the supplemental bill for the Department of Education to change the source of the funds to General Fund deposited in the Workers, Employers, and Workforce Centers Cash Fund.

Senate Bill 23-065 (Career Development Success Program) added an additional \$5,000,000 General Fund for FY 2023-24 and ongoing and modified statutory provisions to require an annual minimum appropriation of \$9,500,000 General Fund for the program, among other changes. For FY 2023-24 only, the bill required that the additional \$5.0 million be used, first, to double incentives at school districts that adopted certain graduation requirements, with any balance available for the regular outcomes incentive program.

STATUTORY AUTHORITY: Section 22-54-138, C.R.S.

REQUEST: The Department requests \$11,520,000 General Fund and 1.1 FTE. This includes an increase of \$2,000,000 General Fund for Request R10 (CDIP Enhancement).

RECOMMENDATION: As discussed earlier in this document, staff does not recommend the additional \$2.0 million included in the request. The staff recommendation is for continuation funding of \$9,520,000 General Fund and 1.1 FTE.

COLLEGE AND CAREER READINESS

The General Assembly added this line item to the FY 2014-15 Long Bill to provide additional technical assistance associated with college and career readiness reforms. Specifically, the Department requested the creation of the line item to increase assistance related to individual career and academic plans (ICAPs), new statewide graduation guidelines, concurrent enrollment programs, and the implementation of school and district innovation status.

Senate Bill 19-176 (Expanding Concurrent Enrollment Opportunities) modified concurrent enrollment programs and requirements and requires the Department to provide support to local education providers and to develop a website providing information on concurrent enrollment requirements. For FY 2019-20, the bill appropriated \$44,916 and 0.5 FTE to the College and Career Readiness line item to support those efforts, with the majority of that funding continuing in subsequent years. H.B. 22-1215 (Study of Extended High School Programs) added \$89,123 and 0.2 FTE for a facilitated work group to study extended high school programs in FY 2022-23 and FY 2023-24 only. H.B. 22-1390 (School Finance) added \$43,113 for a 0.5 FTE position related to statutory changes that uncap the ASCENT program.

STATUTORY AUTHORITY: Section 22-2-136, C.R.S.

REQUEST: The Department requests an appropriation of \$360,869 General Fund and 3.1 FTE, including an increase of \$11,453 General Fund to annualize FY 2023-24 salary survey.

RECOMMENDATION: Staff recommends the request for an appropriation of \$360,869 General Fund and 3.1 FTE for FY 2024-25. The amount is calculated consistent with Committee common policy.

CONCURRENT ENROLLMENT EXPANSION AND INNOVATION GRANT PROGRAM

The Concurrent Enrollment Expansion and Innovation Grant Program was created in S.B. 19-176 (Expanding Concurrent Enrollment Opportunities). Senate Bill 19-176 requires each local education

provider that enrolls students in grades 9-12 to provide concurrent enrollment opportunities (which may include coursework related to apprenticeship programs or internship programs) for qualified students beginning in the FY 2020-21 school year. The bill created the Concurrent Enrollment Expansion and Innovation Grant Program to support the creation and expansion of concurrent enrollment opportunities through partnerships between local education providers and institutions of higher education. Grants may be used to:

- Assist teachers with the cost of obtaining a graduate degree that allows the teacher to teach a postsecondary course.
- Cover the cost of books, supplies, fees, and transportation.
- Purchase technology to share data and streamline the enrollment process.
- Provide services, support, and coordination resources for local education providers and institutions of higher education.

For FY 2019-20, the bill appropriated \$1.5 million cash funds from the Marijuana Tax Cash Fund for the grant program. While the Committee had initially approved an increase of \$1.0 million General Fund for FY 2020-21 (based on a decision item), that increase was eliminated as a budget balancing measure for FY 2020-21 and the appropriation continued at \$1.5 million cash funds from Marijuana Tax Cash Fund. For FY 2021-22, the Long Bill included \$1.5 million cash funds from the Marijuana Tax Cash Fund and this was increased in S.B. 21-268 (Public School Finance) by \$1,750,000 cash fund from the Workers, Employers, and Workforce Centers Cash Fund from money originating as federal Coronavirus State Fiscal Recovery Funds from the American Rescue Plan Act (ARPA funds). Because the Department was unable to fully expend the FY 2021-22 increase during the fiscal year, the JBC added a footnote through the supplemental appropriation bill for the Department of Education that allowed unexpended funds to roll forward for expenditure in FY 2022-23. This money was still not fully expended at the end of FY 2022-23.

STATUTORY AUTHORITY: Section 22-35-114, C.R.S.

REQUEST: The Department requests an appropriation of \$1,476,948 cash funds from the Marijuana Tax Cash Fund for FY 2024-25, including an increase of \$52 to annualize FY 2023-24 salary survey.

RECOMMENDATION: Staff recommends approving the request for \$1,476,948 cash funds from the Marijuana Tax Cash Fund. The calculation is consistent with Committee common policy.

ACCELERATED COLLEGE OPPORTUNITY EXAM FEE GRANT PROGRAM

The General Assembly added this line item to the FY 2019-20 Long Bill to support the Advanced Placement Exam Fee Grant Program created in H.B. 18-1396 (Advanced Placement Exam Fee Grant Program). The program subsidizes a portion of advanced placement (AP) exam fees on behalf of eligible low income students. Schools must use the entire amount awarded through a competitive grant process to pay AP exam fees. House Bill 18-1396 appropriated \$554,869 General Fund and 0.3 FTE to the Department for FY 2018-19. House Bill 19-1222 modified the program to include International Baccalaureate (IB) exam fees in addition to AP fees.

The line item was renamed the Accelerated College Opportunity Exam Fee Program in the FY 2020-21 Long Bill to align with changes in H.B. 19-1222.

The General Assembly reduced the program by \$280,730 (50.0 percent) as a budget balancing measure for FY 2020-21. The reduction was continued in the FY 2021-22 Long Bill, but FY 2021-22 funding was fully restored through S.B. 21-268 (Public School Finance).

STATUTORY AUTHORITY: Section 22-95.5-102, C.R.S.

REQUEST: The Department requests \$564,549 General Fund and 0.4 FTE for FY 2024-25. This includes an increase of \$1,307 General Fund to annualize FY 2023-24 salary survey.

RECOMMENDATION: Staff recommends approving the request for \$564,549 General Fund and 0.4 FTE for FY 2024-25. The Department's calculation is consistent with Committee common policy.

SCHOOL COUNSELOR CORPS GRANT PROGRAM

Established in 2008 [Section 22-91-101, *et seq.*, C.R.S.], this competitive grant program provides grants to school districts, boards of cooperative services, and charter schools to increase the availability of effective school-based counseling within middle and secondary schools. The stated goal of the program is to increase the state graduation rate and to increase the percentage of students who appropriately prepare for, apply to, and continue into postsecondary education. Subject to available appropriations, the State Board awards three-year grants based on statutory criteria²². The State Board is required to give priority to schools at which the dropout rate exceeds the statewide average and/or the percentage of students eligible for free and reduced lunch exceed the statewide average. The Department is authorized to expend up to 2.0 percent of moneys annually appropriated for the Program to offset the costs incurred in implementing the program. This program is subject to available appropriations.

The General Assembly appropriated \$5.0 million cash funds from the State Education Fund annually for the first four years of the program's operation (FY 2010-11 through FY 2013-14).

The Department made significant changes to the program for FY 2013-14, including: (1) providing limited funding for the first year of the grant to support planning; (2) requiring reporting at the end of the planning year and using that reporting to determine whether to continue funding; (3) eliminating repeat funding for individual schools; and (4) increasing annual reporting and accountability required of grant recipients. The General Assembly increased the appropriation by \$3.0 million (to a total of \$8.0 million) cash funds in FY 2014-15 and added \$2.0 million more (to a total of \$10.0 million) in FY 2015-16.

Beginning in FY 2019-20, H.B. 19-1187 appropriated \$250,000 General Fund to this line item to assist students and families with completing state and federal financial aid applications. The bill required the General Assembly to appropriate \$250,000 per year for FY 2019-20, FY 2020-21, and FY 2021-22

²² These criteria include: the school's dropout rate, the percentage of students eligible for free or reduced price lunch, the percentage of students who graduate and enroll in postsecondary education within two years after graduating high school, whether the applicant has adopted or has committed to adopt national standards for school counselor responsibilities, and the likelihood that the recipient will continue to fund the increased level of school counseling services following the expiration of the grant.

and required the State Board of Education to distribute the appropriated funds to local education providers that receive a school counselor corps grant. This funding was provided in FY 2019-20, FY 2021-22, and FY 2022-23, with a temporary suspension in FY 2020-21 which was authorized in statute due to pandemic budget-balancing. Related statutory provisions repealed July 1, 2023.

In the FY 2021-22 School Finance Act (S.B. 21-268) the General Assembly removed the statutory cap of \$10.0 million on appropriations for the School Counselor Corps Grant program and increased the appropriation by \$2,000,000 from the State Education Fund for FY 2021-22.

STATUTORY AUTHORITY: Section 22-91-101, et seq., C.R.S.

REQUEST: The Department requests an appropriation of \$12,029,013 cash funds from the State Education Fund and 2.0 FTE for FY 2024-25. The request includes an increase of \$12,763 from the State Education Fund to annualize FY 2023-24 salary survey.

RECOMMENDATION: Staff recommends the request for \$12,029,103 cash funds and 2.0 FTE, which is calculated consistent with Committee common policy.

FOURTH-YEAR INNOVATION PILOT PROGRAM - DISTRIBUTIONS TO LEPS

The Fourth-year Innovation Pilot Program was created in S.B. 21-106 (Concerning Successful High School Transitions). Although the program was created in the Department of Higher Education, the Department of Education has related statutory responsibilities. The program provides state funding for low-income students who graduate early from high school to use for postsecondary education and also provides incentives to the local education providers (LEPs) that graduate these students early. The bill was initially limited to five local education providers or group of providers, with the first cohort of graduates graduating early during FY 2021-22 and the last graduating during FY 2025-26. Senate Bill 22-140 eliminated the provision that limited the program to five local education providers without otherwise changing the program. The program repeals on December 31, 2027.

Statute specifies that eligible students who graduate prior to their fourth year of high school will receive the greater of 75.0 percent of the state share of FY 2021-22 average per pupil funding (as calculated in the 2021 legislative session) or \$3,500 toward an eligible postsecondary program (includes certification and other training programs, as well as degrees at state public higher education institutions), and students who graduate prior to the second semester of their fourth year of high school will receive the greater of 45.0 percent of state share of FY 2021-22 average per pupil funding (as calculated in the 2021 legislative session) or \$2,000 toward an eligible postsecondary program.. The final amounts are \$4,113 going to a scholarship for a student graduating a year early, which is reduced to \$2,468 for a student graduating a semester early. Scholarship amounts are managed by the Department of Higher Education. Students must begin postsecondary training within 18 months of graduation. The Department of Higher Education must reported forfeited funding to the Treasurer at the end of the a fiscal year, which is then transferred to the General Fund.

A local education provider which graduates a student before their fourth year of high school receives 25 percent of the state share of FY 2021-22 average per pupil funding as calculated in the 2021 legislative session (\$1,378). The incentives for districts are distributed by the Department of Education.

STATUTORY AUTHORITY: Section 23-3.3-1301 et. seq., C.R.S.

REQUEST: The Department of Education requested \$386,659 for distributions to local education providers for the Fourth-year Innovation Pilot Program, including an increase for BA5 (Path4ward funding increase).

RECOMMENDATION: Staff recommends the request of \$386,659 General Fund, including the budget amendment, as previously described. Staff also recommends that the Committee consider legislation that would re-cap the number of local education providers that are participating in this pilot.

HIGH SCHOOL INNOVATIVE LEARNING PILOT PROGRAM

The General Assembly created this program in S.B. 19-216 (High School Innovative Learning Pilot) to increase innovative learning opportunities for high school students. Statutory provisions define innovative learning opportunities as activities that usually occur outside of the classroom and may include work-based learning, such as apprenticeships, competency-based learning projects, capstone projects, and other learning experiences. Under the bill, local education providers may propose an innovative learning plan that permits high school students to participate in innovative learning opportunities prior to graduation. Providers that the Department selects to participate in the pilot program may count students participating in those opportunities as full-time students for school finance purposes, regardless of the actual amount of instructional time or contact hours for which the student is enrolled.

The bill required the State Board of Education to adopt rules for the program, including application requirements and timelines, and included criteria for the selection of pilot program participants. Local education providers could submit applications to the Department in FY 2019-20, with participation actually beginning in FY 2020-21. The bill included an appropriation of \$129,563 General Fund and 0.3 FTE for FY 2019-20, and funding at a similar level was continued in FY 2020-21.

For FY 2021-22, the Long Bill included \$127,095 and 0.3 FTE, but this amount was increased by \$220,115 and 0.3 FTE in S.B. 21-106 (Concerning Successful High School Transitions). This bill modified the program to allow a school of a school district or of a board of cooperative services to participate in the program independently. It also required the Department and the State Board of Education to consider whether the applying program would provide opportunities for apprenticeships, technical training through an industry provider, teacher training, concurrent enrollment, and certificates. The fiscal note for the bill indicated that the program as originally created supported a \$100,000 contract with a nonprofit and 0.2 FTE and was expected to have 17 participants in FY 2021-22. The additional funding in S.B. 21-106 was to support an additional 0.2 FTE and \$200,000 for technical assistance, which was expected to support 20 new participants and increase support for all participants. The program repeals July 1, 2025.

STATUTORY AUTHORITY: Section 22-35.6-101 through 107, C.R.S.

REQUEST: The Department requests \$351,744 General Fund and 0.6 FTE, including an increase of \$2,337 to annualize prior year salary survey.

RECOMMENDATION: Staff recommends the request for \$351,744 General Fund and 0.6 FTE for FY 2024-25. The Department's calculation is consistent with Committee common policy.

JOHN W. BUCKNER AUTOMATIC ENROLLMENT IN ADVANCED COURSES GRANT PROGRAM

Senate Bill 19-059 (Automatic Enrollment in Advanced Courses Grant Program) created the John W. Buckner Automatic Enrollment in Advanced Courses Grant Program to provide assistance to local education providers that automatically enroll students in advanced courses (including Advanced Placement courses, International Baccalaureate courses, or any courses designated as honors, gifted, or accelerated). To be eligible, a local education provider must automatically enroll each qualified student (based on scores from the statewide assessments in the previous year or on another measure defined by the local education provider) entering ninth grade or higher in an advanced course. The local education provider must allow a parent to remove their student from the advanced course if requested.

Recipients may use the grants to:

- Expand the number of advanced courses available, including through the use of technology.
- Incentivize teachers to teach advanced courses (but not to hire new teachers).
- Develop advanced course curricula.
- Expand parent and student engagement related to advanced course availability and success.

Senate Bill 19-059 included an appropriation of \$250,000 General Fund and 0.3 FTE to support the program in FY 2019-20. During the 2021 Session, the General Assembly reduced that appropriation to \$50,000 for FY 2019-20 and eliminated the appropriation for FY 2020-21 to delay implementation of the program as a budget balancing measure. The General Assembly restored funding to \$250,000 General Fund and 0.3 FTE for FY 2021-22 in S.B. 21-268 (Public School Finance).

STATUTORY AUTHORITY: Section 22-95.5-201 through 204, C.R.S.

REQUEST: The Department requests a continuation of \$250,275 General Fund and 0.3 FTE for FY 2024-25.

RECOMMENDATION: Staff recommends the request for \$250,275 General Fund and 0.3 FTE for FY 2024-25. The Department's request is consistent with Committee common policy.

BASIC SKILLS PLACEMENT OR ASSESSMENT TESTS

With the enactment of H.B. 12-1345, the General Assembly established a program to reimburse school districts for costs incurred in administering basic skills placement or assessment tests. The bill authorized school districts to administer the tests as frequently as desired during high school but specifies that the state will only reimburse school districts for one administration per student. The bill provided \$1.0 million cash funds from the State Education Fund in FY 2012-13 for such reimbursements. The General Assembly created this line item in the FY 2013-14 Long Bill to continue to provide funding for the program but reduced the amount of funding to \$320,917 in FY 2013-14 based on actual use of the program. The General Assembly further reduced the appropriation to

\$50,000 for FY 2015-16 based on the lack of use of the program (there were no expenditures in FY 2014-15 or FY 2015-16). The Department reimbursed \$13,736 in expenses for FY 2016-17 but did not make any reimbursements in FY 2017-18, FY 2018-19, or FY 2019-20. During the FY 2021-22 budget cycle the Department proposed eliminating the line item; however, this requires a statutory change, and no related legislation was adopted during the 2021 legislative session.

STATUTORY AUTHORITY: Section 22-32-109.5, C.R.S.

REQUEST: The Department requested a continuation amount of \$50,000 cash funds from the State Education Fund for FY 2023-24.

RECOMMENDATION: In light of ongoing statutory requirements, staff recommends the request for an appropriation of \$50,000 cash funds. Any unused amount will revert to the State Education Fund.

COLORADO CAREER ADVISOR TRAINING PROGRAM

Senate Bill 22-165 created the Colorado Career Advisor Training Program to provide training programs and courses to Colorado career advisors to help them guide individuals toward meaningful careers. The Department is required to administer the program in coordination with the Department of Higher Education, Department of Labor and Employment, Colorado Workforce Development Council, and the Colorado Community College System. The program is expected to require \$1,000,000 General Fund per year ongoing.

STATUTORY AUTHORITY: Section 22-10-108, C.R.S.

REQUEST: The Department requests a continuation appropriation of \$1,000,000 General Fund for this line item.

RECOMMENDATION: Staff recommends the request for \$1,000,000 General Fund for FY 2024-25, consistent with the fiscal note for the bill.

ADULT EDUCATION AND LITERACY GRANT PROGRAM

The General Assembly added this line item to the FY 2015-16 Long Bill to support the Adult Education and Literacy Grant Program created in H.B. 14-1085 (Adult Education and Literacy). The program provides funding to local education providers (including public and private schools, institutions of higher education, nonprofit community-based organizations, and other related agencies) that are members of workforce development partnerships that provide basic education to adults.

- The program received a substantial short-term increase through an FY 2021-22 appropriation of \$5.0 million in H.B. 21-1264 from the Workers, Employers, and Workforce Centers cash fund. This money originates as federal Coronavirus State Fiscal Recovery Funds from the American Rescue Plan Act (ARPA Funds). As of the end of FY 2021-22, only \$206,702 had been expended, but the program has authority to roll-forward unspent funds, which must be obligated by December 30, 2024 and expended by December 31, 2026.
- It received a further one-time appropriation of \$800,000 General Fund and 0.4 FTE for FY 2022-23 in S.B. 22-192 (Opportunities for Credential Attainment)

- Senate Bill 23-007 (Adult Education) added \$2,000,000 General Fund, which is expected to be ongoing, and made other changes to the grant program, including adding digital literacy to skills that must be offered, adding a high school diploma or equivalent as an outcome, and modifying reporting requirements, among other provisions. Community colleges, local district colleges, and area technical colleges now may award high school diplomas for this population.
- Senate Bill 24-051, which is currently moving through the legislative process, makes additional changes to the program. Among other provisions, in its current form it allows unexpended funding for the Program appropriated in FY 2023-24 and FY 2024-25 to be spent through FY 2028-29, after which any unexpended funds revert to the General Fund.

STATUTORY AUTHORITY: Section 22-10-104, C.R.S.

REQUEST: The Department requests a continuation appropriation of \$2,977,125 General Fund and 2.3 FTE for the Program.

RECOMMENDATION: Staff recommends the continuation funding request for \$2,977,125 General Fund and 2.3 FTE for FY 2024-15.

COLORADO ADULT HIGH SCHOOL PROGRAM

Senate Bill 23-003 created the Colorado Adult High School Program for adults without a high school education to earn a diploma, industry certificate or college credit at no cost. The bill required an appropriation of \$5.0 million from the General Fund for FY 2023-24 to be expended through FY 2026-27.

STATUTORY AUTHORITY: Section 22-10-201 through 205, C.R.S.

REQUEST/RECOMMENDATION: The bill included a one-time appropriation to be spend over multiple years. The Department does not request, and staff does not recommend, an appropriation for FY 2024-25.

(8) LIBRARY PROGRAMS

Background Information: Public libraries are managed and operated locally based on revenues raised from local sources.²³ The State provides no direct state funding to libraries other than those provided through the State Grants to Publicly-Supported Libraries program and has no authority over public library operations. However, the Commissioner of Education is designated as the ex officio State Librarian, and the State Library is a division within the Department of Education. The State Librarian has a number of statutory duties and responsibilities, including the following [see Section 24-90-105, C.R.S.]:

- to promote and coordinate the sharing of resources and cooperative relationships among all Colorado libraries to reduce costs at the local level;
- to ensure equal access to information for all Coloradans;
- to furnish library or information services to state officials, departments, institutional libraries, and persons who are blind and physically disabled;
- to further library development and to promulgate service standards for school, public, and institutional libraries; and
- to receive and administer federal funds for libraries.

The State Library provides technical support, professional development, and resource sharing opportunities for publicly-supported libraries throughout the state. The State Library cooperatively manages the Colorado Virtual Library, a statewide, Internet-based library network that provides several services to Colorado residents, including:

- a statewide interlibrary loan system;
- Colorado Online Libraries - a web hosting services that allows small libraries to have a web presence;
- Colorado Historic Newspaper Collection; and
- development of digital infrastructure for improved access to state and local digitized materials and other electronic resources.

The State Library also provides development services for public libraries, school libraries, and institutional libraries in adult and youth correctional facilities and state veterans hospitals. Services to

²³ Publicly supported libraries include public, school, and academic libraries. The Department indicates that Colorado has 113 public library jurisdictions with 263 public library buildings. The jurisdictions include one rural bookmobile service that is classified as a separate jurisdiction. Local libraries are funded through property, sales, and specific ownership tax revenues, as well as grants, donations, and fine revenues, though at least 30 libraries have enacted policies that eliminate fines on all or some materials. Most public library jurisdictions serve rural populations, with 83 percent (94 jurisdictions) serving populations under 50,000, and 40 percent (45 jurisdictions) serving fewer than 5,000 people. In addition to the typical items checked out, Colorado's libraries provide a variety of additional services, including: summer reading programs for children (94 percent); technology training (90 percent); free Wi-Fi access (96 percent); and an educational backpack for families with free state parks passes for checkout (100 percent participation), a joint program with Colorado Parks and Wildlife.

public and school libraries include support of early literacy activities and summer reading programs. The State Library also operates the State Publications Library (which provides free access to state government documents), the Colorado Talking Book Library (which provides free materials to individuals who are unable to read standard print material), and distributes funds to the Colorado Imagination Library Program (which gives free books to children from birth to five). Finally, the State Library provides research and statistical information to support policy-making, budgeting, planning, and evaluation activities for libraries and library agencies at the local, regional, state, and federal levels.

The following table summarizes the staff recommendation for the Library Programs division.

LIBRARY PROGRAMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 Appropriation						
SB 23-214 (Long Bill)	\$11,776,026	\$7,232,554	\$287,413	\$863,381	\$3,392,678	40.8
TOTAL	\$11,776,026	\$7,232,554	\$287,413	\$863,381	\$3,392,678	40.8
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$11,776,026	\$7,232,554	\$287,413	\$863,381	\$3,392,678	40.8
SI Federal FTE notation true up	0	0	0	0	0	1.0
SI Department reorganization	0	0	0	0	0	0.0
Non-prioritized requests	(1,624,365)	(1,624,365)	0	0	0	0.0
Annualize prior year budget actions	126,319	44,919	0	0	81,400	0.0
TOTAL	\$10,277,980	\$5,653,108	\$287,413	\$863,381	\$3,474,078	41.8
INCREASE/(DECREASE)	(\$1,498,046)	(\$1,579,446)	\$0	\$0	\$81,400	1.0
Percentage Change	(12.7%)	(21.8%)	0.0%	0.0%	2.4%	2.5%
FY 2024-25 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	(1.0)

DECISION ITEMS – LIBRARY PROGRAMS

➔ NP BA1 IMAGINATION LIBRARY

REQUEST: The Department's request for FY 2024-25 includes a non-prioritized adjustment to eliminate the previous \$1,624,365 General Fund appropriation for the Colorado Imagination Library Program in the Department of Education, based on a request in the Department of Early Childhood to move this program to the Department of Early Childhood.

RECOMMENDATION: House Bill 24-1205 (Colorado Imagination Library Program; a JBC supplemental package bill) transfers the Imagination Library Program to the Department of Early Childhood effective FY 2024-25. Consistent with the provisions of H.B. 24-1205, staff does not recommend an appropriation for the Imagination Library in the Department of Education section of the Long Bill for FY 2024-25.

LINE ITEM DETAIL - LIBRARY PROGRAMS

ADMINISTRATION

This line item provides state funding and staff for the general administration of library programs and the provision of library services.

STATUTORY AUTHORITY: Section 24-90-105, C.R.S.

REQUEST: The Department requests an appropriation of \$1,262,635 total funds, including \$995,222 General Fund and \$267,4113 cash funds from gifts, grants, and donations, and 14.3 FTE for FY 2024-25, including an increase of \$44,419 General Fund to annualize prior year salary survey.

RECOMMENDATION: Staff recommends an appropriation of \$1,262,635 total funds, including \$995,222 General Fund and \$267,4113 cash funds from gifts, grants, and donations, and 14.3 FTE for FY 2024-25. This amount matches the request and is consistent with Committee common policy.

FEDERAL LIBRARY FUNDING

This line item reflects federal funding that is anticipated to be available for library programs, and the Department staff who are supported by such funds. The federal funds supporting this line item are shown in the Long Bill for informational purposes only.

STATUTORY AUTHORITY: 22 U.S.C. 72

REQUEST: The Department requests an appropriation of \$3,418,751 federal funds and 23.8 FTE. The request includes an increase of \$81,400 to annualize FY 2023-24 salary survey.

RECOMMENDATION: Staff recommends \$3,418,751 federal funds and 24.8 FTE. This amount is shown for informational purposes. The recommendation adds 1.0 FTE to “true up” estimated FTE funded in this line item.

COLORADO LIBRARY CONSORTIUM

The Colorado Library Consortium is a statewide library cooperative that was formed as a successor to the seven regional library systems that existed prior to significant state funding reductions in 2003.²⁴ The Consortium supports publicly-funded libraries statewide by:

- Expediting the discovery, selection, and delivery of information and materials to library patrons (including courier services).
- Administering a cooperative purchasing program (negotiating significant discounts on books and other library materials).

²⁴ The FY 2002-03 Long Bill included \$7.5 million General Fund support for library programs (other than state staff). The Governor vetoed appropriations totaling \$4.5 million, and these appropriations were further reduced in FY 2003-04 to \$359,796.

- Providing and supporting learning opportunities for ongoing professional development to improve library services.
- Identifying and supporting initiatives to strengthen the Colorado library community.

The Consortium's projected \$2.9 million budget in FY 2020-21 consisted of state funding provided through this line item (\$1.0 million General Fund that year), courier income (\$925,000), administrative fees (\$180,300), AspenCat integrated library system fees (\$147,000), continuing education fees (\$12,000), book recycling (\$8,000), and other miscellaneous sources such as grants, cooperative projects, and reserve carryover (\$639,800). The statewide courier system transports 3 million items annually. The AspenCat integrated union-catalog serves 160 primarily small, rural public and school libraries across Colorado. On average, each AspenCat member library holds 15,000 items in its respective collection but its patrons have access to more than 1.7 million items in the shared collection. Consortium staff provide schools, public, and academic libraries statewide with consulting, training, and continuing education. The JBC added \$150,000 General Fund to this line item for FY 2023-24, increasing the state appropriation from \$1.0 (which had been the appropriation since FY 2006-07).

STATUTORY AUTHORITY: Section 24-90-105, C.R.S.

REQUEST: The Department requests a continuation appropriation of \$1,150,000 General Fund, with no change from the FY 2023-24 appropriation.

RECOMMENDATION: Staff recommends approving the request for \$1,150,000 General Fund. This appropriation ensures that the Consortium can offer public libraries a cooperative purchasing program and a statewide courier service at a reasonable cost, reducing public library expenses and facilitating resource sharing.

COLORADO VIRTUAL LIBRARY

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

- On-line catalogs of the holdings of Colorado libraries.
- Locally produced databases.
- Digitized collections of Colorado resources.
- Indexes and full text database products.
- An interlibrary loan system facilitating resource sharing throughout Colorado.
- Other services associated with providing computer-based library resources.

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

STATUTORY AUTHORITY: Section 24-90-302, C.R.S.

REQUEST: The Department requests a continuation appropriation of \$379,796 total funds (including \$359,796 General Fund) for FY 2024-25.

RECOMMENDATION: Staff recommends approving the request for of \$379,796 total funds (including \$359,796 General Fund and \$20,000 from gifts, grants, and donations) for FY 2024-25.

COLORADO TALKING BOOK LIBRARY [PREVIOUSLY: COLORADO TALKING BOOK LIBRARY BUILDING MAINTENANCE, AND UTILITY EXPENSES]

The Colorado Talking Book Library is part of a national library program providing Braille, audio, and large-print books for individuals of all ages who are unable to read standard print material due to visual, physical, or learning disabilities. Colorado has, on average, 7,000 eligible patrons each year, representing every county in the State. The Colorado Talking Book Library is one of the original 19 libraries established pursuant to the federal Pratt Smoot Act in 1931. The library's recorded materials and playback machines are provided by the Library of Congress; this collection is enhanced by recordings of local materials narrated by volunteers and library staff. Since 1991, the library has been located at 180 Sheridan Boulevard in Denver. The building was purchased after the General Assembly appropriated \$750,000 from the Capital Construction Fund for FY 1989-90 (H.B. 90-1297), and Capital Construction Fund money has been provided over the years to maintain and improve the building.

House Bill 19-1332 (Telephone Users Disabilities Fund Talking Book Library, a Joint Budget Committee bill) authorized the use of the Colorado Telephone Users with Disabilities Fund (reflected as reappropriated funds from the Department of Regulatory Agencies) to support the Talking Book Library. For FY 2019-20, the bill included a one-time appropriation of \$250,000 from that fund source to support the library. For FY 2020-21, the Long Bill continued the appropriation from the Colorado Telephone Users with Disabilities Fund but reduced the amount to an appropriation of \$200,000. For FY 2021-22 this reappropriated funds spending authority was eliminated from the Long Bill. However, S.B. 21-115 (Annual Funding for Talking Book Library Services) made statutory changes to *require* the General Assembly to make annual appropriations from the Colorado Telephone Users With Disabilities Fund in the Department of Regulatory Agencies to support talking book library services. The bill included a \$250,000 cash funds appropriation in the Department of Regulatory Agencies and a \$250,000 reappropriated funds appropriation to the Department of Education for FY 2021-22 from funds transferred from the Department of Regulatory Agencies.

State funds currently support a portion of the program. The balance is supported through federal funds, The Friends of the Colorado Talking Book Library, and volunteers. In addition, the National Library for the Blind and Physically Handicapped (NLS), within the Library of Congress, provides playback equipment and some supplies, Braille and recorded books and magazines which are circulated to visually and reading impaired clients of the Colorado Talking Book Library. The existing inventory of materials and equipment provided by NLS is valued at over \$5.5 million. The Library also houses a large print collection valued at more than \$1.2 million. Finally, the U.S. Postal Service has a line item in the federal budget for the mail service of materials sent to and returned from Library patrons.

Amounts appropriated in this line item were previously limited to the library's maintenance and utility expenses, and staff support was included only in the Administration line item. However, with the ongoing support from the Colorado Telephone Users With Disabilities Fund authorized under S.B. 21-115, this line item now also supports Talking Book Library staff and operating expenses.

The appropriation from the Colorado Telephone Users with Disabilities Fund is used as the basis for the related appropriation in the Department of Regulatory Agencies.

STATUTORY AUTHORITY: Section 24-90-105 (1)(e), C.R.S.

REQUEST: The Department requests continuation funding of \$349,527 total funds, including \$96,146 General Fund and \$253,381 reappropriated funds originating from the Colorado Telephone Users with Disabilities Fund, and 2.7 FTE for FY 2024-25.

RECOMMENDATION: The Department requests continuation funding of \$349,527 total funds, including \$96,146 General Fund and \$253,381 reappropriated funds originating from the Colorado Telephone Users with Disabilities Fund, and 2.7 FTE for FY 2024-25.

READING SERVICES FOR THE BLIND

This line item authorizes the Department of Education to spend money in the Reading Services for the Blind Cash Fund for the provision of reading services for the blind and also includes a General Fund appropriation. The Reading Services for the Blind Cash Fund is supported by money from the Colorado Telephone Users with Disabilities Fund that is initially appropriated in the Department of Regulatory Agencies. The money originates from a surcharges on telephone access lines.

The Department annually uses the funds to support two different external programs:

- The Department spends a portion of the funds to contract with Audio Information Network of Colorado (AINC) to provide an on-the-air volunteer reading service for the blind, visually impaired, and print-handicapped citizens of Colorado. The services provided by AINC are also made available through the internet, telephone, and podcasts. The General Assembly has increased funding for the AINC program several times in recent years, from \$200,000 in FY 2011-12 to \$350,000 in FY 2015-16 (and continued in FY 2016-17). An FY 2017-18 supplemental adjustment provided an additional \$290,000 for the AINC (including \$200,000 in one-time funding and \$90,000 as an ongoing increase), for an ongoing amount of \$440,000 in FY 2018-19 and subsequent years. The JBC initiated an increase of \$100,000 for this program FY 2022-23, bringing the total to \$540,000.
- The Department uses the remaining funds to purchase services from the National Federation for the Blind (NFB) for its Newsline service, which provides eligible Coloradans access to newspapers nationwide and a few magazines via touch tone telephone, internet, and by email. Newsline services now include television listings (based on an individual's zip code); the NFB indicates that this additional service has increased use of their Newsline service nationwide significantly. Anyone who is a patron of the Colorado Talking Book Library (CTBL) is eligible to access Newsline services. The CTBL is able to sign patrons up for the Newsline service through their existing

database. The FY 2017-18 supplemental adjustment added \$60,000 in ongoing funding to the NFB programs (for a total appropriation of \$120,000 in FY 2017-18 and subsequent years).

STATUTORY AUTHORITY: Section 24-90-105.5, C.R.S.

REQUEST: The Department requests a continuation appropriation of \$660,000 total funds (including \$50,000 General Fund and \$610,000 reappropriated funds that are transferred from the Department of Regulatory Agencies, Public Utilities Commission, for Reading Services for the Blind) for FY 2024-25.

RECOMMENDATION: Staff recommends approving the request for continuation funding of \$660,000. The total recommendation includes \$540,000 for the AINC and \$120,000 for the NFB programs.

STATE GRANTS TO PUBLICLY-SUPPORTED LIBRARIES PROGRAM

Senate Bill 00-085 created the State Grants to Publicly-Supported Libraries Program to provide funds to enable public libraries, school libraries, and academic libraries to purchase educational resources that they would otherwise be unable to afford. The bill created the State Grants to Publicly-Supported Libraries Fund, which consists of any moneys appropriated by the General Assembly and any other moneys collected by the State Librarian for such purpose. Statute (Section 24-90-407 (2), C.R.S.) allows the Department to spend up to 2.5 percent of the appropriation to administer the program. Because of the structure in statute, the appropriation historically consisted of two line items: one to appropriate General Fund into the cash fund and one providing spending authority from the cash fund. The enactment of S.B. 15-108 (Direct Appropriations for CDE Programs) eliminated the dual appropriation structure for this program, allowing for a direct appropriation from the General Fund to support the program.

The program first operated for FY 2000-01 and FY 2001-02. The Governor vetoed the appropriations to the program for FY 2002-03, and the program remained unfunded from FY 2002-03 through FY 2012-13. The General Assembly reinstated the program for FY 2013-14 with an appropriation of \$2.0 million General Fund to the State Grants to Publicly-Supported Libraries Fund line item and \$2.0 million reappropriated funds for the State Grants to Publicly-Supported Libraries Program line item. In FY 2015-16, the General Assembly appropriated an additional \$500,000 General Fund, for a total appropriation of \$2.5 million. For FY 2019-20, the General Assembly added \$500,000 General Fund for a total appropriation of \$3.0 million.

Facing the budget crisis associated with the COVID-19 pandemic in FY 2020-21, the General Assembly reduced the appropriation by \$500,000 General Fund as a budget balancing measure. This \$500,000 was restored in the FY 2021-22 Long Bill.

The program awarded \$2,967,000 to 315 grantees statewide (representing 96.6 percent of 326 potential applicants) in FY 2021-22, with a base amount of \$4,500 per grantee. The Department has implemented a tiered structure, providing base amounts of \$4,500 for grantees serving populations of less than 1,000 individuals, \$5,000 for entities serving populations between 1,000 and 4,999, and \$5,500 for those serving 5,000 or more (with increases on a per capita basis for those serving populations of more than 10,000). The Department used the \$500,000 increase provided in FY 2019-20 to increase

the base amount by \$1,000 for all population tiers. It eliminated that adjustment for FY 2020-21 based on the reduction in funding but restored it in FY 2021-22.

The Department reports that grantees are using the funds to: launch new e-book resources for parents and families, create new collections for toddler story time, buy online resources, and enhance collections related to early childhood development and other topics associated with early literacy and educational materials.

STATUTORY AUTHORITY: Sections 24-90-401 through 408, C.R.S.

REQUEST: The Department requests a continuation appropriation of \$3,001,944 General Fund for FY 2024-25.

RECOMMENDATION: Staff recommends approving a continuation appropriation of \$3,001,944 General Fund for FY 2024-25.

COLORADO IMAGINATION LIBRARY PROGRAM

Senate Bill 20-185 created the Colorado Imagination Library Program to provide books free of charge to children under the age of five years. The bill required the State Librarian to contract with a nonprofit organization to operate the program and would require the contractor to:

- Create and operate the program, including establishing county affiliate programs in all Colorado counties.
- Manage daily operations of the program.
- Develop, promote, and coordinate a public awareness campaign.
- Contract with a national nonprofit (such as the Dolly Parton Imagination Library) to provide high-quality, age-appropriate books to eligible children.

Senate Bill 21-268 (Public School Finance) eliminated requirements that made the program “subject to available appropriation”, among other changes. Appropriations to the Department of Education for the program were adjusted over several years, reaching \$1,624,365 General Fund in FY 2023-24. House Bill 24-1205 (Colorado Imagination Library Program; a JBC supplemental package bill) transfers the Imagination Library Program to the Department of Early Childhood effective FY 2024-25.

STATUTORY AUTHORITY: Sections 24-90-120, C.R.S.

REQUEST: The Department requests that the appropriation be eliminated, consistent with the request for statutory change to move the program to the Department of Early Childhood.

RECOMMENDATION: Consistent with the provisions of H.B. 24-1205, staff does not recommend an appropriation for the Imagination Library in the Department of Education section of the Long Bill for FY 2024-25.

INDIRECT COST ASSESSMENT

This line item reflects indirect cost assessments associated with Library Programs. The Department uses the funds collected to offset General Fund that would otherwise be required in the Management and Administration division for General Department and Program Administration and a variety of centrally appropriated line items.

STATUTORY AUTHORITY: Section 24-31-101 and 102, C.R.S.

REQUEST: The Department requests a continuation appropriation of \$55,327 federal funds, with no change from the FY 2023-24 appropriation.

RECOMMENDATION: Staff recommends approving the request for a continuation appropriation of \$55,327 federal funds.

(9) SCHOOL FOR THE DEAF AND THE BLIND

The Colorado School for the Deaf and the Blind (CSDB) is a state-funded school that was established for the purpose of providing comprehensive educational services for children under the age of twenty-two who are blind and/or deaf. Originally named the "Colorado Institute for the Education of Mutes", the School opened in a rented house in April 1874 with an appropriation from the Territorial Legislature. The student population rapidly outgrew the space available and in 1876 the School moved to its current campus, made possible with a donation of ten acres by the founder of the city of Colorado Springs. The CSDB received its initial accreditation from the Department of Education in 1961, and in 1977, the CSDB was transferred from the Department of Institutions to the Department of Education. As a "Type 1" agency within the Department of Education, the CSDB is overseen by a seven-member board appointed by the Governor and confirmed by the Senate.

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

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

- Assessment and identification of educational needs;
- Special curricula;
- Equipment and materials;
- Supplemental related services;
- Special short-term programs;
- Program planning and staff development;
- Programs for parents, families, and the public; and
- Research and development to promote improved educational programs and services.

Enrollment. As summarized in the table below, the CSDB had an on-campus enrollment of 162 students (ages 3 to 21) as of the October 2024 count, reflecting a level similar to the last two years and a significant decrease from the 200 students enrolled in FY 2019-20. Of these students 57 were resident on campus.

COLORADO SCHOOL FOR THE DEAF AND THE BLIND ON-CAMPUS ENROLLMENT						
DESCRIPTION	FY 2021-22		FY 2022-23		FY 2023-24	
	NUMBER	ANNUAL % CHANGE	NUMBER	ANNUAL % CHANGE	NUMBER	ANNUAL % CHANGE
Deaf/ Hearing Impaired	99	-1.0%	94	-5.1%	91	(3.2%)
Blind/ Visually Impaired	63	5.0%	70	11.1%	71	1.4%
Total Enrollment	162	1.3%	164	1.2%	162	(1.2%)
Number of Residential Students	46	(4.2%)	37	(19.6)	37	0.0%
Billable Student Days from Facility School Office*	116.0		122.4	5.2%	122.4	

*Number shown is the billable days used by the facility school office and not comparable to CSDB enrollment counts.

In addition to the on-campus enrollment, as of October 1, 2023 the school provided:

- In-home services to **455** children from birth to age 3 (and their families) through the early intervention (CO-Hears) program for children who are deaf and hard-of-hearing;
- Services for **133** children from birth to age 8 through the Early Literacy Development Initiative (ELDI);
- Services for **52** children from birth to age 3 who are blind and visually impaired for billable early intervention services; and
- Outreach services to **293** school-age students being served in local districts, supported by fees paid by the local school districts; and
- Community classes in American Sign Language classes for **313** community members (billable).

The following table summarizes the staff recommendation for the Colorado School for the Deaf and the Blind.

SCHOOL FOR THE DEAF AND THE BLIND						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 Appropriation						
SB 23-214 (Long Bill)	\$18,411,068	\$13,685,566	\$1,070,000	\$3,655,502	\$0	177.2
HB 24-1183 (Supplemental)	0	0	0	0	0	0.0
TOTAL	\$18,411,068	\$13,685,566	\$1,070,000	\$3,655,502	\$0	177.2
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$18,411,068	\$13,685,566	\$1,070,000	\$3,655,502	\$0	177.2
SI Fund source adjustment	0	(41,581)	0	41,581	0	0.0
SI CSDB capital outlay	100,000	100,000	0	0	0	0.0
R18 CSDB teacher salary increase	504,053	504,053	0	0	0	0.0
R19 CSDB deans	201,892	201,892	0	0	0	1.6
R20 CSDB preschool personnel	116,746	116,746	0	0	0	1.4
Centrally appropriated line items	13,651	13,651	0	0	0	0.0
Annualize prior year budget actions	548,550	532,050	0	16,500	0	0.0
TOTAL	\$19,895,960	\$15,112,377	\$1,070,000	\$3,713,583	\$0	180.2

SCHOOL FOR THE DEAF AND THE BLIND						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
INCREASE/(DECREASE)	\$1,484,892	\$1,426,811	\$0	\$58,081	\$0	3.0
Percentage Change	8.1%	10.4%	0.0%	1.6%	0.0%	1.7%
FY 2024-25 EXECUTIVE REQUEST	\$19,870,852	\$15,113,771	\$1,085,063	\$3,672,018	\$0	180.6
Request Above/(Below) Recommendation	(\$25,108)	\$1,394	\$15,063	(\$41,565)	\$0	0.4

DECISION ITEMS - SCHOOL FOR THE DEAF AND THE BLIND

→ R18 CSDB TEACHER AND PRINCIPAL SALARY INCREASES

REQUEST: The Colorado School for the Deaf and Blind (CSDB) requests an increase of \$504,053 General Fund to provide staff step increases and other adjustments, consistent with the Colorado Springs District 11 pay scale. The District 11 Board of Education and the Colorado Springs Education Association agreed to the following: a 5.0 percent increase to the salary schedule, with a BA starting at \$50,000, a one-step movement for staff who have not reached the maximum step increase (representing an approximately a 2.0 percent increase), and a 6.0 percent non-recurring compensation increase. The request also includes adjustments for the three CSDB principals who follow the District 11 salary scale. These adjustments are the same as for the teachers but were not previously included in the annual teacher salary request, although funding is not provided through state centrally-appropriated salary adjustments. The CSDB requests funding to match the District 11 adjustments.

RECOMMENDATION: Staff recommends the request, which reflects the same approach as used in recent years, with adjustments which staff believes are reasonable. The request is consistent with the District 11 salary schedule and therefore appears to staff to represent a common policy-type adjustment.

COMPONENTS OF CSDB SALARY INCREASE (63.0 TEACHERS & 3.0 PRINCIPALS - SCHOOL YEAR POSITIONS)		
ITEM	AMOUNT	AVG/FTE
Funding for 5.0 percent base-building increase to salary schedule and step movement	\$305,286	\$4,626
6.0 percent non-recurring bonus	288,604	4,373
Benefits adjustment on increment	94,620	1,434
Total FY 2024-25	\$688,510	
Less annualize FY 2023-24 nonrecurring 4.0 percent bonus	(184,457)	(2,795)
Total FY 2024-25	\$504,053	

ANALYSIS:

Background: Section 22-80-106.5, C.R.S. (as amended by S.B. 14-168), requires the CSDB to compensate teachers “in accordance with the salary schedule adopted pursuant to section 22-63-401, as of January 1 of the preceding fiscal year by resolution of the board of education of the school district within the boundaries of which the main campus of the school is located and with the salary

policies that the board of trustees adopts to implement the salary schedule.” Thus the CSDB salary schedule must align with the District 11 salary schedule in place in the prior fiscal year, but, as this provision was amended by S.B. 14-168 (Teacher Salaries at CO School for the Deaf and Blind), the compensation is also "subject to salary policies that the board of trustees adopts," which allows for some leeway in the compensation. The fiscal note for S.B. 14-168 acknowledged this by indicating that the bill would drive a potential increase in state expenditures. This flexibility has been used to increase and constrain teacher salaries in the past, including during the pandemic, when funding for increases was suspended for one year.

Differences between the CSDB scale and District 11 include:

- CSDB compensation is adjusted based on 195 days of school, instead of 185 for District 11;
- CSDB adds a “hard to fill” increment for positions ranging from \$1,377 to \$4,131, depending upon the position;
- the full cost of CSDB teacher compensation includes adjustments consistent with the state pension and benefits system; staff assumes District 11 makes similar adjustments for its pension plan.

Based on detail provided by CSDB, CSDB teacher salaries for FY 2024-25, excluding pension and other benefits, range from \$55,134 plus non-recurring compensation of \$3,308 to \$96,131 plus nonrecurring compensation of \$5,768. For principals, the base salary is \$123,739 plus non-recurring compensation of \$7,424.

CSDB has also provided additional information about the positions funded. They include:

42 classroom teachers

3 principals

6 teachers who are part of the CSDB outreach program

15 support positions:

- 2 positions - School Psychologists
- 3 positions - Orientation & Mobility Specialists
- 1 position – Audiologist
- 3 positions – Speech Language Pathologists
- 2 positions – School Counselors
- 1 position - Occupational Therapist
- 1 position – School Physical Therapist
- 1 position – IEP Coordinator
- 1 position – Career Counselor

There are 153.1 FTE positions in the CSDB personal services line item in FY 2023-24. Thus, in addition to the teaching positions listed, CSDB has 87.1 FTE that are non-teaching positions funded through the more typical state personal services structure.

→ R19 CSDB DEANS

REQUEST: The Colorado School for the Deaf and Blind (CSDB) requests \$201,892 General Fund for the continuation of 1.6 FTE. These positions include two full-time Deans of Student, including one for the School for the Deaf and one for the School for the Blind. Currently, these positions are funded

using one-time ARPA funds and this request is for state funding to sustain them. The ongoing funding will support student behavior, discipline, attendance, and restorative justice practices for preschool through age 21, and it will also help address deaf and blind students who are developmentally behind in relationship building and self-regulation.

RECOMMENDATION: Staff recommends the request *if* the JBC believes it has sufficient space within the budget to accommodate this additional expense.

ANALYSIS: CSDB reports that it is finding its current structure to be “unsustainable due to increased behavior management workload and the fact that every student at CSDB requires an individualized education plan (IEP).” As described: “Administrators, teachers, and staff are grappling with the growing challenge of simultaneously assisting students in managing their emotions, refining impulse control, and nurturing problem-solving skills, all while equipping them with ...academic skills...”. CSDB provided the following table demonstrating increases in student needs between FY 2021-22 to FY 2022-23.

<i>Behavior Intervention Plans</i>	
Number	10
Percent Increase	6.1%
<i>Safety Plans</i>	
Number	17
Percent Increase	10.4%
<i>Counseling- IEP</i>	
Number	41
Percent Increase	25.0%
<i>Psychological Referrals</i>	
Number	10
Percent Increase	6.1%
<i>1 : 1 Support</i>	
Number	8
Percent Increase	4.9%
<i>Total Plans</i>	
Number	86
Percent Increase	52.4%

All Data from this table was collected during SY 22-23

CSDB also provided data on “student incidents”. This data indicates that general behavior logs, which document minor behaviors requiring intervention by the teacher counselor, or principal, reflect a sharp increase between FY 2021-22 and FY 2022-23 at both the deaf and the blind school: from 76 to 290 incidents at the deaf school and from 213 to 373 at the blind school. CSDB counselors reported that in FY 2021-22, they dedicated an average of 18 hours per week to support behavior management, but this has surged to a minimum of 22 hours.

During FY 2022-23, CSDB educators determined that additional behavior support was needed to support students and provide a safer working environment for CSDB staff. Using temporary ESSER funds, the school modified its administrative structure in FY 2023-24 to add two deans, one at the blind school and one at the deaf school, with duties including, among many others: training, monitoring, and support of behavior expectations; resolving discipline issues; serving on multi-

disciplinary IEP teams to help address individual student needs for interventions; assisting student support staff in managing student behavior; assisting principals in instructional coaching on classroom management; and assisting in building systems for restorative justice in the school setting.

Staff is sympathetic to the demands educators at CSDB are facing due to student behavioral issues. Behavioral issues have been noted since the pandemic in many types of school settings, and CSDB students all have specialized needs, which may have exacerbate issues seen in other student populations. Clearly, CSDB views this as a critical need, since it moved to employ pandemic stimulus funds quickly for this purpose. **Staff's only real concerns** about the request are based on:

- The fact that the General Assembly is being asked to replace one-time federal funds with state funds; and
- The scale of resources already required for CSDB versus limitations on the state budget.

JBC Staff notes that **CSDB is already an extremely expensive setting**. Even after excluding costs that are for early intervention and outreach services, the cost per student served was **\$99,820 per year** in FY 2022-23, based on total expenditures of \$16.2 million (excluding outreach costs) serving 162 students, of whom 57 were residents on campus. **CSDB's student population has also shrunk** significantly since before the pandemic: the school had 195 students with 75 on campus in FY 2017-18.

Staff has not been able to identify good metrics for assessing the reasonableness of CSDB costs, given the specialized population served. Staff simply notes the scale and that the student population has shrunk, while staffing generally has not. Current ratios of teachers, professional support staff, and principals to students is 2.7 teachers, professional support, and principals per student at 60 teachers (excluding outreach staff), professional support staff, and principals funded for 162 students.²⁵ In addition, the school has dining staff, grounds staff, and other administrators. When these staff are included ratios are approximately 1.0 staff person per student. Whether ratios at this level are appropriate or not depends greatly on the particular students being served.

Thus, JBC staff supports this request based on the need described by CSDB but also assumes that CSDB will manage within its existing base budget if additional state resources are not available.

➔ R20 CSDB PRESCHOOL PERSONNEL

REQUEST: The Colorado School for the Deaf and Blind (CSDB) requests \$166,575 ongoing General Fund for the continuation of 1.8 FTE positions in the Preschool program. A section of the Preschool program is currently being funded by one-time ARPA funds and this request is to replace that funding after the roll-off of ARPA funds. The request includes funding for three positions:

- \$49,829 for a 0.4 FTE preschool coordinator,

²⁵ For context, the state's current baseline funding model for facility schools averages to \$38,852 per student, with larger schools (like CSDB) receiving *less* per pupil. Staff notes that this is not a 1:1 comparison: facility school funding supports the school component of institutional programs that may have other funding streams for residential and additional therapeutic services; CSDB figures are all inclusive and incorporate both residential and nonresidential components.

- \$74,604 for a 0.7 FTE early childhood/preschool teacher; and
- \$42,142 for a 0.7 FTE state teacher aide/paraprofessional.

RECOMMENDATION: Staff recommends **\$116,746 ongoing General Fund and 1.4 FTE for the early childhood teacher and paraprofessional.** Staff does not recommend the coordinator position at this time because the preschool has not yet stabilized at a higher student level, and the coordinator position seems most important if/when the number of preschool classrooms expands. Based on responses from CSDB, it appears that this is some years out and contingent on a significant capital renovation.

- Staff believes that a robust bilingual (ASL/hearing) preschool should be a core function of CSDB's School for the Deaf. As noted in the request, 90% of deaf children are born to hearing parents.²⁶ Many children who are born deaf experience language deprivation for the first several years of life, which is a critical time for language and brain development. If children receive cochlear implants, they often still do not get access to sound until around three months of age, and even after that, there are constant adjustments. As noted in the request, "access to sound does not always equal access to language and communication." For children who are deaf or hard of hearing, providing effective services early in life makes a critical difference in long-term success. This includes giving students access to both visual and spoken language.
- The coordinator position was only added recently using ARPA ESSER funds, and staff believes this position is most important if, as described, the goal is "to increase this program further to house at least five classrooms within the next three years." If the Committee is comfortable with this goal and the additional classroom funding it implies, it makes sense to retain the position already hired. **Staff notes that the preschool expansion is tied to a substantial capital construction request this year, as well as an expectation of additional teaching staff that is implied as needed for future years but not included in this request.**
- The request provides detail on the funding for each position, including salary and all benefits components (health, life, dental, PERA, etc.) for a full year for FY 2024-25. The request notes that salary levels are based on the Colorado Springs D11 teacher salary schedule.

EVIDENCE LEVEL: The CSDB indicated that this request item is theory-informed. When a request item is designated 'theory-informed' it means that the program "reflects a moderate to low or promising level of confidence of effectiveness, ineffectiveness, or harmfulness as determined by tracking and evaluating performance measures including pre- and post-intervention evaluation of program outcomes, evaluation of program outputs, identification and implementation of a theory of change, or equivalent measures.." (Section 2-3-210 (2)(f), C.R.S.). Staff agrees that the bilingual classroom request is "theory informed" as the Department has not identified formal research about bilingual ASL/English preschool classrooms, though other research cited suggests bilingual ASL/English language education more broadly is "evidence informed". The CSDB also identified the preschool coordinator position as "theory-informed", since it was based on models in other states. Staff considers evidence levels to be not applicable for an administrative staff position.

²⁶ Quick Statistics About Hearing, National Institute on Deafness and Other Communication Disorders. <https://www.nidcd.nih.gov/health/statistics/quick-statistics-hearing>

ANALYSIS: The request effectively includes two components: a teacher and paraprofessional to open an additional bilingual classroom for deaf/hard of hearing students; and a new preschool coordinator position. Each are addressed separately below.

Bilingual Classroom: The request notes that prior to the 22-23 school year, the Colorado School for the Deaf and the Blind had one program for 3–5-year-old students who are deaf with the primary language of instruction as American Sign Language (ASL). The program historically had an average of 8-10 students with one teacher and one paraprofessional providing instruction in ASL. In FY 2022-23, the school received a grant from the CIRCLE program. This was from a nonprofit, but originated as federal stimulus funds. The grant added two additional teachers and broadened the preschool scope to include support for students with cochlear implants and those in need of access to spoken English. Due to this expansion, the program increased from 3 students at the end of the previous year to 14 students at the end of the 22-23 school year. The grant was for only one year, but CSDB was able to continue to fund the program in FY 2023-24 using its allotment of ARPA ESSER funds. The request seeks to replace these funds with state General Fund.

Adding a bilingual classroom is aligned with the recommendations of the 2019 Colorado School for the Deaf and the Blind independent program review. Among the recommendations was providing all students and their families access to a full range of communication methodologies/options with all forms of access to language made available, *i.e.*, spoken English, along with American Sign Language.

The on-campus Preschool Program at CSDB aims to provide a bilingual/bimodal co-taught classroom model. The request notes that research and experience demonstrates:

- High levels of early expressive and receptive language exposure are the foundation for learning.
- Quite frequently student's devices are not working or need repair, so there is need for ASL to support visual learning as an added layer of support
- Research shows that bilingual individuals have more cognitive flexibility²⁷
- A bilingual model enables students to develop a sense of community within and beyond the classroom setting.

Preschool Program Coordinator: The request states that the preschool program at CSDB has nearly doubled its capacity over the past year, jumping from a student limit of 15 to a student limit of 28. CSDB's goal is to increase this program further to house at least five classrooms within the next three years. The role of a preschool coordinator requires a dedicated person to successfully manage all parts of the preschool program and can no longer be managed by staff in other positions on the campus.

In response to staff questions about preschool size to date and the plans for the future, CSDB responded that it had 10 students in FY 2019-20 and 8 in FY 2020-21. This expanded to 20 students in FY 2022-23 but is **currently just 12 students** with 2 more coming in the next couple of weeks.

“The vision for preschool is to separate the 3-year-old and 4–5-year-old classes. This is best practice as the skill level, language level, and social-emotional needs are very different for these age groups. As of right now, we do not have the space in the current preschool building to separate these classes. If we get the West Hall funding [a capital construction

²⁷ See: <https://v12.gallaudet.edu/research-briefs>

request prioritized by the CDC], part of that building will be a new Early Childhood Center. Once that building is built, we would first look at existing FTE to see if anything can be moved around and covered internally, and if not, it could be a future funding request. This would be a few years out yet as it would take a few years to design and build. We would like to have 5 classrooms, but we are limited on space first and once expanded, we would pursue funding options.”

In FY 2023-24, CSDB funded 0.5 FTE preschool coordinator position through one-time federal ESSER funds that will expire in 2024. The school seeks ongoing state funding to replace these one-time funds. It notes, however, that staff who have been hired are aware that the position might not be continued in future years.

→ SI CSDB CAPITAL OUTLAY (CONVERSION OF SUPPLEMENTAL REQUEST)

SUPPLEMENTAL REQUEST & JBC ACTION: In supplemental request S6, CSDB requested one-time additional funding of \$100,000 General Fund for the Operating Expense line item. The additional funding was to help upgrade and replace the outdated equipment for CSDB campus facilities.

ITEM NEEDED	ESTIMATED COST
Gas Kettle	\$40,000
Utility Locator and Camera	11,000
Skid Steer	49,000
Total Request	\$100,000

Staff recommended against the request on the basis that this funding was not needed on a supplemental basis and the Committee could instead consider the request as an FY 2024-25 item. The CSDB would still be able to access the funds in time to make needed purchases over the summer. The JBC denied the requested supplemental with the understanding that this item would be considered for FY 2024-25 funding.

SI FY 2024-25 RECOMMENDATION: Staff recommends adding one-time funding of \$100,000 General Fund for CSDB operating expenses for FY 2024-25.

ANALYSIS: The CSDB’s existing operating expenses budget is \$694,291 (for FY 2023-24 and FY 2024-25 request), which incorporates an increase of \$26,000 (for transportation insurance) above its previous base of \$668,291. In FY 2022-23, CSDB fully expended its operating appropriation of \$754,991, which included both a one-time request increase (for a new dishwasher) and a supplemental increase (for transportation insurance).

The FY 2023-24 CSDB supplemental request indicated that the school’s facilities department needs additional funds to replace aging machinery and invest in a camera to assist with ongoing maintenance.

Steam Kettle: The request states that the 40-gallon gas kitchen kettle needs to be replaced due to service and maintenance issues. To sustain its operation, the Facilities Department is forced to activate the

steam plant boilers two to three months ahead of schedule to ensure the supply of steam and support the frequent use of the kettle by the cooks for meal preparation. Given the kettle's essential role in the kitchen, a complete breakdown would result in need of an immediate replacement. The current lead time for a steam kettle is 12-14 weeks. CSDB believes the best time to replace the steam kettle is during the summer months when school will be closed. In spring 2023, CSDB received a quote of \$39,251 for the installed cost of a 40 gallon tilting gas kettle.

Utility Locator and Camera: The request states that facilities face difficulties in diagnosing sewer line issues, prompting the engagement of an external vendor for service requests. This entails locating extensive underground utilities on the campus, a process that is both time-consuming and costly. In fall 2023, the program received a quote of \$11,619 for a camera, locator, and wireless monitor.

Skid steer and Snow Broom: A skid steer is a class of compact heavy equipment with lift arms that can attach to a wide variety of buckets (Bobcat is a commonly-seen brand). The request states that the current skid steer, manufactured in 1983, has proven challenging to service and is now due for replacement. Additionally, the facilities department needs a powered snow broom to facilitate swift clearing of sidewalks and parking lots across the entire campus. This is especially crucial for the Blind community, which needs accessible routes free from snow obstructions. The school estimates \$49,000 or slightly less for a used skid steer and snow broom. JBC Staff notes that prices for skid steers seem to range greatly depending upon the size, and the Department has said that it will look for a used one. It paid \$5,517 for a snow broom in 2022 and is seeking another one.

→ CSDB FUND SOURCE ADJUSTMENT

RECOMMENDATION: The CSDB personal services line item has, in the past, included fund source adjustments based on the following calculation that determines the share of costs anticipated to come from facility school funding and nutrition programs. Staff's recommendation is based on an estimate of **\$1,792,083** in facility school funding for this state-operated program (see Facility School section). The calculation assumes that billable enrollment at CSDB is unchanged from FY 2023-24 (122, based on the facility school methodology) and a payment of \$14,699 (statewide base per pupil funding x 1.73) per billable enrollment. Note that CSDB only receives the reappropriated funds for its operations as a facility school to the extent that this is earned by its enrollment.

CSDB PERSONAL SERVICES – FY 2024-25 FUNDING SPLITS	
Total Recommended Funding	13,907,714
Less: Estimated Transfer from the Facility Schools Funding Line item	(1,792,083)
Less: Federal Nutritional Funds transferred from the Appropriated Sponsored Programs line item	<u>(35,000)</u>
General Fund portion of appropriation	\$12,080,631

❗ POSSIBLE ADJUSTMENTS TO DEPARTMENT POTS/CSDB CALCULATIONS

Prior to finalizing figure setting for the Department of Education, staff determined that there may be problems with respect to how the Department's centrally appropriated funds ("pots") were calculated with respect to CSDB. A portion of CSDB staff receive salary and other adjustments through the normal state centrally appropriated mechanism, but teachers do not, since they are funded at the salary

level of Colorado Springs District 11. JBC staff, the Department of Education, and CSDB are working to determine whether the centrally-appropriated funding request treated CSDB staff correctly and thus whether centrally appropriated amounts and/or CSDB decision items may require adjustments. As needed, staff will return with a “comeback”.

LINE ITEM DETAIL - SCHOOL FOR THE DEAF AND THE BLIND

(A) SCHOOL OPERATIONS

PERSONAL SERVICES

This line item provides funding for most School employees and for certain professional and temporary services.

STATUTORY AUTHORITY: Section 22-80-101.5 et seq., C.R.S.

REQUEST: The Department requests an appropriation of \$13,957,453 total funds, including \$12,172,041 General Fund, and 156.5 FTE for FY 2024-25.

RECOMMENDATION: The staff recommendation is summarized in the table below. Differences from the Executive Request are based on the recommendation for R20 (Preschool Personnel) and the staff initiated fund source adjustment, both of which are discussed above.

SCHOOL FOR THE DEAF AND THE BLIND, SCHOOL OPERATIONS, PERSONAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$12,594,952	\$10,809,450	\$0	\$1,785,502	\$0	153.1
TOTAL	\$12,594,952	\$10,809,450	\$0	\$1,785,502	\$0	153.1
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$12,594,952	\$10,809,450	\$0	\$1,785,502	\$0	153.1
R18 CSDB teacher salary increase	504,053	504,053	0	0	0	0.0
Annualize prior year budget actions	490,071	490,071	0	0	0	0.0
R19 CSDB deans	201,892	201,892	0	0	0	1.6
R20 CSDB preschool personnel	116,746	116,746	0	0	0	1.4
SI Fund source adjustment	0	(41,581)	0	41,581	0	0.0
TOTAL	\$13,907,714	\$12,080,631	\$0	\$1,827,083	\$0	156.1
INCREASE/(DECREASE)	\$1,312,762	\$1,271,181	\$0	\$41,581	\$0	3.0
Percentage Change	10.4%	11.8%	0.0%	2.3%	0.0%	2.0%
FY 2024-25 EXECUTIVE REQUEST						
Request Above/(Below)	\$13,957,543	\$12,172,041	\$0	\$1,785,502	\$0	156.5
Recommendation	\$49,829	\$91,410	\$0	(\$41,581)	\$0	0.4

EARLY INTERVENTION SERVICES

Since April 2001, the "Colorado Home Intervention Program" (called "CHIP") has been operating within the CSDB. This program was first started with federal grants in 1969, and it operated within the Colorado Department of Public Health and Environment from 1975 through March 2001. This home-based, family-centered early intervention program serves hearing impaired children (ages zero to three), and their parents. The program involves collaboration between a Colorado Hearing Resource Coordinator (CO-HEAR) hired through CSDB and a parent facilitator who is hired by the local Community Centered Board (CCB) to work with the child to develop language skills; provide parents with information and counseling to identify strategies to use in communicating with their child; and assess the dynamics of the parent-child interaction and provide support to lessen the impact of the hearing loss.

The regional CO-HEARS, employed by CSDB, provide service coordination for families. The CO-HEARS collaborate, train, mentor, and support the local parent facilitators (employed by CCBs) in their respective regions. The CO-HEARS provide an initial contact with the family to describe the available early intervention services and support the parent facilitators through the early intervention process. Other CO-HEARS duties include both seeking resources to provide financial support to families for equipment such as hearing aids and collaborating with the local CCB's team of interventionists to provide specialized training regarding the impact of the child's hearing loss.

A separate complementary program involves specially trained fluent sign language instructors (language and literacy instructors), most of whom are deaf or hard of hearing themselves, visiting families weekly to provide support and instruction in techniques to build the child's literacy skills and teach the parents reading strategies. The Colorado Shared Reading Program (CSRP) is designed for families who rely on American Sign Language; the second program (Integrated Reading Program) is designed for families who want to learn American Sign Language and literacy development strategies. In addition to CSRP, the program involves group and community-based literacy events for families who have children who are deaf or hard of hearing.

STATUTORY AUTHORITY: Section 22-80-102 et seq., C.R.S.

REQUEST: The Department requests \$1,376,111 General Fund and 10.0 FTE for FY 2024-25. The request includes an increase of \$41,797 General Fund to annualize FY 2023-24 salary survey.

RECOMMENDATION: Staff recommends the request for \$1,376,111 General Fund and 10.0 FTE. The recommendation matches the request and is consistent with Committee common policy.

SHIFT DIFFERENTIAL

This line item is used to pay for the adjustment to compensate employees for work performed outside a Monday through Friday, 8:00 a.m. to 5:00 p.m. work schedule. Currently, the State pays percentage increases for shift differential (7.5 percent for second or "swing" shift and 10.0 percent for third or "graveyard" shift). The school previously used its shift differential to provide 24-hour staff coverage for residential students at the CSDB.

STATUTORY AUTHORITY: Section 24-50-104 (1) (a), C.R.S.

REQUEST: The Department's requests an appropriation of \$86,749, based on OSPB's common policy request for FY 2024-25.

RECOMMENDATION: Staff recommends \$76,680 for this line item, consistent with the JBC's common policy for shift differential for FY 2024-25.

OPERATING EXPENSES

This line item provides funding for supplies and materials, as well as for certain services that are not covered by other line items such as capital outlay²⁸, custodial services, equipment rental, storage, dues and subscriptions, and printing.

STATUTORY AUTHORITY: Section 22-80-101.5 et seq., C.R.S.

REQUEST: The Department requests an appropriation of \$694,291 General Fund for FY 2023-24.

RECOMMENDATION: The staff recommendation is reflected in the table below and includes a one-time increase of \$100,000 for capital outlay, as previously discussed.

SCHOOL FOR THE DEAF AND THE BLIND, SCHOOL OPERATIONS, OPERATING EXPENSES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$694,291	\$694,291	\$0	\$0	\$0	0.0
HB 24-1183 (Supplemental)	\$0	\$0	\$0	\$0	\$0	0.0
TOTAL	\$694,291	\$694,291	\$0	\$0	\$0	0.0
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$694,291	\$694,291	\$0	\$0	\$0	0.0
SI CSDB capital outlay	100,000	100,000	0	0	0	0.0
TOTAL	\$794,291	\$794,291	\$0	\$0	\$0	0.0
INCREASE/(DECREASE)	\$100,000	\$100,000	\$0	\$0	\$0	0.0
Percentage Change	14.4%	14.4%	0.0%	0.0%	0.0%	0.0%
FY 2024-25 EXECUTIVE REQUEST						
Request Above/(Below)	\$694,291	\$694,291	\$0	\$0	\$0	0.0
Recommendation	(\$100,000)	(\$100,000)	\$0	\$0	\$0	0.0

VEHICLE LEASE PAYMENTS

This line item provides funding for annual payments to the Department of Personnel and Administration for the cost of administration, loan repayment, and lease-purchase payments for new

²⁸ Capital outlay includes replacement of equipment, furniture, and other items that cost less than \$50,000, as well as building repair and remodeling costing less than \$15,000.

and replacement motor vehicles [see Section 24-30-1117, C.R.S.]. The current appropriation covers costs associated with a total of 14 vehicles²⁹ that are all utilized at the CSDB.

STATUTORY AUTHORITY: Section 24-30-1104 (2), C.R.S.

REQUEST: The Department requests an appropriation of \$38,683 General Fund pursuant to OSPB's common policies.

RECOMMENDATION: This figure is **pending** a Committee common policy decision.

UTILITIES

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

STATUTORY AUTHORITY: Section 22-80-101.5 et seq., C.R.S.

REQUEST: The Department's request includes \$745,981 General Fund, which is a continuation amount from FY 2023-24.

RECOMMENDATION: Staff recommends the request for a continuation appropriation of \$745,981 General Fund, consistent with Committee common policy. Data from CSDB indicates that this is similar to the FY 2022-23 actual and somewhat above the current FY 2023-24 estimate of \$694,259. Given the variability of utilities costs, a continuing appropriation seems reasonable.

ALLOCATION OF STATE AND FEDERAL CATEGORICAL PROGRAM FUNDING

The CSDB receives an allocation of state and federal moneys available for special education services for children with disabilities based on its December pupil count. In addition, the CSDB may receive allocations from other categorical programs (e.g., in recent years the CSDB has received allocations related to the English language proficiency program, special education for gifted and talented children, and the Expelled and At-risk Student Services Grant Program). The CSDB receives transfers under this line item from the various line items in the Assistance to Public Schools, Categorical Programs section of the Long Bill.

STATUTORY AUTHORITY: Section 22-20-103 et seq., C.R.S. (Special Education for Children with Disabilities).

REQUEST: The Department requests a continuation appropriation of \$190,104 reappropriated funds spending authority and 0.4 FTE for FY 2024-25.

RECOMMENDATION: Staff recommends the request for \$190,104 reappropriated funds. The disbursements of categorical funding are based on the CSDB's annual student count and, as a result, fluctuate from year to year. The recommendation is intended to allow the CSDB to receive and spend all categorical funding for which it is eligible.

²⁹ Currently, these vehicles include: six vans, four sedans, two buses, and two trucks.

MEDICAID REIMBURSEMENTS FOR PUBLIC SCHOOL HEALTH SERVICES

Similar to school districts, the CSDB is authorized to enter into contracts and receive federal matching funds for moneys spent in providing student health services [i.e., preventive, diagnostic, therapeutic, rehabilitative, or palliative items or services that are furnished to students by a school district, a board of cooperative services, or a state educational institution pursuant to the S.B. 97-101 Public School Health Services program]. Section 25.5-5-318 (2) (b), C.R.S., states that "any moneys provided to a school district pursuant to a contract entered into under this section shall not supplant state or local moneys provided to school districts" for:

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

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

STATUTORY AUTHORITY: Section 22-80-102 (5), C.R.S.

REQUEST: The Department requests an appropriation of \$446,396 reappropriated funds spending authority and 1.5 FTE for FY 2024-25. The request includes an increase of \$16,500 reappropriated funds to annualize FY 2023-24 salary survey.

RECOMMENDATION: Staff recommends approving the request for \$446,396 reappropriated funds, which is consistent with the Committee's common policies. As in prior years, the recommendation intended to allow the CSDB to receive and spend all of the Medicaid funding for which it is eligible. Actual expenditures in FY 2022-23 were \$214,964.

(B) SPECIAL PURPOSE

FEES AND CONFERENCES

This line item provides spending authority for the Department to spend fees charged and received for various conferences or meetings held at the CSDB. Pursuant to Section 22-80-102, C.R.S., the CSDB is charged with being "a resource to school districts, state institutions, and other approved education programs". Among other resource services, the CSDB is required to provide "programs for parents, families, and the public". This appropriation allows the CSDB to host conferences that benefit professionals working with students who are deaf/hard of hearing or blind/visually impaired, parents of those children, and the students themselves. These fees offset additional custodial, maintenance, and security costs incurred. The CSDB also collects other fees, including fees paid for counseling services provided to students who are deaf/hard of hearing or blind/visually impaired in schools throughout Colorado.

STATUTORY AUTHORITY: Section 22-80-102, C.R.S.

REQUEST: The Department requests a continuation appropriation of \$120,000 cash funds for FY 2024-25 with no change from the FY 2023-24 appropriation.

RECOMMENDATION: Staff recommends approving the request. Staff recommends maintaining the appropriation at its current level despite the low levels of expenditures in recent years, as the recommendation is intended to allow the Department to receive and spend any fees earned.

OUTREACH SERVICES

The CSDB is statutorily charged with being a resource to school districts by providing several services, including: assessment and identification of students' educational needs; special curricula; equipment and materials; supplemental related services; special short-term programs; program planning and staff development; programs for parents, families and the public; and research and development to promote improved educational programs and services. The reappropriated funds portion of this appropriation represents federal funds transferred from school districts or the Department of Education for three purposes:

- The CSDB occasionally accepts students from Colorado school districts for extended diagnostic periods prior to the student meeting CSDB enrollment criteria. Typically, these students require a one-on-one aide who must be supplied by the home school district. Often, the districts themselves are unable to find qualified applicants willing to work for district-level salaries while living in the Colorado Springs area. To address this issue, this line item provides spending authority for the CSDB to hire these professionals using federal special education funds transferred from school districts.
- CSDB employees travel to districts to provide training for district staff and/or to provide direct support to students. Districts pay the CSDB for their staff time and travel expenses.
- The Department supplies funding (also originally from federal funding) to provide Braille and large print materials for blind/visually impaired students through the Colorado Instructional Materials Center.

In FY 2009-10, this line item was increased by \$755,836 cash funds and 2.6 FTE to provide outreach services to school districts and Boards of Cooperative Educational Services (BOCES). The outreach services include technology training, professional development training, clerical support to distribute materials, production and purchase of adaptive materials, and student support services such as communication assessments, counseling support, and short-term and summer enrichment courses. In FY 2015-16, the General Assembly added an additional 0.8 FTE associated with FY 2015-16 R5 (CSDB Strategic Plan Implementation). The source of the cash funds are from reimbursements that the CSDB collects from school districts and BOCES.

For FY 2020-21, the General Assembly reduced the appropriation to \$1,000,000 total funds (including \$750,000 cash funds and \$250,000 reappropriated funds) to better align appropriations with actual expenditures and reflect that the appropriation is an estimate of available revenues.

STATUTORY AUTHORITY: Section 22-80-102, C.R.S.

REQUEST: The Department requests an appropriation of \$1,014,994 total funds (including \$764,994 cash funds and \$251,000 reappropriated funds) and 6.2 FTE for FY 2024-25. The request includes an increase of \$14,994 cash funds to annualize FY 2023-24 salary survey.

RECOMMENDATION: Staff recommends approving a continuation appropriation of \$1,000,000 total funds (including \$750,000 cash funds and \$250,000 reappropriated funds) and 6.2 FTE, with no change from the FY 2023-24 appropriation. Given that actual revenues and expenditures for the program continue to remain below the appropriation (including a total of \$569,756 in FY 2022-23), staff believes that maintaining a flat \$1.0 million appropriation is sufficient. Given the estimated nature of the appropriation, staff recommends maintaining the current appropriation until it is likely that available revenues would exceed the appropriation.

TUITION FROM OUT-OF-STATE STUDENTS

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

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

STATUTORY AUTHORITY: Section 22-80-110, C.R.S.

REQUEST: The Department requests a continuing appropriation of \$200,000 cash funds spending authority for FY 2024-25.

RECOMMENDATION: Staff recommends a continuation appropriation of \$200,000. The CSDB will only be able to spend funds actually received as tuition from out-of-state students. There are currently no out-of-state students enrolled.

GRANTS

This line item provides spending authority for the CSDB to receive various grants transferred from other line items within the Department. This spending authority excludes amounts related to categorical programs and Medicaid reimbursements for public school health services, as these amounts are appropriated through separate line items. For FY 2020-21, the General Assembly reduced the appropriation to \$1,000,000 reappropriated funds and 6.0 FTE (a reduction of \$206,079 and 3.0 below

the FY 2019-20 appropriation) to better align appropriations with available revenues and to reflect the estimated nature of the appropriation.

STATUTORY AUTHORITY: Section 22-80-102, C.R.S.

REQUEST: The Department requests a continuing appropriation of \$1,000,000 reappropriated funds and 6.0 FTE for FY 2024-25.

RECOMMENDATION: Staff recommends a continuing appropriation of \$1,000,000 reappropriated funds and 6.0 FTE. Expenditures remain well below this (\$412,141 in FY 2022-23), but this amount is intended to allow the Department to receive and spend any revenues received under the line item.

CHARTER SCHOOL INSTITUTE

This division includes funding for the State Charter School Institute (CSI), which is as an independent agency in the Department of Education. The CSI is allowed to authorize charter schools located within a school district's boundaries if the school district has not retained exclusive authority to authorize charter schools or if the school district allows the charter school applicant to seek CSI authorization. A nine-member board governs the CSI with a statutory mission to "foster high-quality public school choices offered through institute charter schools, including particularly schools that are focused on closing the achievement gap for at-risk students". Statute authorizes the board to hire staff or contract employees. Any CSI staff shall be deemed employees subject to the state personnel system, except that all positions classified by the board as professional officers and professional staff "are declared to be educational in nature and exempt from the state personnel system". [Section 22-30.5-505 (1), C.R.S.]

The Charter School Institute Funding: Similar to a school district, CSI is authorized to use a portion of its charter schools' per pupil revenues to cover its expenditures related to authorizing and overseeing charter schools. Thus, statute directs the Department to withhold a portion of the State Share of Districts' Total Program funding from each school district where an Institute charter school is located and to forward the withheld amount to the Institute. Currently, a total of 4.0 percent may be withheld from payments to Institute charter schools and spent at the state level for the following purposes:

- Up to 3.0 percent for the CSI's costs for administration, oversight, and management services [Sections 22-30.5-513 (2)(b) and (4)(a), C.R.S.]; and
- Up to 1.0 percent for the Department as reimbursement for the reasonable and necessary costs associated with the CSI and its charter schools [Section 22-30.5-501 (4)(a)(I), C.R.S.].

Section 22-30.5-506, C.R.S., as amended by S.B. 12-121 during the 2012 Session, continuously appropriates the State Charter School Institute Fund, which is the Institute's primary fund source, to the Institute. Prior to FY 2012-13, the Institute's funds were subject to annual appropriation in the Long Bill. However, of the Institute's line items in the current Long Bill, three are now continuously appropriated and are shown for informational purposes only. Three of the existing line items are subject to annual appropriation: Institute Charter School Assistance Fund, Department Implementation of Section 22-30.5-501 et seq., C.R.S., and CSI Mill Levy Equalization (created in FY 2018-19).

Funding for Schools Authorized by the Charter School Institute: There are currently 43 Institute charter schools, located in 17 different school districts. The CSI has total pupil count of 23,013 funded pupils in FY 2023-24. This makes CSI comparable in size to the 15th largest school district in the State. However, CSI's portfolio of charter schools is about 17.0 percent of the approximately 261 charter schools operating statewide, most of which operate under the authorization of their local school district. For the five year period from FY 2018-19 to FY 2023-24, CSI enrollment increased by 26.0 percent, while state enrollment as a whole fell by 3.3 percent over the same period.

CSI schools have access to per pupil operating revenue (PPOR) equal to the PPOR for the district in which they are geographically located. For students enrolled in CSI schools, state fund allocations to the district are reduced by an amount equal to the *full* PPOR calculated for the district (including the

state and local share) multiplied by the number of CSI students. However, the school district's total *local* mill levy funds do not change, despite serving fewer students.

- The net fiscal impact for the district is that its total PPOR support is reduced by the number of students who are served in a CSI school instead of a district school.
- The impact for CSI is that it receives a PPOR payment for each student in a CSI charter school that equals the PPOR for the district in which the CSI charter school is located.
- The net impact on the state budget is the same as if the student were enrolled in the student's school district.

In addition, CSI schools receive allocations for federal funds distributed by the Department, consistent with the various federal allocation policies. This includes allocations of federal Title I and special education funds and, most recently, federal ESSER funds. Further, CSI schools have access to some funds specifically designated for charter schools, such as the BEST Charter School Facilities Assistance program.

Unlike schools in most public school districts, CSI schools generally do not receive support from mill levy overrides and bond measures approved by voters.³⁰ Instead, they receive funding to equalize local mill levy override funding using state General Fund through the Mill Levy Equalization Fund.

Senate Bill 23-287 (School Finance) incorporated several significant changes to funding CSI schools:

- Beginning in FY 2024-25, requires the General Assembly to appropriate from the General Fund the amount necessary each budget year to fund full mill levy equalization for all institute charter schools for the applicable budget year. [Section 22-30.5-513.1 (a.5), C.R.S.]
- Provides the Institute continuous spending authority over all interest and income in the Mill Levy Equalization Fund [Section 22-30.5-513.1 (b), C.R.S.]
- Specifies that each institute charter school's certified pupil enrollment and online pupil enrollment count, except for at multidistrict online schools, is calculated as the greater of the average of the institute charter school's pupil enrollment for the applicable budget year or several possible averages: a two-year average, three-year, average, four-year average or five-year average of pupil enrollment (as for school districts). [Sections 22-54-103(7)(f)(II.5) and (II.6), C.R.S.]

The bill also adds Institute charter schools into special distributions for rural schools, among other provisions.

CHARTER SCHOOL INSTITUTE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 Appropriation						
SB 23-214 (Long Bill)	\$95,307,362	\$24,500,000	\$2,164,000	\$68,643,362	\$0	17.8
Other legislation	5,000,000	2,500,000	0	2,500,000	0	0.0
TOTAL	\$100,307,362	\$27,000,000	\$2,164,000	\$71,143,362	\$0	17.8
FY 2024-25 RECOMMENDED APPROPRIATION						

³⁰ One school district, Durango, included a CSI school as part of a bond mill levy measure. CSI reports this is the sole exception.

CHARTER SCHOOL INSTITUTE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 Appropriation	\$100,307,362	\$27,000,000	\$2,164,000	\$71,143,362	\$0	17.8
R3 CSI mill levy equalization	44,812,392	22,220,696	371,000	22,220,696	0	0.0
TOTAL	\$145,119,754	\$49,220,696	\$2,535,000	\$93,364,058	\$0	17.8
INCREASE/(DECREASE)	\$44,812,392	\$22,220,696	\$371,000	\$22,220,696	\$0	0.0
Percentage Change	44.7%	82.3%	17.1%	31.2%	0.0%	0.0%
FY 2024-25 EXECUTIVE REQUEST	\$88,430,788	\$0	\$44,287,426	\$44,143,362	\$0	17.8
Request Above/(Below) Recommendation	(\$56,688,966)	(\$49,220,696)	\$41,752,426	(\$49,220,696)	\$0	0.0

DECISION ITEMS – CHARTER SCHOOL INSTITUTE

→ R3 CSI MILL LEVY EQUALIZATION

REQUEST: The Governor’s Office and Charter School Institute (CSI) request a \$15,123,426 General Fund increase for mill levy equalization for CSI charter schools, which would bring total General Fund support for equalization to \$42,123,426 from the current \$27,000,000 General Fund. The request as submitted shows a decrease in total funds, including a reduction of \$27,000,000 General Fund, based on a proposal to change the structure of funding for this program from a General Fund appropriation with a reappropriated funds double-count to a General Fund statutory transfer with a cash funds appropriation. Legislation would be required to implement the proposed structural change. The primary impact of the proposed structural change, other than how funding appears in the budget, would be to eliminate the need for a 15.0 percent General Fund reserve associated with the program, as transfers are not subject to the reserve requirement.

R3 CHANGES REQUESTED – IMPACT OF STRUCTURAL CHANGE					
	FY 23-24 CSI MLOE APPROPRIATION (A)	FY 24-25 CSI MLOE REQUEST IF NO STRUCTURAL CHANGE (B)	FY 24-25 CHANGE TO MLOE IF NO STRUCTURAL CHANGE (B-A)	FY25 CSI MLOE APPROP. IF STRUCTURAL CHANGE ADOPTED (LEGISLATION REQUESTED) (C)	PROPOSED APPROP. CHANGE R3 (ASSUMES LEGISLATIVE CHANGE) (C-A)
Total	\$54,000,000	\$84,246,852	\$30,246,852	\$42,123,426	(\$11,876,574)
General Fund	27,000,000	42,123,426	<u>15,123,426</u>	0	(27,000,000)
Cash Funds based on deposit of General Fund	0	0	0	42,123,426	42,123,426
Reappropriated Funds (double-count)	27,000,000	42,123,426	15,123,426	0	(27,000,000)

The FY 2023-24 School Finance Act (S.B. 23-287) requires that “beginning in the 2024-25 budget year and each budget year thereafter, the general assembly shall appropriate from the general fund the amount necessary each budget year to fund full mill levy equalization for all institute charter schools for the applicable budget year.” The amount in the request operationalizes this requirement based on the data that was available at the time of the submission. The statutory requirement added in S.B. 23-287 is intended to ensure that students enrolled at CSI schools receive per pupil funding equal to the district per pupil funding in each district where a CSI school is located.

STAFF RECOMMENDATION:

- Staff recommends an increase for the Charter School Institute consistent with current law and legislative intent reflected in the 2023 School Finance Act. Based on consultation with Legislative Council Education forecast staff, **the staff recommendation is for a General Fund increase of \$22,220,696 and a total appropriation of \$49,220,696 General Fund. Note that this is \$7.1 million General Fund more than the request.** The recommendation is based on:
 - The Legislative Council Staff forecast of pupil enrollment at CSI schools for FY 2024-25. This is based on the October 2024 pupil counts for CSI schools, adjusted by additional information from CSI for anticipated school openings, closures, and changes in authorization.
 - The Legislative Council Staff forecast for FY 2024-25 assessed values in the district divided by district forecasted pupil count, for purposes of calculating the amount required to “equalize” funding.
 - Staff anticipates that this figure will be adjusted each year through the supplemental budget process based on the October forecast and the final assessed values used for a given fiscal year.
- **Staff recommends that the Committee sponsor legislation making a technical change to the CSI MLOE statute**, which could be included as Long Bill package bill. Alternatively, this proposed change could be included in the School Finance Act. Based on consultation with CSI, **staff recommend eliminating the CSI Mill Levy Equalization Fund through a statutory change.** This could be replaced with a provision requiring a direct General Fund appropriation for CSI Mill Levy Equalization. This would eliminate the current double count in the Long Bill, in which General Fund is appropriated into the CSI Mill Levy Equalization Fund and then appropriated as reappropriated funds out of the fund. As part of this change, the legislation would eliminate continuous spending authority for interest on the Mill Levy Equalization Fund, since the Fund would no longer exist. Currently CSI has continuous spending authority for interest and earnings on the Mill Levy Equalization Fund. However, Section 22-30.5-513.1 (2)(b), C.R.S. requires that that per-pupil mill levy equalization for a CSI school not exceed a district’s per-pupil mill levy override funding. If the General Assembly is fully funding mill levy equalization with General Fund, staff would anticipate that these earnings could not be used.
- Staff **does not** recommend the Executive Branch request to sponsor legislation to change the structure of funding for mill levy override equalization from an appropriation to a transfer. The primary impact of such a change would be to eliminate the need for a reserve for the CSI Mill Levy Equalization appropriation. Since CSI Mill Levy Equalization is assumed to be an ongoing need, eliminating a reserve for this funding does not seem appropriate.
- The Staff recommendation includes an increase of \$371,000 for estimated interest on the CSI Mill Levy Equalization Fund, bringing estimated interest shown to \$735,000 or approximately 3.0 percent on an average balance of \$25.0 million. This amount is shown for informational purposes, as it is continuously appropriated to CSI under current law. If new legislation is adopted to eliminate the Mill Levy Equalization Fund, this amount will be eliminated and any balance in the Equalization Fund will be transferred to the General Fund at the end of FY 2023-24. However, if

such legislation is not adopted, staff assumes interest earnings will be used to offset General Fund otherwise required when CSI funding is “trued up” through a mid-year FY 2024-25 adjustment.

ANALYSIS:

The State Charter School Institute (CSI) is a statewide charter school authorizer, functioning as an independent agency in the Department of Education. CSI schools have access to per pupil operating revenue (PPOR) equal to the PPOR for the district in which they are geographically located. However, they do not generally have access to mill levy override funding approved by voters to support the operations of their local school district, which can add up to 30.0 percent to district PPOR, depending upon the district.

This is because CSI is not legally connected to local school districts, and neither the State nor CSI appear to have authority to require school districts to transfer funds to CSI or to request that voters authorize mill levy or bond funding for CSI schools. This differs from the situation for district-authorized charter schools. District-authorized charter schools historically had uneven access to local mill levy override revenues, based on decisions at the district level. However, H.B. 17-1375 required *all* districts to share override revenues with *district-authorized* charter schools on an equal per pupil basis beginning in FY 2019-20.

Since CSI-authorized schools do not have access to local override revenues, H.B. 17-1375 created the Mill Levy Equalization Fund to support *state* payments to CSI schools to equalize the local override revenues available in CSI schools’ geographic districts. The General Assembly provided \$5.0 to \$7.0 million General Fund per year for CSI Mill Levy Equalization between FY 2018-19 and FY 2020-21. Funding was increased to \$9.0 million General Fund in FY 2021-22, \$17.0 million General Fund in FY 2022-23, and \$27.0 million General Fund in FY 2023-24. Section 22-30.5-513.1 (a.5), C.R.S. requires the General Assembly to fund “full mill levy equalization” for all institute charter schools beginning in FY 2024-25.

The table below shows Legislative Council Staff’s current estimate of “full funding” for mill levy equalization for CSI schools for FY 2024-25, which is based on FY 2023-24 enrollment, adjusted by the addition of three new schools, the transfer of one to a district, and the closure of one. For consistency with the School Finance Act, Staff recommends using the LCS forecast as the basis for making CSI mill levy equalization calculations. Based on **the “full funding” language currently in statute, staff assumes that this figure will need to be adjusted each year through the supplemental budget process to accurately reflect October count data, school decisions to join/leave CSI, and any voter-approved changes to mill levy override funding in the district schools where CSI is located.**

MILL LEVY OVERRIDE EQUALIZATION FOR CSI SCHOOLS - LCS FORECAST FY 2024-25				
CSI SCHOOL	DISTRICT	CSI PUPIL COUNT	DISTRICT MLO PER PUPIL	MLO EQUALIZATION
Academy Of Charter Schools	Adams 12	\$1,783	\$2,185	\$3,894,234
Global Village Academy - Northglenn	Adams 12	855.0	2,185	1,867,922
The Pinnacle Charter School	Adams 12	1,923.0	2,185	4,201,185
Colorado Early Colleges - Aurora	Aurora	516.0	3,551	1,832,149
Montessori Del Mundo Charter School	Aurora	260.0	3,551	923,176
New America School - Lowry	Aurora	102.8	3,551	365,010
New Legacy Charter High School	Aurora	106.7	3,551	378,857
Wildflower - Aurora	Aurora	16.5	3,551	58,586

MILL LEVY OVERRIDE EQUALIZATION FOR CSI SCHOOLS - LCS FORECAST FY 2024-25				
CSI SCHOOL	DISTRICT	CSI PUPIL COUNT	DISTRICT MLO PER PUPIL	MLO EQUALIZATION
High Point Academy	Brighton	605.6	1,261	763,725
Ascent- Northern Denver	Brighton	233.4	1,261	294,342
Coperni 3	Colorado Springs	480.6	3,957	1,901,556
Colorado Military Academy	Colorado Springs	640.5	3,957	2,534,221
Colorado Springs Charter Academy	Colorado Springs	286.8	3,957	1,134,761
Colorado Springs Early Colleges	Colorado Springs	776.2	3,957	3,071,136
Colorado International Language Academy	Colorado Springs	304.3	3,957	1,204,002
Mountain Song Community School	Colorado Springs	344.0	3,957	1,361,080
Community Leadership Academy/ Victory Prep	Adams 14	600.0	959	575,331
Ascent Classical Academy - Douglas County	Douglas	940.1	2,505	2,355,150
Colorado Early Colleges Douglas County	Douglas	1,264.4	2,505	3,167,590
Animas High School	Durango	247.6	2,551	631,658
Mountain Middle School	Durango	333.4	2,551	850,545
Stone Creek School	Eagle	299.0	2,721	813,528
Goldenview	Jefferson	722.4	2,239	1,617,514
Prospect Academy	Jefferson	96.6	2,239	216,296
Caprock Academy	Mesa Valley	825.0	937	772,936
Monument View Montessori	Mesa Valley	41.7	937	39,068
Ascent - Grand Junct.	Mesa Valley	347.6	937	325,664
Ascent Classical Academy - Northern Colorado	Poudre	580.7	2,447	1,421,080
Axis International Academy	Poudre	188.6	2,447	461,539
Colorado Early College Fort Collins	Poudre	873.0	2,447	2,136,392
Colorado Early College - Windsor	Poudre	1,035.6	2,447	2,534,305
Academy Of Arts & Knowledge	Poudre	165.3	2,447	404,520
CEC Online School	Poudre	288.8	2,447	706,747
Ross Montessori School	Roaring Fork	213.0	3,304	703,719
Salida Montessori Charter School	Salida	151.0	2,560	386,549
Mountain Village Montessori Charter School	Steamboat Springs	122.0	2,445	298,261
Crown Pointe Charter Academy	Westminster	444.7	3,936	1,750,301
Ricardo Flores Magon Academy	Westminster	265.8	3,936	1,046,166
Be The Change	Adams 14	100.0	959	95,888
University Prep	Adams 14	75.0	959	71,916
Wildflower - Grand Junction	Mesa Valley	55.6	937	52,091
Total		19,510.8		\$49,220,696

STAFF RECOMMENDATION - CSI MILL LEVY EQUALIZATION FUND	
	GENERAL FUND
LCS FY 2024-25 Estimate – General Fund Need	\$49,220,696
FY 2023-24 General Fund appropriation	(27,000,000)
Increase Required	\$22,220,696

Other Observations

- **“Equalization” is a moving target, dependent on** local voter decisions, the number CSI schools, and the number of students attending CSI schools.
- In the last few years, **the number of students enrolled in CSI schools has increased.** CSI enrollment *increased by 26.0 percent over the last five years*, while state enrollment as a whole fell by 3.3 percent over the same period.

- The number of schools authorized by CSI has not changed substantially in recent years, but could also grow. Allowing a school to be authorized by CSI is typically a district, as well as school, decision: 172 of 178 school districts have retained exclusive chartering authority and so must “release” a school to CSI for CSI to become the authorizer. Districts and schools have many considerations when selecting an authorizer. However, JBC staff has expressed concern over the years about the disadvantage to the State of the current mill levy override equalization structure: charter schools that are authorized by their districts have the cost of mill levy overrides covered by local taxing revenue; CSI school overrides costs are being covered by the State. **It is in the State’s interest to encourage charter schools to be locally authorized instead of using CSI. By fully funding mill levy equalization, the State is building incentives for schools to seek CSI authorization and districts to support this, since state funds, rather than local district funds, cover mill levy override costs.**
- Staff requested LCS Staff calculate state “exposure” to additional mill levy override increases in districts where CSI schools currently operate. Based on this analysis, **if voters in all of the districts where CSI schools operate voted to increase their local district mill levy overrides to the maximum now allowed under state law, \$68.8 million would be required--\$19.6 million more than CSI’s current estimate of the cost of “full” equalization.**
- **Even if CSI schools and pupil counts remain stable, over time the cost of equalizing funding for CSI students will increase** based on factors such as total funding (since mill levy overrides are capped at 25 to 30 percent of total program formula funding) and property values.
- **If the JBC/General Assembly determines that it does not have sufficient funds to fully cover CSI Mill Levy Equalization for FY 2024-25 or another year, a statutory change would be needed** to state that funding for CSI Mill Levy Equalization may be capped at a specific dollar amount, as has thus far been the practice.

LINE ITEM DETAIL – CHARTER SCHOOL INSTITUTE

STATE CHARTER SCHOOL INSTITUTE ADMINISTRATION, OVERSIGHT, AND MANAGEMENT

This line item reflects the SCSi’s expenditure of a portion of Institute charter schools’ per pupil funding. Section 22-30.5-513 (2)(b) authorizes the SCSi to withhold up to 3.0 percent of Institute charter schools’ per pupil funding for administrative overhead costs for services provided to Institute charter schools. Section 22-30.5-506 (1), C.R.S., enacted through S.B. 12-121, continuously appropriates these funds to the CSI.

STATUTORY AUTHORITY: Section 22-30.5-501 et seq., C.R.S. and Section 22-30.5-513, C.R.S.

REQUEST: The Department requests a continuation appropriation of \$5,000,000 reappropriated funds and 11.7 FTE for FY 2024-25, with no change from the 2023-24 appropriation. The funds are continuously appropriated to the Department and are shown in the Long Bill for informational purposes only.

RECOMMENDATION: Staff recommends the request for \$5,000,000 reappropriated funds shown for informational purposes.

INSTITUTE CHARTER SCHOOL ASSISTANCE FUND

Sections 22-30.5-506 (4) and 22-30.5-515.5, C.R.S., transfer excess revenues retained by the Charter School Institute (over and above amounts necessary for the Institute's overhead administration costs) to the Institute Charter School Assistance Fund. Once in the Institute Charter School Assistance Fund, the moneys are subject to annual appropriation and are available for the following purposes:

- Awarding grants and interest-free loans to assist Institute charter schools in meeting capital construction needs, including obtaining financial assistance through the Building Excellent Schools Today (B.E.S.T.) program or repaying bonds issued by the Colorado Educational and Cultural Facilities Authority for construction of buildings; or
- Addressing “reasonable funding emergencies,” as defined by rule of the Institute Board.

This is one of the three Institute line items that remain subject to annual appropriation. However, Section 22-30.5-515.5 (1)(c), C.R.S., limits the year-end balance of the fund to no more than \$750,000 at the end of any given year or, pursuant to 22-30.5-515 (d), another limit established by the institute board in collaboration with a council of institute charter schools. The statute requires the CSI to distribute any amount above the cap in the fund at the end of the year to all CSI schools on an equal per pupil basis and continuously appropriates the excess balance to the CSI.

STATUTORY AUTHORITY: Section 22-30.5-515.5, C.R.S.

REQUEST: The Department requests a continuation appropriation of \$1,800,000 cash funds from the Institute Charter School Assistance Fund, with no change from the FY 2023-24 appropriation.

RECOMMENDATION: Staff recommends the requested amount of \$1,800,000 cash funds, which is similar to the actual level of expenditure in recent years.

OTHER TRANSFERS TO INSTITUTE CHARTER SCHOOLS

This line item reflects anticipated transfers of other state moneys (e.g., state funding for categorical programs) to Institute charter schools. Prior to FY 2012-13, the line item was subject to annual appropriation. However, pursuant to S.B. 12-121, current law continuously appropriates the funds to the CSI.

STATUTORY AUTHORITY: Section 22-30.5-513 (9) (a), C.R.S.

REQUEST: The Department requests an informational appropriation of \$21,500,000 reappropriated funds for FY 2024-25, with no change from the FY 2023-24 appropriation.

RECOMMENDATION: Staff recommends the requested amount of \$21,500,000 cash funds, which is similar to the actual level of expenditure in recent years.

TRANSFER OF FEDERAL MONEY TO INSTITUTE CHARTER SCHOOLS

This line item reflects federal funds received by the SCSi for pass-through to Institute charter schools, along with the SCSi FTE supported with federal funds. Moneys appropriated to this line item are reflected as reappropriated funds because they are first reflected within other line items within the Department's budget (e.g., Special Education Programs for Children with Disabilities, English Language Proficiency Program, Federal Nutrition Programs, and Appropriated Sponsored Programs). The request reflects the SCSi's anticipated expenditures under the continuous appropriation provided by S.B. 12-121.

STATUTORY AUTHORITY: Section 22-30.5-501 et seq., C.R.S. and Section 22-30.5-513, C.R.S.

REQUEST: The Department requests a continuation appropriation of \$17,400,000 reappropriated funds and 4.5 FTE, with no change from the FY 2022-23 appropriation.

RECOMMENDATION: Staff recommends the requested amount of \$17,400,000 cash funds. FY 2021-22 expenditures were considerably higher, at \$27.2 million, but this declined to \$19.2 million in FY 2022-23, as pandemic relief was spent down.

CSI MILL LEVY EQUALIZATION

The General Assembly created this line item in FY 2018-19 to support mill levy override equalization payments to SCSi schools authorized by H.B. 17-1375 (Distributing Mill Levy Override Revenue to Schools). Under H.B. 17-1375, the Department distributes any funds appropriated to this line item to CSI schools on a per pupil basis based on the amount of mill levy override revenue available per pupil in each school's geographic school district. Thus, CSI schools located in school districts without mill levy override revenues are not eligible for distribution and payments are limited to no more than override revenues per pupil in a school's geographic school district.

STATUTORY AUTHORITY: Section 22-30.5-513.1 (2)(b), C.R.S.

REQUEST: The Governor's Office has proposed increasing General Fund support for this program by \$15,123,426 General Fund, to a total of \$42,123,426 General Fund, and a statutory change to the structure of CSI Mill Levy Equalization funding, which, if enacted, would eliminate the double-count currently in the Long Bill and change the General Fund appropriation into a transfer.

R3 CHANGES REQUESTED – IMPACT OF STRUCTURAL CHANGE					
	FY 23-24 CSI MLOE appropriation (A)	FY 24-25 CSI MLOE request if no structural change (B)	FY 24-25 change to MLOE if no structural change (B-A)	FY25 CSI MLOE approp. if structural change adopted (legislation requested) (C)	Proposed approp. change R3 (Assumes Legislative Change) (C-A)
Total	\$54,000,000	\$84,246,852	\$30,246,852	\$42,123,426	(\$11,876,574)
General Fund	27,000,000	42,123,426	15,123,426	0	(27,000,000)
Cash Funds based on deposit of General Fund	0	0	0	42,123,426	42,123,426
Reappropriated Funds (double-count)	27,000,000	42,123,426	15,123,426	0	(27,000,000)

RECOMMENDATION: As discussed previously in this packet, the staff recommendation for the Long Bill is based on the estimated total funding required for CSI mill levy equalization based on the current statutory structure. The recommendation also includes an adjustment to show estimated interest on the CSI Mill Levy Equalization Fund under current law. The recommended adjustments are reflected in the table below. For purposes of comparison with the General Fund required by the Executive Request, note that **the request is for an increase of \$15.1 million General Fund for a total General Fund amount of \$42.1 million. The staff recommendation adds \$22.2 million General Fund for a total General Fund amount of \$49.2 million.**

CHARTER SCHOOL INSTITUTE, CSI MILL LEVY EQUALIZATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$49,364,000	\$24,500,000	\$364,000	\$24,500,000	\$0	0.0
Other legislation	\$5,000,000	\$2,500,000	\$0	\$2,500,000	\$0	0.0
TOTAL	\$54,364,000	\$27,000,000	\$364,000	\$27,000,000	\$0	0.0
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$54,364,000	\$27,000,000	\$364,000	\$27,000,000	\$0	0.0
R3 CSI mill levy equalization	44,812,392	22,220,696	371,000	22,220,696	0	0.0
TOTAL	\$99,176,392	\$49,220,696	\$735,000	\$49,220,696	\$0	0.0
INCREASE/(DECREASE)	\$44,812,392	\$22,220,696	\$371,000	\$22,220,696	\$0	0.0
Percentage Change	82.4%	82.3%	101.9%	82.3%	0.0%	0.0%
FY 2024-25 EXECUTIVE REQUEST						
REQUEST	\$42,487,426	\$0	\$42,487,426	\$0	\$0	0.0
Request Above/(Below) Recommendation	(\$56,688,966)	(\$49,220,696)	\$41,752,426	(\$49,220,696)	\$0	0.0

DEPARTMENT IMPLEMENTATION OF SECTION 22-30.5-501 ET SEQ., C.R.S.

This line item authorizes the Department to spend a portion of CSI charter schools' per pupil funding. Pursuant to Section 22-30.5-513 (4)(a)(I), C.R.S., the Department is authorized to withhold up to 1.0 percent of SCSi charter schools' per pupil funding as reimbursement for the "reasonable and necessary costs to the department to implement" [Part 5 of Title 22, Article 30.5, C.R.S.].

STATUTORY AUTHORITY: Section 22-30.5-513 (4)(a)(I), C.R.S.

REQUEST: The Department requests a continuation appropriation of \$243,362 reappropriated funds and 1.6 FTE

RECOMMENDATION: Staff recommends approving the requested amount of \$243,362 reappropriated funds and 1.6 FTE for FY 2024-25, which is consistent with the Committee's common policy. The (non-CSi) Department staff incur costs associated with SCSi activities, and this line item is the mechanism to cover at least a portion of the necessary costs.

LONG BILL FOOTNOTES AND REQUESTS FOR INFORMATION

LONG BILL FOOTNOTES

Staff recommends the following **new footnotes**:

In FY 2023-24 Supplemental Add-on:

- N Department of Higher Education, School District Operations, Nutrition, Healthy School Meals for All, Program Administration – Of the amount appropriated in this line item, up to \$150,000, if not expended prior to the close of FY 2023-24, may be rolled forward for expenditure in FY 2024-25.

In the FY 2024-25 Long Bill:

- N Department of Higher Education, School District Operations, Nutrition, Healthy School Meals for All, Program Administration – Of the amount appropriated in this line item, up to \$400,000, if not expended prior to the close of FY 2024-25, may be rolled forward for expenditure in FY 2025-26.

Staff recommends **continuing the following footnotes or continuing as amended**.

- 11 Department of Education, School District Operations, Public School Capital Construction, Public School Capital Construction Assistance Board - Cash Grants -- This appropriation remains available until the completion of the project or the close of the ~~2025-26~~ 2026-27 fiscal year, whichever comes first.

COMMENT: This footnote has been included in the Long Bill for more than five years. This footnote makes funding appropriated to the Building Excellent Schools Today (BEST) Program for cash grants available for up to three years to allow for the completion of projects requiring funding for more than a single fiscal year.

- 12 Department of Education, Student Learning, Early Literacy, Early Literacy Program Administration and Technical Support; Early Literacy Competitive Grant Program; Early Literacy Program Evidence Based Training Provided to Teachers; Early Literacy Program Per Pupil Intervention Program -- The Department is authorized to transfer up to \$1,500,000 cash funds from the Early Literacy Fund created in Section 22-7-1210 (1), C.R.S., among the line items designated with this footnote, except that the amount for Early Literacy Program Administration and Technical Support may be increased by no more than ten percent based on an assumption that the Department may require an additional 2.0 FTE

COMMENT: This footnote was added in FY 2022-23. It provides additional flexibility for the Department to move money from the Early Literacy Fund among several line items based on program needs. The Department plans to use this flexibility. The Department's budget schedules indicate that \$1.25 million was transferred from the line item for training teachers

to the line item for early literacy competitive grants in FY 2022-23. The Department has indicated that it encountered some technical issues in awarding the resulting grant funds in FY 2022-23, but it expects to have these issues resolved going forward.

- 13 Department of Education, Student Pathways, Career Development Success Program -- It is the General Assembly's intent that \$200,000 of this appropriation be used for activities other than direct grants to school districts.

COMMENT: This footnote was first included in the FY 2019-20 Long Bill. The General Assembly added this footnote to authorize the Department to hold back \$200,000 from the appropriation for the Career Development Success Program. It is staff's understanding that the Department has used these funds to support the TEACH Colorado program, a joint teacher recruiting effort between the Department and number of other partners, including school districts and the Department of Higher Education.

In response to JBC staff questions, the Department confirmed that it is in compliance with this footnote and believes that the funding for TEACH represents a good use of funds. JBC **Staff recommends that if the General Assembly wishes to include this hold-back going forward, it would be preferable to identify this activity within the statute that authorizes the Career Development Success Program.**

- 14 Department of Education, Library Programs, Reading Services for the Blind -- This appropriation is for the support of privately operated reading services for the blind, as authorized by section 24-90-105.5, C.R.S. It is the General Assembly's intent that \$540,000 of this appropriation be used to provide access to radio and television broadcasts of locally published and produced materials and \$120,000 of this appropriation be used to provide telephone access to digital transmissions of nationally published and produced materials.

COMMENT: This footnote has been included in the Long Bill for at least five years to express the General Assembly's intent concerning this appropriation. The Department annually contracts with Audio Information Network of Colorado (AINC) to provide an on-the-air volunteer reading service for the blind, visually impaired, and print-handicapped citizens of Colorado. Broadcasts are provided in Boulder, Louisville, and Lafayette and are available on local cable as a standard radio frequency at 98.9 KHzs. AINC is currently working through cable associations with the cities to expand local coverage. The services provided by AINC are also made available through the internet, telephone, and podcasts. In FY 2012-13, the General Assembly increased the allocation for the contract with AINC from \$200,000 per year to \$300,000. The General Assembly added \$10,000 in FY 2014-15, \$50,000 in FY 2015-16, and \$80,000 in 2018-19 for a total of \$440,000. The JBC initiated a further increase of \$100,000 for this program in FY 2022-23, bringing the total to \$540,000.

The remaining funding (currently \$120,000) is used to purchase services from the National Federation for the Blind (NFB) for its Newsline service, which provides eligible Coloradans access to newspapers nationwide and a few magazines via touch tone telephone, internet, and by email. Newsline services now include television listings (based on an individual's zip code); the NFB indicates that this additional service has increased use of their Newsline service nationwide significantly. Anyone who is a patron of the Colorado Talking Book Library

(CTBL) is eligible to access Newline services. The CTBL is able to sign patrons up for the Newline service through their existing database.

In response to JBC staff questions, the Department confirmed that it is in compliance with this footnote and believes that these expenditures represent a good use of funds.

REQUESTS FOR INFORMATION

Staff recommends adding the following **new request**, *if* the Committee approves Request R4 (Human Resources Capacity).

- N Department of Education, Management and Administration, Administration and Centrally-Appropriated Line Items – As part of its November 1, 2024 budget submission, the Department is requested to include information on the start-up and ongoing costs for implementing a Human Resources Information System, funded in response to FY 2024-25 Department Request R4, based on the results of its procurement process.

Staff recommends **continuing the following request for information, as amended**.

- 1 Department of Education; and Colorado School for the Deaf and the Blind – The Department of Education and the Colorado School for the Deaf and the Blind are requested to provide to the Joint Budget Committee, by September 1, ~~2023~~ 2024, detailed information concerning each entity's implementation of the recommendations of the independent review panel for the Colorado School for the Deaf and Blind. The requested information should include both detail on the progress made to date and each entity's plans going forward.

COMMENT: The Department submitted its response on August 28, 2023. Staff recommends continuing to request annual reporting.

INDIRECT COST ASSESSMENTS

DESCRIPTION OF INDIRECT COST ASSESSMENT METHODOLOGY

The Department of Education annually calculates two separate indirect cost rates, one affecting federal funds and another for cash funds. The Department's indirect cost methodology is based on three components: an "*Indirect Cost Pool*", an "*Indirect Cost Base*", and an "*Indirect Cost Rate*". The following discussion reflects the calculations underlying the Department's indirect cost process for FY 2024-25. The Department negotiated an indirect cost plan with the U.S. Department of Education for FY 2023-24, these negotiations resulted in a rate of 15.5%. In January 2024, this rate was extended through FY 2024-25. Given the rate for FY 2024-25 is based on information compiled for the FY 2023-24 submission, the information below reflects the data used in that submission and uses actual expenditures from FY 2021-22.

The Department calculates and negotiates the federal indirect cost rate with the U.S. Department of Education (USDE). The Department had negotiated a three-year fixed federal indirect cost rate with USDE for FY 2015-16 through FY 2017-18. As a result of a change in the federal policy (and a reversion to previous practice), the Department typically negotiates an annual rate with the federal agency. The Department calculates the federal rate based on the most recent year of actual expenditures. For example, actual expenditures from FY 2021-22 are the basis of the most recently negotiated rate for FY 2023-24, generating a federal indirect rate of 15.5 percent (which was later extended for FY 2024-25). The Department calculates the federal rate as the indirect cost pool divided by the indirect cost base (as illustrated in the tables below) but must negotiate the final rate with USDE. On January 4th, 2024, the FY 2023-24 rate of 15.5% was extended to cover FY 2024-25 as part of a one-year extension from the US Department of Education.

The Department bases the cash fund indirect cost rate on the approved federal rate, with some modifications. For example, the USDE prohibits the inclusion of the Commissioner and her immediate staff in the indirect cost pool. For the cash fund rate, the Department adds the USDE exclusions back into the indirect cost pool to arrive at the cash fund indirect cost rate. The Department primarily applies the cash fund rate to the Educator Licensure Cash Fund but also applies the rate to private gifts, grants, and donations.

The following data provided the basis for the calculations in the FY 2024-25 appropriation. As discussed above, the information for the FY 2024-25 calculations is based on the extension of the FY 2023-24 rate of 15.5%.

INDIRECT COST POOL

The *Indirect Cost Pool* is comprised of expenses in the Management and Administration Division, including expenses associated with the following line items: General Department and Program Administration, Information Technology Services, Health, Life, and Dental, Short-term Disability, S.B. 04-257 Amortization Equalization Disbursement, S.B. 06-235 Supplemental Amortization Equalization Disbursement, and Payment to Risk Management and Property Funds. The Department categorizes the indirect cost pool differently, however, based on the costs actually included in the pool for calculation purposes. **Table 1** (on the following page) outlines which *costs* are included in the department's Indirect Cost Pool.

TABLE 1: DEPARTMENT OF EDUCATION INDIRECT COST POOL	
DIVISION/COST DESCRIPTION	FY 2021-22 ACTUAL
Management and Administration	
Human Resources	410,316
Accounting/Purchasing/Budget	1,731,990
Department Overhead	2,963,169
Sick and Annual Leave Payouts	681,062
Information Management	2,746,085
Total Departmental Indirect Cost Pool	\$8,532,622
Other Costs	
Statewide Indirect Costs FY21-22	\$710,059
Depreciation	354,440
State Auditor	187,628
Adjustment (Added to Indirect Cost Base)	(66,262)
Total Other Costs	1,185,865
Total Indirect Cost Pool	\$9,718,487

INDIRECT COST BASE

The *Indirect Cost Base* is the denominator in the calculation of the federal indirect cost rate. The indirect cost base consists of Departmental salaries, fringe benefits, and operating expenses. The federal calculation excludes the items for which the USDE prohibits indirect cost collections and excludes departmental indirect costs. **Table 2** summarizes the department's indirect cost base using the FY 2021-22 actuals that provided the base for the current federal rate.

TABLE 2: DEPARTMENT OF EDUCATION INDIRECT COST BASE	
	FY 2021-22 ACTUAL
CDE salaries, fringe benefits, operating expenses	\$108,067,307
Less: Expenditures Excluded by USDE	(\$36,973,108)
Less: Departmental Indirect Costs	(\$8,532,622)
Add Adjustment Removed from Pool	\$66,262
Total Indirect Cost Base	\$62,627,839

INDIRECT COST RATE

The federal *indirect cost rate* is calculated by dividing the indirect cost pool by the indirect cost base. **Table 3** illustrates how the Department calculates the federal indirect cost rate. The following table shows the negotiated rate for FY 2023-24 and FY 2024-25 (15.5 percent) as well as the actual negotiated rate for FY 22-23 (14.5 percent).

TABLE 3: DEPARTMENT OF EDUCATION INDIRECT COST RATE	
FEDERAL RATE = INDIRECT COST POOL / DIRECT COST BASE	
DIVISION	FY 2021-22 ACTUAL
Indirect Cost Pool	\$9,718,487
Indirect Cost Base	\$62,627,839
Negotiated Federal Rate (FY 2023-24/FY 2024-25)	15.5%
Negotiated Federal Rate (Actual Rate for FY 2022-23)	14.5%

The Department applies the federal indirect cost rate to all federally funded expenditures for salaries, fringe benefits, operating expenses, and travel costs. The USDE prohibits charging indirect costs to federal funds supporting contracts in excess of \$25,000, grant distributions to school districts and other recipients, and capital expenditures in excess of \$5,000. In addition, some federal programs impose limits on total administrative costs, which includes indirect costs. For example, the Library Service and Technology Act (LSTA) limits total administration to 4 percent of the award, regardless of the negotiated indirect cost rate for other federal funds (20 U.S.C. 9132(a))

The Department also does not charge indirect costs to General Fund expenditures or some cash funded expenditures (most importantly those supported by the State Education Fund). Based on updated information provided by the Department, **Table 4** reflects the recommended indirect cost assessments for each of the Department's divisions **for FY 2024-25 (no changes other than SWCAP as there was no change in the rate).**

TABLE 4: DEPARTMENT INDIRECT COST ASSESSMENT RECOMMENDATION				
DIVISION	TOTAL	CF	RF	FF
Management and Administration	\$885,271	\$509,752	\$0	\$375,519
Assistance to Public Schools	\$3,847,010	\$25,000	\$89,110	\$3,732,900
Library Programs	\$55,327	\$0	\$0	\$55,327
Total FY 2024-25 Recommendation	\$4,787,608	\$534,752	\$89,110	\$4,163,746
Management and Administration	\$826,788	\$451,269	\$0	\$375,519
Assistance to Public Schools	\$3,905,863	\$25,000	\$55,571	\$3,825,292
Library Programs	\$55,327	\$0	\$0	\$55,327
Total FY 2023-24 Appropriation	\$4,787,978	\$476,269	\$55,571	\$4,256,138
Increase (Decrease) FY2023-24 to FY2024-25	\$-370	\$58,483	\$33,539	\$-92,392

JBC Staff Figure Setting - FY 2024-25
Staff Working Document - Does Not Represent Committee Decision

Appendix A: Numbers Pages

	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
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DEPARTMENT OF EDUCATION
Susana Cordova, Commissioner

(1) MANAGEMENT AND ADMINISTRATION

Funding for the State Board of Education, the Commissioner of Education, and general department administrative responsibilities.

(A) Administration and Centrally-Appropriated Line Items

State Board of Education	<u>317,268</u>	<u>390,810</u>	<u>425,560</u>	<u>575,805</u>	<u>575,805</u> *
FTE	2.0	1.2	2.5	2.5	2.5
General Fund	317,268	390,810	425,560	575,805	575,805
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
 General Department and Program Administration	 <u>4,594,350</u>	 <u>5,251,231</u>	 <u>6,270,691</u>	 <u>6,863,846</u>	 <u>6,782,346</u> *
FTE	34.6	44.2	43.0	45.9	45.9
General Fund	1,540,667	1,993,654	2,965,874	3,235,636	3,154,136
Cash Funds	132,964	128,642	186,807	188,595	188,595
Reappropriated Funds	2,920,719	3,128,935	3,118,010	3,439,615	3,439,615
Federal Funds	0	0	0	0	0
 Grants Administration	 <u>0</u>	 <u>0</u>	 <u>0</u>	 <u>0</u>	 <u>0</u>
General Fund	0	0	0	0	0

JBC Staff Figure Setting - FY 2024-25
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	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
Schools of Choice	<u>296,450</u>	<u>327,598</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	6.8	2.4	0.0	0.0	0.0
General Fund	296,450	327,598	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Health, Life, and Dental	<u>3,490,807</u>	<u>3,975,123</u>	<u>8,913,582</u>	<u>9,150,994</u>	<u>9,104,657</u>
General Fund	2,744,061	2,627,473	3,660,444	3,364,845	3,443,293
General Fund Exempt	0	0	34,100	124,785	0
Cash Funds	323,422	675,852	1,359,475	1,462,089	1,462,089
Reappropriated Funds	423,324	671,798	948,184	968,362	968,362
Federal Funds	0	0	2,911,379	3,230,913	3,230,913
Short-term Disability	<u>22,173</u>	<u>33,522</u>	<u>83,254</u>	<u>89,078</u>	<u>88,543</u>
General Fund	16,000	26,110	31,117	32,266	31,731
General Fund Exempt	0	0	349	961	961
Cash Funds	2,389	4,166	12,546	12,790	12,790
Reappropriated Funds	3,784	3,246	9,345	9,834	9,834
Federal Funds	0	0	29,897	33,227	33,227
Paid Family Medical Leave Insurance	<u>0</u>	<u>0</u>	<u>0</u>	<u>265,628</u>	<u>265,629</u>
General Fund	0	0	0	96,797	96,798
General Fund Exempt	0	0	0	1,277	1,277
Cash Funds	0	0	0	38,371	38,371
Reappropriated Funds	0	0	0	29,501	29,501
Federal Funds	0	0	0	99,682	99,682

JBC Staff Figure Setting - FY 2024-25
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	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
S.B. 04-257 Amortization Equalization Disbursement	<u>871,284</u>	<u>1,172,913</u>	<u>2,790,143</u>	<u>2,968,145</u>	<u>0</u>
General Fund	652,444	829,320	1,045,554	1,075,524	0
General Fund Exempt	0	0	10,892	30,906	0
Cash Funds	100,354	131,301	419,993	426,345	0
Reappropriated Funds	118,486	212,292	312,893	327,787	0
Federal Funds	0	0	1,000,811	1,107,583	0
S.B. 06-235 Supplemental Amortization Equalization Disbursement	<u>901,284</u>	<u>1,172,913</u>	<u>2,790,143</u>	<u>2,968,145</u>	<u>0</u>
General Fund	652,444	829,320	1,045,554	1,075,524	0
General Fund Exempt	0	0	10,892	30,906	0
Cash Funds	100,354	131,301	419,993	426,345	0
Reappropriated Funds	148,486	212,292	312,893	327,787	0
Federal Funds	0	0	1,000,811	1,107,583	0
Unfunded Liability Amortization Equalization Disbursement Payments	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>5,902,856</u>
General Fund	0	0	0	0	2,136,948
General Fund Exempt	0	0	0	0	42,478
Cash Funds	0	0	0	0	852,690
Reappropriated Funds	0	0	0	0	655,574
Federal Funds	0	0	0	0	2,215,166
Salary Survey	<u>566,802</u>	<u>771,227</u>	<u>3,058,804</u>	<u>4,331,406</u>	<u>4,104,380</u>
General Fund	437,455	556,834	1,191,395	1,687,981	1,488,455
General Fund Exempt	0	0	0	20,500	20,500
Cash Funds	51,791	81,358	452,059	623,819	591,681
Reappropriated Funds	77,556	133,035	338,105	445,887	457,428
Federal Funds	0	0	1,077,245	1,553,219	1,546,316

JBC Staff Figure Setting - FY 2024-25
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	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
Step Pay	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,163,729</u>
General Fund	0	0	0	0	908,997
Cash Funds	0	0	0	0	312,360
Reappropriated Funds	0	0	0	0	205,099
Federal Funds	0	0	0	0	737,273
PERA Direct Distribution	<u>1,258,290</u>	<u>534,604</u>	<u>192,768</u>	<u>1,314,283</u>	<u>1,304,359</u>
General Fund	693,304	0	142,198	970,763	963,385
General Fund Exempt	0	0	0	6,335	6,335
Cash Funds	195,597	148,880	28,980	190,168	188,732
Reappropriated Funds	369,389	385,724	21,590	147,017	145,907
Federal Funds	0	0	0	0	0
Temporary Employees Related to Authorized Leave	<u>0</u>	<u>29,961</u>	<u>29,961</u>	<u>29,961</u>	<u>29,961</u>
General Fund	0	29,961	29,961	29,961	29,961
Workers' Compensation	<u>82,589</u>	<u>78,796</u>	<u>228,947</u>	<u>344,501</u>	<u>344,501</u>
General Fund	74,846	72,652	110,000	165,519	165,519
Cash Funds	0	2,727	29,877	44,957	44,957
Reappropriated Funds	7,743	3,417	7,737	11,642	11,642
Federal Funds	0	0	81,333	122,383	122,383
Legal Services	<u>1,193,264</u>	<u>1,039,485</u>	<u>1,550,421</u>	<u>1,361,384</u>	<u>1,361,384</u>
General Fund	696,266	608,285	913,511	842,493	842,493
General Fund Exempt	0	0	14,786	0	0
Cash Funds	466,777	404,980	584,295	456,062	456,062
Reappropriated Funds	30,221	26,220	37,829	62,829	62,829
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2024-25
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	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
Administrative Law Judge Services	<u>146,388</u>	<u>140,578</u>	<u>187,253</u>	<u>223,241</u>	<u>223,241</u>
General Fund	0	0	0	0	0
Cash Funds	121,121	140,578	187,253	223,241	223,241
Reappropriated Funds	25,267	0	0	0	0
Federal Funds	0	0	0	0	0
Payment to Risk Management and Property Funds	<u>730,631</u>	<u>996,352</u>	<u>1,504,490</u>	<u>671,902</u>	<u>1,448,876</u>
General Fund	730,631	996,352	1,504,490	671,902	1,448,876
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Leased Space	<u>54,947</u>	<u>13,499</u>	<u>1,270,993</u>	<u>0</u>	<u>0</u>
General Fund	17,866	7,386	90,758	0	0
Cash Funds	19,299	2,397	297,775	0	0
Reappropriated Funds	17,782	3,716	23,406	0	0
Federal Funds	0	0	859,054	0	0
Capitol Complex Leased Space	<u>174,702</u>	<u>266,107</u>	<u>1,117,901</u>	<u>1,370,130</u>	<u>1,370,130</u>
General Fund	87,348	190,828	337,205	421,899	421,899
Cash Funds	19,623	38,575	221,413	234,811	234,811
Reappropriated Funds	67,731	36,704	110,105	88,606	88,606
Federal Funds	0	0	449,178	624,814	624,814
CORE Operations	<u>0</u>	<u>0</u>	<u>228,808</u>	<u>101,195</u>	<u>101,195</u> *
General Fund	0	0	114,393	50,592	50,592
Cash Funds	0	0	88,642	39,203	39,203
Reappropriated Funds	0	0	25,773	11,400	11,400

JBC Staff Figure Setting - FY 2024-25
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	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
Statewide Administrative Services	<u>0</u>	<u>0</u>	<u>0</u>	<u>71,574</u>	<u>71,574</u> *
General Fund	0	0	0	71,574	71,574
Office of the State Architect Services	<u>0</u>	<u>0</u>	<u>0</u>	<u>11,646</u>	<u>11,646</u> *
General Fund	0	0	0	11,646	11,646
State Agency Services	<u>0</u>	<u>0</u>	<u>0</u>	<u>133,613</u>	<u>133,613</u> *
General Fund	0	0	0	133,613	133,613
Statewide Training Services	<u>0</u>	<u>0</u>	<u>0</u>	<u>26,933</u>	<u>26,933</u> *
General Fund	0	0	0	26,933	26,933
Labor Relations Services	<u>0</u>	<u>0</u>	<u>0</u>	<u>39,659</u>	<u>39,659</u> *
General Fund	0	0	0	39,659	39,659
Financial Operations and Reporting Services	<u>0</u>	<u>0</u>	<u>0</u>	<u>172,417</u>	<u>172,417</u> *
General Fund	0	0	0	172,417	172,417
Procurement and Contracts Services	<u>0</u>	<u>0</u>	<u>0</u>	<u>106,780</u>	<u>106,780</u> *
General Fund	0	0	0	106,780	106,780
Office of Professional Services	<u>2,385,266</u>	<u>2,676,839</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	21.2	20.9	0.0	0.0	0.0
General Fund	1,117,747	200,414	0	0	0
Cash Funds	1,267,519	2,476,425	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2024-25
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	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
Office of Online and Blended Learning and Innovation Schools	<u>312,040</u>	<u>355,473</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	3.3	2.3	0.0	0.0	0.0
General Fund	0	0	0	0	0
Cash Funds	312,040	355,473	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Title IX Regulation Study	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	0	0	0	0	0
Reprinting and Distributing Laws Concerning Education	<u>27,849</u>	<u>28,195</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	0	0	0	0	0
Cash Funds	27,849	28,195	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
SUBTOTAL - (A) Administration and Centrally- Appropriated Line Items	17,426,384	19,255,226	30,643,719	33,192,266	35,734,214
FTE	<u>67.9</u>	<u>71.0</u>	<u>45.5</u>	<u>48.4</u>	<u>48.4</u>
General Fund	10,074,797	9,686,997	13,608,014	14,860,129	16,321,510
General Fund Exempt	0	0	71,019	215,670	71,551
Cash Funds	3,141,099	4,750,850	4,289,108	4,366,796	4,645,582
Reappropriated Funds	4,210,488	4,817,379	5,265,870	5,870,267	6,085,797
Federal Funds	0	0	7,409,708	7,879,404	8,609,774

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	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
(B) Information Technology					
Information Technology Services	<u>4,561,455</u>	<u>4,798,563</u>	<u>5,751,263</u>	<u>5,625,689</u>	<u>5,625,689</u>
FTE	30.9	25.3	35.9	35.9	35.9
General Fund	4,461,031	4,798,563	4,965,539	5,089,965	5,089,965
Cash Funds	0	0	250,000	0	0
Reappropriated Funds	100,424	0	535,724	535,724	535,724
Federal Funds	0	0	0	0	0
Payments to OIT	<u>964,619</u>	<u>584,911</u>	<u>1,360,825</u>	<u>1,699,178</u>	<u>1,689,234</u>
General Fund	566,379	323,133	763,344	953,139	947,562
Cash Funds	150,733	119,710	273,226	341,163	339,166
Reappropriated Funds	247,507	142,068	324,255	404,876	402,506
Federal Funds	0	0	0	0	0
IT Accessibility	<u>0</u>	<u>0</u>	<u>2,929,144</u>	<u>0</u>	<u>0</u>
FTE	0.0	0.0	1.8	1.8	0.0
General Fund	0	0	2,346,830	0	0
Cash Funds	0	0	582,314	0	0
Reappropriated Funds	0	0	0	0	0
Information Technology Asset Maintenance	<u>950,967</u>	<u>969,147</u>	<u>969,147</u>	<u>969,147</u>	<u>969,147</u>
General Fund	950,967	969,147	969,147	969,147	969,147
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

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	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
Disaster Recovery	<u>18,925</u>	<u>18,585</u>	<u>19,722</u>	<u>19,722</u>	<u>19,722</u>
General Fund	18,925	18,585	19,722	19,722	19,722
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
CORE Operations	<u>240,722</u>	<u>245,466</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	120,350	122,722	0	0	0
Cash Funds	93,258	95,096	0	0	0
Reappropriated Funds	27,114	27,648	0	0	0
Federal Funds	0	0	0	0	0
SUBTOTAL - (B) Information Technology	6,736,688	6,616,672	11,030,101	8,313,736	8,303,792
FTE	<u>30.9</u>	<u>25.3</u>	<u>37.7</u>	<u>37.7</u>	<u>35.9</u>
General Fund	6,117,652	6,232,150	9,064,582	7,031,973	7,026,396
Cash Funds	243,991	214,806	1,105,540	341,163	339,166
Reappropriated Funds	375,045	169,716	859,979	940,600	938,230
Federal Funds	0	0	0	0	0

(C) Special Purpose

BOCES Funding per Section 22-5-122, C.R.S.	<u>0</u>	<u>0</u>	<u>3,322,985</u>	<u>3,327,275</u>	<u>3,327,275</u>
FTE	0.0	0.0	1.0	1.0	1.0
General Fund	0	0	0	0	0
Cash Funds	0	0	3,322,985	3,327,275	3,327,275
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

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	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
Interstate Compact on Educational Opportunity for Military Children	<u>0</u>	<u>0</u>	<u>21,298</u>	<u>21,298</u>	<u>21,298</u>
Cash Funds	0	0	21,298	21,298	21,298
Reprinting and Distributing Laws Concerning Education	<u>0</u>	<u>0</u>	<u>35,480</u>	<u>35,480</u>	<u>35,480</u>
Cash Funds	0	0	35,480	35,480	35,480
Secondary School Student Substance Use Committee	<u>0</u>	<u>0</u>	<u>49,950</u>	<u>0</u>	<u>0</u>
FTE	0.0	0.0	0.2	0.0	0.0
General Fund	0	0	49,950	0	0
S.B. 23-029 School Discipline Task Force	<u>0</u>	<u>0</u>	<u>164,398</u>	<u>0</u>	<u>0</u>
FTE	0.0	0.0	0.5	0.0	0.0
General Fund	0	0	164,398	0	0
Colorado Student Leaders Institute	<u>0</u>	<u>0</u>	<u>227,009</u>	<u>227,753</u>	<u>227,753</u>
FTE	0.0	0.0	0.1	0.1	0.1
General Fund	0	0	227,009	227,753	227,753
SUBTOTAL - (C) Special Purpose	0	0	3,821,120	3,611,806	3,611,806
FTE	<u>0.0</u>	<u>0.0</u>	<u>1.8</u>	<u>1.1</u>	<u>1.1</u>
General Fund	0	0	441,357	227,753	227,753
Cash Funds	0	0	3,379,763	3,384,053	3,384,053
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

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	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
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(D) Indirect Cost Assessment

Indirect Cost Assessment	<u>0</u>	<u>0</u>	<u>826,788</u>	<u>886,498</u>	<u>886,498</u>
Cash Funds	0	0	451,269	510,979	510,979
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	375,519	375,519	375,519

SUBTOTAL - (D) Indirect Cost Assessment	0	0	826,788	886,498	886,498
FTE	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Cash Funds	0	0	451,269	510,979	510,979
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	375,519	375,519	375,519

(X) State Charter School Institute

Department Implementation of Section 22-30.5-501 et seq., C.R.S. - OLD	<u>184,486</u>	<u>173,524</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	1.6	1.0	0.0	0.0	0.0
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	184,486	173,524	0	0	0
Federal Funds	0	0	0	0	0
 CSI Mill Levy Equalization - OLD	 <u>18,000,000</u>	 <u>34,209,918</u>	 <u>0</u>	 <u>0</u>	 <u>0</u>
General Fund	9,000,000	17,000,000	0	0	0
Cash Funds	0	209,918	0	0	0
Reappropriated Funds	9,000,000	17,000,000	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2024-25
Staff Working Document - Does Not Represent Committee Decision

	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
State Charter School Institute Administration, Oversight, and Management - OLD	<u>5,287,870</u>	<u>6,564,419</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	11.7	24.8	0.0	0.0	0.0
General Fund	0	0	0	0	0
Cash Funds	1,787,870	1,564,419	0	0	0
Reappropriated Funds	3,500,000	5,000,000	0	0	0
Institute Charter School Assistance Fund - OLD	<u>1,726,924</u>	<u>2,528,720</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	0	0	0	0	0
Cash Funds	1,726,924	2,528,720	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Other Transfers to Institute Charter Schools - OLD	<u>29,451,982</u>	<u>24,128,763</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	0.0	2.9	0.0	0.0	0.0
General Fund	0	0	0	0	0
Cash Funds	20,451,982	2,628,763	0	0	0
Reappropriated Funds	9,000,000	21,500,000	0	0	0
Federal Funds	0	0	0	0	0
Transfer of Federal Moneys to Institute Charter Schools - OLD	<u>27,174,290</u>	<u>19,243,053</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	4.5	1.0	0.0	0.0	0.0
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	27,174,290	19,243,053	0	0	0

JBC Staff Figure Setting - FY 2024-25
Staff Working Document - Does Not Represent Committee Decision

	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
Distribution to Institute Charter Schools pursuant to Section 22-30.5-513 (11), C.R.S. - OLD	<u>0</u>	<u>375,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	0	375,000	0	0	0
Reappropriated Funds	0	0	0	0	0
SUBTOTAL - (X) State Charter School Institute	81,825,552	87,223,397	0	0	0
FTE	<u>17.8</u>	<u>29.7</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
General Fund	9,000,000	17,375,000	0	0	0
Cash Funds	23,966,776	6,931,820	0	0	0
Reappropriated Funds	21,684,486	43,673,524	0	0	0
Federal Funds	27,174,290	19,243,053	0	0	0

(X) Assessments and Data Analyses

Longitudinal Analyses of Student Assessment Results

- OLD	<u>660,607</u>	<u>793,516</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	4.1	4.0	0.0	0.0	0.0
General Fund	450,591	669,456	0	0	0
Cash Funds	210,016	124,060	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

Preschool to Postsecondary Education Alignment -

OLD	<u>632,533</u>	<u>659,388</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	4.0	3.9	0.0	0.0	0.0
General Fund	17,431	18,833	0	0	0
Cash Funds	615,102	640,555	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2024-25
Staff Working Document - Does Not Represent Committee Decision

	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
Educator Effectiveness Unit Administration - OLD	<u>2,693,294</u>	<u>3,197,983</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	16.6	15.5	0.0	0.0	0.0
General Fund	2,568,363	3,068,616	0	0	0
Cash Funds	124,931	129,367	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Accountability and Improvement Planning - OLD	<u>1,101,922</u>	<u>1,226,784</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	11.4	5.8	0.0	0.0	0.0
General Fund	1,101,922	1,226,784	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Statewide Assessment Program - OLD	<u>27,618,948</u>	<u>29,762,511</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	16.5	17.9	0.0	0.0	0.0
General Fund	0	0	0	0	0
Cash Funds	22,063,041	18,952,413	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	5,555,907	10,810,098	0	0	0
Basic Skills Placement or Assessment Tests - OLD	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2024-25
Staff Working Document - Does Not Represent Committee Decision

	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
SUBTOTAL - (X) Assessments and Data					
Analyses	32,707,304	35,640,182	0	0	0
<i>FTE</i>	<u>52.6</u>	<u>47.1</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
General Fund	4,138,307	4,983,689	0	0	0
Cash Funds	23,013,090	19,846,395	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	5,555,907	10,810,098	0	0	0
TOTAL - (1) Management and Administration					
<i>FTE</i>	<u>169.2</u>	<u>173.1</u>	<u>85.0</u>	<u>87.2</u>	<u>85.4</u>
General Fund	29,330,756	38,277,836	23,113,953	22,119,855	23,575,659
General Fund Exempt	0	0	71,019	215,670	71,551
Cash Funds	50,364,956	31,743,871	9,225,680	8,602,991	8,879,780
Reappropriated Funds	26,270,019	48,660,619	6,125,849	6,810,867	7,024,027
Federal Funds	32,730,197	30,053,151	7,785,227	8,254,923	8,985,293

JBC Staff Figure Setting - FY 2024-25
Staff Working Document - Does Not Represent Committee Decision

	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
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(2) STATEWIDE ASSESSMENT PROGRAM

Funding for the staff, operating expenses, and contract expenses associated with the State's standardized assessments.

Statewide Assessment Program	<u>0</u>	<u>0</u>	<u>33,291,308</u>	<u>33,390,666</u>	<u>31,799,823</u>
FTE	0.0	0.0	16.5	16.5	19.9
General Fund	0	0	0	0	0
Cash Funds	0	0	26,000,279	26,012,967	24,297,797
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	7,291,029	7,377,699	7,502,026

TOTAL - (2) Statewide Assessment Program	<u>0</u>	<u>0</u>	<u>33,291,308</u>	<u>33,390,666</u>	<u>31,799,823</u>
FTE	<u>0.0</u>	<u>0.0</u>	<u>16.5</u>	<u>16.5</u>	<u>19.9</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	26,000,279	26,012,967	24,297,797
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	7,291,029	7,377,699	7,502,026

JBC Staff Figure Setting - FY 2024-25
Staff Working Document - Does Not Represent Committee Decision

	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
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(3) SCHOOL DISTRICT OPERATIONS

This section provides funding that is distributed to public schools and school districts, as well as funding for Department staff who administer this funding or who provide direct support to schools and school districts.

(A) Public School Finance

Administration	<u>1,867,742</u>	<u>1,932,724</u>	<u>15,043,891</u>	<u>2,071,835</u>	<u>2,071,835</u> *
FTE	17.4	15.1	15.5	14.7	14.7
General Fund	1,775,457	1,853,111	1,737,074	1,937,473	1,937,473
Cash Funds	92,285	79,613	13,306,817	134,362	134,362
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Financial Transparency System Maintenance	<u>76,208</u>	<u>87,884</u>	<u>89,172</u>	<u>92,786</u>	<u>92,786</u>
FTE	1.0	0.8	1.0	1.0	1.0
Cash Funds	76,208	87,884	89,172	92,786	92,786
State Share of Districts' Total Program Funding	<u>4,708,971,499</u>	<u>4,990,054,616</u>	<u>4,996,063,570</u>	<u>5,370,809,149</u>	<u>5,108,010,038</u> *
General Fund	2,994,934,217	4,238,686,861	3,057,493,696	3,082,493,696	3,057,493,696
General Fund Exempt	1,045,914,612	0	1,181,193,165	1,181,193,165	1,181,193,165
Cash Funds	668,122,670	751,367,755	757,376,709	1,107,122,288	869,323,177
School Finance Audit Payments	<u>517,486</u>	<u>205,165</u>	<u>6,653,150</u>	<u>3,000,000</u>	<u>3,000,000</u>
Cash Funds	517,486	205,165	6,653,150	3,000,000	3,000,000
At-risk Per Pupil Additional Funding	<u>5,000,000</u>	<u>5,000,000</u>	<u>5,000,000</u>	<u>5,000,000</u>	<u>5,000,000</u>
Cash Funds	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
At-risk Supplemental Aid	<u>4,686,853</u>	<u>4,077,711</u>	<u>5,844,358</u>	<u>5,844,358</u>	<u>5,844,358</u> *
Cash Funds	4,686,853	4,077,711	5,844,358	5,844,358	5,844,358

JBC Staff Figure Setting - FY 2024-25
Staff Working Document - Does Not Represent Committee Decision

	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
District Per Pupil Reimbursements for Juveniles Held in Jail	<u>0</u>	<u>0</u>	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	10,000	10,000	10,000
Additional Funding for Rural Districts and Institute Charter Schools	<u>29,999,974</u>	<u>34,999,962</u>	<u>30,000,000</u>	<u>0</u>	<u>0</u>
Cash Funds	29,999,974	34,999,962	30,000,000	0	0
Mill Levy Override Matching Pursuant to Sec. 22-54-107.9, C.R.S.	<u>0</u>	<u>9,999,981</u>	<u>23,376,536</u>	<u>23,376,536</u>	<u>0</u>
Cash Funds	0	9,999,981	23,376,536	23,376,536	0
Contingency Reserve Fund	<u>0</u>	<u>0</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>
Cash Funds	0	0	1,000,000	1,000,000	1,000,000
Additional At-risk Funding for FY 2021-22 (Sec. 22-54-144, C.R.S.)	<u>91,433,760</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Funds	91,433,760	0	0	0	0
SUBTOTAL - (A) Public School Finance	4,842,553,522	5,046,358,043	5,083,080,677	5,411,204,664	5,125,029,017
FTE	<u>18.4</u>	<u>15.9</u>	<u>16.5</u>	<u>15.7</u>	<u>15.7</u>
General Fund	2,996,709,674	4,240,539,972	3,059,230,770	3,084,431,169	3,059,431,169
General Fund Exempt	1,045,914,612	0	1,181,193,165	1,181,193,165	1,181,193,165
Cash Funds	799,929,236	805,818,071	842,656,742	1,145,580,330	884,404,683
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2024-25
Staff Working Document - Does Not Represent Committee Decision

	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
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(B) Categorical Programs

(1) District Programs Required by Statute

Special Education - Children with Disabilities	<u>406,515,126</u>	<u>492,949,408</u>	<u>497,872,233</u>	<u>516,065,899</u>	<u>524,235,079</u> *
FTE	63.0	90.8	63.0	63.0	100.0
General Fund	93,572,347	93,572,347	93,572,347	93,572,347	93,572,347
Cash Funds	126,582,286	206,582,286	247,285,957	265,010,589	273,179,769
Reappropriated Funds	0	0	191,090	191,090	191,090
Federal Funds	186,360,493	192,794,775	156,822,839	157,291,873	157,291,873
English Language Proficiency Program	<u>35,421,328</u>	<u>36,082,722</u>	<u>42,577,501</u>	<u>45,902,552</u>	<u>42,594,222</u> *
FTE	4.6	3.7	4.6	4.6	4.6
General Fund	3,101,598	3,101,191	3,101,598	3,101,598	3,101,598
Cash Funds	22,156,115	22,156,144	28,192,500	31,500,830	28,192,500
Federal Funds	10,163,615	10,825,387	11,283,403	11,300,124	11,300,124

SUBTOTAL - (1) District Programs Required by Statute	441,936,454	529,032,130	540,449,734	561,968,451	566,829,301
FTE	<u>67.6</u>	<u>94.5</u>	<u>67.6</u>	<u>67.6</u>	<u>104.6</u>
General Fund	96,673,945	96,673,538	96,673,945	96,673,945	96,673,945
Cash Funds	148,738,401	228,738,430	275,478,457	296,511,419	301,372,269
Reappropriated Funds	0	0	191,090	191,090	191,090
Federal Funds	196,524,108	203,620,162	168,106,242	168,591,997	168,591,997

JBC Staff Figure Setting - FY 2024-25
Staff Working Document - Does Not Represent Committee Decision

	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
(2) Other Categorical Programs					
Public School Transportation	<u>63,659,603</u>	<u>64,949,882</u>	<u>68,867,402</u>	<u>71,852,681</u>	<u>68,867,402</u> *
FTE	2.0	2.4	2.0	2.0	2.0
General Fund	36,922,227	36,922,227	36,922,227	36,922,227	36,922,227
Cash Funds	26,737,376	27,983,876	31,907,010	34,892,289	31,907,010
Reappropriated Funds	0	43,779	38,165	38,165	38,165
Transfer to the Department of Higher Education for Distribution of State Assistance for Career and Technical Education					
	<u>28,244,361</u>	<u>28,244,361</u> 2.7	<u>30,514,944</u>	<u>31,993,182</u>	<u>30,514,944</u> *
General Fund	17,792,850	17,792,850	17,792,850	17,792,850	17,792,850
Cash Funds	10,451,511	10,451,511	12,722,094	14,200,332	12,722,094
Special Education Programs for Gifted and Talented Children					
	<u>12,906,870</u>	<u>12,983,116</u>	<u>14,677,532</u>	<u>16,156,758</u>	<u>15,735,647</u> *
FTE	1.5	0.5	1.5	1.5	1.5
General Fund	5,500,000	5,500,000	5,500,000	5,500,000	5,500,000
Cash Funds	7,406,870	7,483,116	9,177,532	10,656,758	10,235,647
Expelled and At-risk Student Services Grant Program					
	<u>9,491,869</u>	<u>9,464,367</u>	<u>9,499,542</u>	<u>9,506,321</u>	<u>9,499,542</u> *
FTE	1.0	3.3	1.0	1.0	1.0
General Fund	5,788,800	5,788,804	5,788,807	5,788,807	5,788,807
Cash Funds	3,703,069	3,675,563	3,710,735	3,717,514	3,710,735
Small Attendance Center Aid					
	<u>1,314,250</u>	<u>1,314,250</u>	<u>1,599,991</u>	<u>1,604,359</u>	<u>1,599,991</u> *
General Fund	787,645	787,645	787,645	787,645	787,645
Cash Funds	526,605	526,605	812,346	816,714	812,346

JBC Staff Figure Setting - FY 2024-25
Staff Working Document - Does Not Represent Committee Decision

	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
Comprehensive Health Education	<u>986,599</u>	<u>1,010,222</u>	<u>1,134,284</u>	<u>1,147,143</u>	<u>1,134,284</u> *
FTE	1.0	1.6	1.0	1.0	1.0
General Fund	300,000	300,000	300,000	300,000	300,000
Cash Funds	686,599	710,222	834,284	847,143	834,284
SUBTOTAL - (2) Other Categorical Programs	116,603,552	117,966,198	126,293,695	132,260,444	127,351,810
FTE	<u>5.5</u>	<u>10.5</u>	<u>5.5</u>	<u>5.5</u>	<u>5.5</u>
General Fund	67,091,522	67,091,526	67,091,529	67,091,529	67,091,529
Cash Funds	49,512,030	50,830,893	59,164,001	65,130,750	60,222,116
Reappropriated Funds	0	43,779	38,165	38,165	38,165
SUBTOTAL - (B) Categorical Programs	558,540,006	646,998,328	666,743,429	694,228,895	694,181,111
FTE	<u>73.1</u>	<u>105.0</u>	<u>73.1</u>	<u>73.1</u>	<u>110.1</u>
General Fund	163,765,467	163,765,064	163,765,474	163,765,474	163,765,474
Cash Funds	198,250,431	279,569,323	334,642,458	361,642,169	361,594,385
Reappropriated Funds	0	43,779	229,255	229,255	229,255
Federal Funds	196,524,108	203,620,162	168,106,242	168,591,997	168,591,997

(C) Federal and Other Direct Support

Appropriated Sponsored Programs	<u>0</u>	<u>0</u>	<u>694,328,011</u>	<u>695,322,847</u>	<u>503,659,517</u> *
FTE	0.0	0.0	56.1	56.1	59.8
General Fund	0	0	0	0	571,416
Cash Funds	0	0	2,501,087	2,501,087	2,501,087
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	691,826,924	692,821,760	500,587,014

JBC Staff Figure Setting - FY 2024-25
Staff Working Document - Does Not Represent Committee Decision

	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
SUBTOTAL - (C) Federal and Other Direct					
Support	0	0	694,328,011	695,322,847	503,659,517
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>56.1</u>	<u>56.1</u>	<u>59.8</u>
General Fund	0	0	0	0	571,416
Cash Funds	0	0	2,501,087	2,501,087	2,501,087
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	691,826,924	692,821,760	500,587,014

(D) Nutrition

(I) Healthy School Meals for All

Program Administration	<u>0</u>	<u>0</u>	<u>368,088</u>	<u>737,732</u>	<u>887,732</u> *
FTE	0.0	0.0	3.1	4.2	4.2
General Fund	0	0	0	0	95,908
General Fund Exempt	0	0	368,088	737,732	791,824
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
School Meal Reimbursements	<u>0</u>	<u>0</u>	<u>171,017,752</u>	<u>78,500,000</u>	<u>137,483,812</u>
General Fund	0	0	24,556,859	0	27,847,187
General Fund Exempt	0	0	146,460,893	78,500,000	109,636,625
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2024-25
Staff Working Document - Does Not Represent Committee Decision

	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
Local Food Purchasing Grant	<u>0</u>	<u>0</u>	<u>0</u>	<u>9,494,109</u>	<u>5,000,000</u>
General Fund	0	0	0	0	5,000,000
General Fund Exempt	0	0	0	9,494,109	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Local Food Technical Assistance Grant	<u>0</u>	<u>0</u>	<u>0</u>	<u>5,000,000</u>	<u>5,000,000</u>
General Fund	0	0	0	0	5,000,000
General Fund Exempt	0	0	0	5,000,000	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Wage Distributions	<u>0</u>	<u>0</u>	<u>0</u>	<u>7,644,126</u>	<u>8,400,000</u>
General Fund	0	0	0	0	8,400,000
General Fund Exempt	0	0	0	7,644,126	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
SUBTOTAL - (I) Healthy School Meals for All	0	0	171,385,840	101,375,967	156,771,544
FTE	<u>0.0</u>	<u>0.0</u>	<u>3.1</u>	<u>4.2</u>	<u>4.2</u>
General Fund	0	0	24,556,859	0	46,343,095
General Fund Exempt	0	0	146,828,981	101,375,967	110,428,449
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2024-25
Staff Working Document - Does Not Represent Committee Decision

	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
(II) Other Nutrition Programs					
Federal Nutrition Programs	<u>0</u>	<u>0</u>	<u>156,771,616</u>	<u>156,775,300</u>	<u>156,775,300</u>
FTE	0.0	0.0	9.0	9.0	17.0
General Fund	0	0	101,289	104,973	104,973
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	156,670,327	156,670,327	156,670,327
State Match for School Lunch Program	<u>0</u>	<u>0</u>	<u>2,472,644</u>	<u>2,472,644</u>	<u>2,472,644</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	2,472,644	2,472,644	2,472,644
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Child Nutrition School Lunch Protection Program	<u>0</u>	<u>0</u>	<u>2,578,105</u>	<u>2,578,105</u>	<u>850,731</u>
General Fund	0	0	1,727,374	1,727,374	0
Cash Funds	0	0	850,731	850,731	850,731
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Start Smart Nutrition Program Fund	<u>0</u>	<u>0</u>	<u>0</u>	<u>900,000</u>	<u>0</u>
General Fund	0	0	0	900,000	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2024-25
Staff Working Document - Does Not Represent Committee Decision

	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
Smart Start Nutrition Program	<u>0</u>	<u>0</u>	<u>500,000</u>	<u>1,150,000</u>	<u>300,000</u>
FTE	0.0	0.0	0.0	0.0	0.0
General Fund	0	0	0	0	0
Cash Funds	0	0	500,000	1,150,000	300,000
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Local School Food Purchasing Programs	<u>0</u>	<u>0</u>	<u>675,729</u>	<u>0</u>	<u>0</u>
FTE	0.0	0.0	0.4	0.4	0.4
General Fund	0	0	675,729	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Summer Electronic Benefits Transfer for Children Program	<u>0</u>	<u>0</u>	<u>339,740</u>	<u>447,870</u>	<u>447,870</u>
FTE	0.0	0.0	1.8	1.7	1.7
General Fund	0	0	169,870	223,935	223,935
Federal Funds	0	0	169,870	223,935	223,935
SUBTOTAL - (II) Other Nutrition Programs	0	0	163,337,834	164,323,919	160,846,545
FTE	<u>0.0</u>	<u>0.0</u>	<u>11.2</u>	<u>11.1</u>	<u>19.1</u>
General Fund	0	0	2,674,262	2,956,282	328,908
Cash Funds	0	0	3,823,375	4,473,375	3,623,375
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	156,840,197	156,894,262	156,894,262

JBC Staff Figure Setting - FY 2024-25
Staff Working Document - Does Not Represent Committee Decision

	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
SUBTOTAL - (D) Nutrition	0	0	334,723,674	265,699,886	317,618,089
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>14.3</u>	<u>15.3</u>	<u>23.3</u>
General Fund	0	0	27,231,121	2,956,282	46,672,003
General Fund Exempt	0	0	146,828,981	101,375,967	110,428,449
Cash Funds	0	0	3,823,375	4,473,375	3,623,375
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	156,840,197	156,894,262	156,894,262

(E) Capital Construction

Division of Public School Capital Construction

Assistance	<u>0</u>	<u>0</u>	<u>1,646,679</u>	<u>1,726,451</u>	<u>1,719,028</u> *
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>16.0</u>	<u>16.0</u>	<u>16.0</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	1,646,679	1,726,451	1,719,028
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

Public School Capital Construction Assistance Board

- Lease Payments	<u>0</u>	<u>0</u>	<u>125,000,000</u>	<u>125,000,000</u>	<u>125,000,000</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	125,000,000	125,000,000	125,000,000
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2024-25
Staff Working Document - Does Not Represent Committee Decision

	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
Public School Capital Construction Assistance Board					
- Cash Grants	<u>0</u>	<u>0</u>	<u>159,705,220</u>	<u>159,705,220</u>	<u>172,950,000</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	159,705,220	159,705,220	172,950,000
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Financial Assistance Priority Assessment	<u>0</u>	<u>0</u>	<u>150,000</u>	<u>150,000</u>	<u>150,000</u>
Cash Funds	0	0	150,000	150,000	150,000
State Aid for Charter School Facilities	<u>0</u>	<u>0</u>	<u>43,865,416</u>	<u>33,865,416</u>	<u>32,713,468</u>
Cash Funds	0	0	43,865,416	33,865,416	32,713,468
Distributions to School Districts for Projects to Replace Prohibited American Indian Mascots as Required by Section 22-1-133 C.R.S.	<u>0</u>	<u>0</u>	<u>300,000</u>	<u>0</u>	<u>0</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	300,000	0	0
SUBTOTAL - (E) Capital Construction	0	0	330,667,315	320,447,087	332,532,496
FTE	<u>0.0</u>	<u>0.0</u>	<u>16.0</u>	<u>16.0</u>	<u>16.0</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	330,667,315	320,447,087	332,532,496
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2024-25
Staff Working Document - Does Not Represent Committee Decision

	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
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(F) Indirect Cost Assessment

Indirect Cost Assessment	<u>0</u>	<u>0</u>	<u>3,905,863</u>	<u>3,848,077</u>	<u>3,848,077</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	25,000	25,000	25,000
Reappropriated Funds	0	0	55,571	90,177	90,177
Federal Funds	0	0	3,825,292	3,732,900	3,732,900

SUBTOTAL - (F) Indirect Cost Assessment	0	0	3,905,863	3,848,077	3,848,077
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	25,000	25,000	25,000
Reappropriated Funds	0	0	55,571	90,177	90,177
Federal Funds	0	0	3,825,292	3,732,900	3,732,900

(X) Grant Programs, Distributions, and Other Assistance

(I) Health and Nutrition

Federal Nutrition Programs - OLD	<u>397,739,786</u>	<u>262,547,202</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	9.0	16.2	0.0	0.0	0.0
General Fund	99,169	173,229	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	397,640,617	262,373,973	0	0	0

JBC Staff Figure Setting - FY 2024-25
Staff Working Document - Does Not Represent Committee Decision

	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
Child Nutrition School Lunch Protection Program -					
OLD	<u>627</u>	<u>2,082,432</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	627	1,554,837	0	0	0
Cash Funds	0	527,595	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Local School Food Purchasing Programs - OLD	<u>584,778</u>	<u>674,176</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	0.4	0.3	0.0	0.0	0.0
General Fund	584,778	674,176	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Mental Health Education Resource Bank and					
Technical Assistance - OLD	<u>31,013</u>	<u>37,838</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	0.6	0.6	0.0	0.0	0.0
General Fund	31,013	37,838	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Menstrual Hygiene Product Accessibility Grant					
Program -OLD	<u>97,500</u>	<u>99,700</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	0.0	0.0	0.0	0.0	0.0
General Fund	97,500	99,700	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2024-25
Staff Working Document - Does Not Represent Committee Decision

	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
State Match for School Lunch Program	<u>2,472,644</u>	<u>2,472,644</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	0.0	0.0	0.0	0.0	0.0
General Fund	0	0	0	0	0
Cash Funds	2,472,644	2,472,644	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Start Smart Nutrition Program	<u>361</u>	<u>691,927</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	0.0	0.1	0.0	0.0	0.0
General Fund	0	0	0	0	0
Cash Funds	361	691,927	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Health Meals for All Public School Students - OLD	<u>0</u>	<u>102,514</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	0.0	0.2	0.0	0.0	0.0
General Fund	0	102,514	0	0	0
General Fund Exempt	0	0	0	0	0
S.B. 97-101 Public School Health Services - OLD	<u>182,668</u>	<u>182,351</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	1.4	1.4	0.0	0.0	0.0
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	182,668	182,351	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2024-25
Staff Working Document - Does Not Represent Committee Decision

	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
Behavioral Health Care Professional Matching Grant					
Program - OLD	<u>14,878,927</u>	<u>14,710,228</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	5.0	5.0	0.0	0.0	0.0
General Fund	0	0	0	0	0
Cash Funds	14,878,927	14,710,228	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
K-5 Social and Emotional Health Pilot Program - OLD	<u>2,441,681</u>	<u>2,450,956</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	0.0	1.0	0.0	0.0	0.0
General Fund	0	0	0	0	0
Cash Funds	2,441,681	2,450,956	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
SUBTOTAL - (I) Health and Nutrition	418,429,985	286,051,968	0	0	0
FTE	<u>16.4</u>	<u>25.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
General Fund	813,087	2,642,294	0	0	0
General Fund Exempt	0	0	0	0	0
Cash Funds	19,793,613	20,853,350	0	0	0
Reappropriated Funds	182,668	182,351	0	0	0
Federal Funds	397,640,617	262,373,973	0	0	0

JBC Staff Figure Setting - FY 2024-25
Staff Working Document - Does Not Represent Committee Decision

	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
(II) Capital Construction					
Division of Public School Capital Construction					
Assistance - OLD	<u>1,355,875</u>	<u>1,560,040</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	15.0	15.6	0.0	0.0	0.0
General Fund	0	0	0	0	0
Cash Funds	1,355,875	1,560,040	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Public School Capital Construction Assistance Board					
- Lease Payments - OLD	<u>97,642,462</u>	<u>93,867,501</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	0	0	0	0	0
Cash Funds	97,642,462	93,867,501	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Public School Capital Construction Assistance Board					
- Cash Grants - OLD	<u>85,758,504</u>	<u>83,780,576</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	0	0	0	0	0
Cash Funds	85,758,504	83,780,576	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Financial Assistance Priority Assessment - OLD	<u>129,000</u>	<u>144,800</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	0	0	0	0	0
Cash Funds	129,000	144,800	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2024-25
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	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
State Aid for Charter School Facilities - OLD	<u>31,044,189</u>	<u>38,609,666</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	0	0	0	0	0
Cash Funds	31,044,189	38,609,666	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
SUBTOTAL - (II) Capital Construction	215,930,030	217,962,583	0	0	0
FTE	<u>15.0</u>	<u>15.6</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
General Fund	0	0	0	0	0
Cash Funds	215,930,030	217,962,583	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

(III) Reading and Literacy

Early Literacy Program Administration and Technical

Support - OLD	<u>986,503</u>	<u>1,092,553</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	8.8	8.3	0.0	0.0	0.0
General Fund	0	0	0	0	0
Cash Funds	986,503	1,092,553	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

Early Literacy Competitive Grant Program - OLD

FTE	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
General Fund	0	0	0	0	0
Cash Funds	7,500,000	6,885,234	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2024-25
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	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
Early Literacy Program Evidence Based Training					
Provided to Teachers - OLD	<u>1,020,261</u>	<u>1,373,958</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	3.5	6.5	0.0	0.0	0.0
General Fund	0	0	0	0	0
Cash Funds	1,020,261	1,373,958	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Early Literacy Program External Evaluation - OLD	<u>750,000</u>	<u>750,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	0	0	0	0	0
Cash Funds	750,000	750,000	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Early Literacy Program Public Information					
Campaign - OLD	<u>489,897</u>	<u>495,020</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	0.5	0.6	0.0	0.0	0.0
General Fund	0	0	0	0	0
Cash Funds	489,897	495,020	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Early Literacy Program Per Pupil Intervention					
Funding - OLD	<u>26,261,551</u>	<u>26,243,224</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	0.0	0.0	0.0	0.0	0.0
General Fund	0	0	0	0	0
Cash Funds	26,261,551	26,243,224	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2024-25
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	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
Early Literacy Assessment Tool Program - OLD	<u>2,660,776</u>	<u>2,197,606</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	0	0	0	0	0
Cash Funds	2,660,776	2,197,606	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Adult Education and Literacy Grant Program - OLD	<u>1,177,055</u>	<u>1,761,740</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	1.0	2.3	0.0	0.0	0.0
General Fund	970,353	1,761,740	0	0	0
Cash Funds	206,702	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
SUBTOTAL - (III) Reading and Literacy	40,846,043	40,799,335	0	0	0
FTE	<u>13.8</u>	<u>17.7</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
General Fund	970,353	1,761,740	0	0	0
Cash Funds	39,875,690	39,037,595	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

(IV) Professional Development and Instructional Support

Content Specialists - OLD	<u>617,698</u>	<u>475,816</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	5.1	3.2	0.0	0.0	0.0
General Fund	91,610	0	0	0	0
Cash Funds	526,088	475,816	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2024-25
Staff Working Document - Does Not Represent Committee Decision

	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
Bullying Prevention - OLD	<u>2,000,000</u>	<u>2,000,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	0.0	0.3	0.0	0.0	0.0
General Fund	1,000,000	1,000,000	0	0	0
Cash Funds	1,000,000	1,000,000	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Office of Dropout Prevention and Student Reengagement	<u>2,943,884</u>	<u>3,143,878</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	2.2	1.5	0.0	0.0	0.0
General Fund	938,375	1,134,235	0	0	0
Cash Funds	2,005,509	2,009,643	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Ninth Grade Success Grant Program	<u>699,788</u>	<u>774,136</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	0.6	0.3	0.0	0.0	0.0
General Fund	699,788	774,136	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Quality Teacher Recruitment Program	<u>2,913,217</u>	<u>2,936,491</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	2,913,217	2,936,491	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2024-25
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	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
Working Group for Identification of and Educational					
Support for Students with Dyslexia	<u>35,276</u>	<u>35,563</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	35,276	35,563	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
School Leadership Pilot Program	<u>283,112</u>	<u>224,122</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	1.0	1.2	0.0	0.0	0.0
General Fund	283,112	224,122	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Local Accountability System Grant Program	<u>486,170</u>	<u>556,642</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	0.4	0.4	0.0	0.0	0.0
General Fund	486,170	556,642	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
School Transformation Grant Program	<u>4,396,749</u>	<u>6,371,210</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	3.0	3.8	0.0	0.0	0.0
General Fund	2,392,640	4,399,005	0	0	0
Cash Funds	2,004,109	1,972,205	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2024-25
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	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
Accelerated College Opportunity Exam Fee Grant					
Program - OLD	<u>510,140</u>	<u>559,637</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	0.4	0.2	0.0	0.0	0.0
General Fund	510,140	559,637	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Educator Perception - OLD	<u>111,897</u>	<u>20,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	111,897	20,000	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
English Language Learners - OLD	<u>379,667</u>	<u>391,548</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	5.0	3.5	0.0	0.0	0.0
General Fund	328,942	343,988	0	0	0
Cash Funds	50,725	47,560	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Dyslexia Markers Pilot Program - OLD	<u>126,574</u>	<u>127,515</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	126,574	127,515	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2024-25
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	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
Comprehensive Quality Physical Education					
Instruction Pilot Program - OLD	<u>327,536</u>	<u>340,826</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	0.0	0.3	0.0	0.0	0.0
General Fund	0	0	0	0	0
Cash Funds	327,536	340,826	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Computer Science Education Grants - OLD	<u>610,922</u>	<u>702,315</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	0.4	0.9	0.0	0.0	0.0
General Fund	99,344	250,000	0	0	0
Cash Funds	511,578	452,315	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
SUBTOTAL - (IV) Professional Development and Instructional Support	16,442,630	18,659,699	0	0	0
FTE	<u>18.1</u>	<u>15.6</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
General Fund	10,017,085	12,361,334	0	0	0
Cash Funds	6,425,545	6,298,365	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2024-25
Staff Working Document - Does Not Represent Committee Decision

	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
(V) Facility Schools					
Facility Schools Unit and Facility Schools Board -					
OLD	<u>322,083</u>	<u>311,309</u>	<u>0</u>	<u>0</u>	
FTE	3.0	1.5	0.0	0.0	
General Fund	0	0	0	0	
Cash Funds	0	0	0	0	
Reappropriated Funds	322,083	311,309	0	0	
Federal Funds	0	0	0	0	
Facility School Funding - OLD	<u>9,958,483</u>	<u>15,209,428</u>	<u>0</u>	<u>0</u>	
General Fund	0	0	0	0	
Cash Funds	9,958,483	15,209,428	0	0	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	
State School Funding	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	
Cash Funds	0	0	0	0	
Supplemental Payments to Facility Schools - OLD	<u>5,749,599</u>	<u>0</u>	<u>0</u>	<u>0</u>	
General Fund	5,749,599	0	0	0	
Cash Funds	0	0	0	0	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	

JBC Staff Figure Setting - FY 2024-25
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	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
SUBTOTAL - (V) Facility Schools	16,030,165	15,520,737	0	0	
<i>FTE</i>	<u>3.0</u>	<u>1.5</u>	<u>0.0</u>	<u>0.0</u>	
General Fund	5,749,599	0	0	0	
Cash Funds	9,958,483	15,209,428	0	0	
Reappropriated Funds	322,083	311,309	0	0	
Federal Funds	0	0	0	0	

(VI) Other Assistance

Educator Recruitment and Retention Program -

Financial Assistance	<u>362,047</u>	<u>4,513,589</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	0.0	0.0	0.0	0.0	0.0
General Fund	362,047	4,513,589	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

College and Career Readiness - OLD

FTE	<u>1.9</u>	<u>1.6</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
General Fund	225,888	321,901	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2024-25
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	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
Colorado High-impact Tutoring Program - OLD	<u>4,943,720</u>	<u>4,982,375</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	1.1	1.0	0.0	0.0	0.0
General Fund	4,943,720	4,982,375	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
John W. Buckner Automatic Enrollment in Advanced Courses Grant Program	<u>182,449</u>	<u>242,504</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	0.3	0.3	0.0	0.0	0.0
General Fund	182,449	242,504	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
High School Innovative Learning Pilot Program	<u>218,620</u>	<u>240,950</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	0.6	0.9	0.0	0.0	0.0
General Fund	218,620	240,950	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Fourth-year Innovation Pilot Program - Distributions to LEPs	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	0	0	0	0	0

JBC Staff Figure Setting - FY 2024-25
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	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
Parents Encouraging Parents Conferences	<u>0</u>	<u>19,602</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	0	19,602	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
 Career Development Success Program - OLD	 <u>6,255,646</u>	 <u>4,519,990</u>	 <u>0</u>	 <u>0</u>	 <u>0</u>
General Fund	4,505,647	4,519,990	0	0	0
Cash Funds	1,749,999	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
 Colorado Career Advisor Training Program - OLD	 <u>0</u>	 <u>1,000,000</u>	 <u>0</u>	 <u>0</u>	 <u>0</u>
General Fund	0	1,000,000	0	0	0
 Appropriated Sponsored Programs - OLD	 <u>775,826,034</u>	 <u>755,016,159</u>	 <u>0</u>	 <u>0</u>	 <u>0</u>
FTE	62.1	102.5	0.0	0.0	0.0
Cash Funds	1,460,627	1,245,808	0	0	0
Reappropriated Funds	6,888,983	0	0	0	0
Federal Funds	767,476,424	753,770,351	0	0	0
 School Counselor Corps Grant Program	 <u>10,238,922</u>	 <u>12,082,462</u>	 <u>0</u>	 <u>0</u>	 <u>0</u>
FTE	2.0	3.2	0.0	0.0	0.0
General Fund	155,342	142,100	0	0	0
Cash Funds	10,083,580	11,940,362	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

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	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
BOCES Funding per Section 22-5-122, C.R.S. - OLD	<u>3,238,426</u>	<u>3,250,492</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	1.0	1.0	0.0	0.0	0.0
General Fund	0	0	0	0	0
Cash Funds	3,238,426	3,250,492	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Contingency Reserve Fund - OLD	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	0.0	0.0	0.0	0.0	0.0
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Supplemental On-line Education Services	<u>1,220,000</u>	<u>1,220,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	0.0	0.0	0.0	0.0	0.0
General Fund	0	0	0	0	0
Cash Funds	1,220,000	1,220,000	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Connecting Colorado Students Grant Program Fund - OLD	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	0.0	0.0	0.0	0.0	0.0
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2024-25
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	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
Teacher Recruitment Education and Preparation					
Program	<u>43,741</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	0.0	0.0	0.0	0.0	0.0
General Fund	43,741	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Interstate Compact on Educational Opportunity for					
Military Children	<u>21,198</u>	<u>21,298</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	0.0	0.0	0.0	0.0	0.0
General Fund	0	0	0	0	0
Cash Funds	21,198	21,298	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Workforce Diploma Pilot Program	<u>202,665</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	0.2	0.0	0.0	0.0	0.0
General Fund	202,665	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2024-25
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	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
Concurrent Enrollment Expansion and Innovation					
Grant Program - OLD	<u>1,572,690</u>	<u>1,422,603</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	0.5	0.0	0.0	0.0	0.0
General Fund	0	0	0	0	0
Cash Funds	1,572,690	1,422,603	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Early Childhood Program Transition - OLD	<u>96,867</u>	<u>12,135</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	0.9	0.0	0.0	0.0	0.0
General Fund	96,867	12,135	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Student Safety Grants	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	0.0	0.0	0.0	0.0	0.0
General Fund	0	0	0	0	0
Financial Aid Training Stipends and Resource Bank	<u>0</u>	<u>54,419</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	0.0	0.0	0.0	0.0	0.0
General Fund	0	54,419	0	0	0
Postsecondary, Workforce Career, and Education					
Grant and Readiness Program	<u>0</u>	<u>287,795</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	0.0	0.0	0.0	0.0	0.0
General Fund	0	287,795	0	0	0

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	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
SUBTOTAL - (VI) Other Assistance	804,648,913	789,208,274	0	0	0
<i>FTE</i>	<u>70.6</u>	<u>110.5</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
General Fund	10,936,986	16,337,360	0	0	0
Cash Funds	19,346,520	19,100,563	0	0	0
Reappropriated Funds	6,888,983	0	0	0	0
Federal Funds	767,476,424	753,770,351	0	0	0
SUBTOTAL - (X) Grant Programs, Distributions, and Other Assistance	1,512,327,766	1,368,202,596	0	0	0
<i>FTE</i>	<u>136.9</u>	<u>185.9</u>	<u>0.0</u>	<u>0.0</u>	<u>NaN</u>
General Fund	28,487,110	33,102,728	0	0	0
General Fund Exempt	0	0	0	0	0
Cash Funds	311,329,881	318,461,884	0	0	0
Reappropriated Funds	7,393,734	493,660	0	0	0
Federal Funds	1,165,117,041	1,016,144,324	0	0	0
TOTAL - (3) School District Operations	6,913,421,294	7,061,558,967	7,113,448,969	7,390,751,456	6,976,868,307
<i>FTE</i>	<u>228.4</u>	<u>306.8</u>	<u>176.0</u>	<u>176.2</u>	<u>224.9</u>
General Fund	3,188,962,251	4,437,407,764	3,250,227,365	3,251,152,925	3,270,440,062
General Fund Exempt	1,045,914,612	0	1,328,022,146	1,282,569,132	1,291,621,614
Cash Funds	1,309,509,548	1,403,849,278	1,514,315,977	1,834,669,048	1,584,681,026
Reappropriated Funds	7,393,734	537,439	284,826	319,432	319,432
Federal Funds	1,361,641,149	1,219,764,486	1,020,598,655	1,022,040,919	829,806,173

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	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
(4) EDUCATOR TALENT					
Funding for the Office of Professional Services and programs related to educator effectiveness.					
Office of Professional Services	<u>0</u>	<u>0</u>	<u>3,526,520</u>	<u>3,621,295</u>	<u>3,621,295</u>
FTE	0.0	0.0	27.0	27.2	27.2
General Fund	0	0	770,901	778,174	778,174
Cash Funds	0	0	2,755,619	2,843,121	2,843,121
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
 Educator Effectiveness Unit Administration	 <u>0</u>	 <u>0</u>	 <u>3,459,032</u>	 <u>3,547,491</u>	 <u>3,547,491</u>
FTE	0.0	0.0	18.2	18.2	18.2
General Fund	0	0	3,325,145	3,403,889	3,403,889
Cash Funds	0	0	133,887	143,602	143,602
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
 Quality Teacher Recruitment Program	 <u>0</u>	 <u>0</u>	 <u>3,000,000</u>	 <u>3,000,000</u>	 <u>3,000,000</u>
General Fund	0	0	3,000,000	3,000,000	3,000,000
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
 Educator Recruitment and Retention Program	 <u>0</u>	 <u>0</u>	 <u>5,000,000</u>	 <u>5,000,000</u>	 <u>5,000,000</u>
General Fund	0	0	5,000,000	5,000,000	5,000,000
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

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	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
School Leadership Pilot Program	<u>0</u>	<u>0</u>	<u>250,000</u>	<u>254,865</u>	<u>250,000</u>
FTE	0.0	0.0	1.2	1.2	1.2
General Fund	0	0	250,000	254,865	250,000
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Teacher Degree Apprenticeship Program	<u>0</u>	<u>0</u>	<u>89,699</u>	<u>103,949</u>	<u>103,949</u>
FTE	0.0	0.0	0.8	1.0	1.0
General Fund	0	0	89,699	103,949	103,949
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Teacher Mentorship Grant Program	<u>0</u>	<u>0</u>	<u>0</u>	<u>3,132,271</u>	<u>0</u> *
FTE	0.0	0.0	0.0	1.2	0.0
General Fund	0	0	0	3,132,271	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
TOTAL - (4) Educator Talent	0	0	15,325,251	18,659,871	15,522,735
FTE	<u>0.0</u>	<u>0.0</u>	<u>47.2</u>	<u>48.8</u>	<u>47.6</u>
General Fund	0	0	12,435,745	15,673,148	12,536,012
Cash Funds	0	0	2,889,506	2,986,723	2,986,723
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2024-25
Staff Working Document - Does Not Represent Committee Decision

	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
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(5) STUDENT LEARNING

Funding for learning supports, intervention, planning, early literacy, and facility schools.

(A) Learning Supports, Intervention, and Planning

Preschool to Postsecondary Education Alignment	<u>0</u>	<u>0</u>	<u>744,238</u>	<u>739,254</u>	<u>739,254</u>
FTE	0.0	0.0	4.0	4.0	4.0
General Fund	0	0	81,584	38,331	38,331
Cash Funds	0	0	662,654	700,923	700,923
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Computer Science Education Grants	<u>0</u>	<u>0</u>	<u>559,403 0.4</u>	<u>564,621 0.4</u>	<u>564,621 0.4</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	559,403	564,621	564,621
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Colorado High-impact Tutoring Program	<u>0</u>	<u>0</u>	<u>4,410,056 1.2</u>	<u>4,988,859 1.2</u>	<u>4,988,859 1.2</u>
General Fund	0	0	4,410,056	4,988,859	4,988,859
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2024-25
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	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
Content Specialists	<u>0</u>	<u>0</u>	<u>655,005</u>	<u>574,006</u>	<u>574,006</u>
FTE	0.0	0.0	5.0	5.0	5.0
General Fund	0	0	99,824	7,650	7,650
Cash Funds	0	0	555,181	566,356	566,356
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
School Bullying Prevention and Education Cash					
Fund	<u>0</u>	<u>0</u>	<u>2,000,000</u>	<u>2,000,000</u>	<u>2,000,000</u>
General Fund	0	0	1,000,000	1,000,000	1,000,000
Cash Funds	0	0	1,000,000	1,000,000	1,000,000
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Working Group for Identification of and Educational					
Support for Students with Dyslexia	<u>0</u>	<u>0</u>	<u>40,616</u>	<u>40,616</u>	<u>40,616</u>
General Fund	0	0	40,616	40,616	40,616
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
English Language Learners Technical Assistance	<u>0</u>	<u>0</u>	<u>417,778 5.0</u>	<u>436,600 5.0</u>	<u>436,600 5.0</u>
General Fund	0	0	358,659	377,481	377,481
Cash Funds	0	0	59,119	59,119	59,119
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2024-25
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	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
Parents Encouraging Parents Conferences	<u>0</u>	<u>0</u>	<u>68,000</u>	<u>68,000</u>	<u>68,000</u>
General Fund	0	0	68,000	68,000	68,000
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Restraint Complaint H.B. 22-1376	<u>0</u>	<u>0</u>	<u>122,501 1.0</u>	<u>122,501 1.0</u>	<u>122,501 1.0</u>
General Fund	0	0	122,501	122,501	122,501
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
School Climate H.B. 22-1376	<u>0</u>	<u>0</u>	<u>99,217</u>	<u>102,264</u>	<u>102,264 1.0</u>
General Fund	0	0	99,217	102,264	102,264
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Legal Representation for Due Process Complaints					
Pursuant to Sec. 22-20-108 (3), C.R.S.	<u>0</u>	<u>0</u>	<u>33,260</u>	<u>20,000</u>	<u>20,000</u>
General Fund	0	0	33,260	20,000	20,000
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2024-25
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	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
Math Educator Training and Improvement Planning	<u>0</u>	<u>0</u>	<u>594,530</u>	<u>470,892</u>	<u>470,892</u>
FTE	0.0	0.0	3.2	3.5	3.5
General Fund	0	0	594,530	470,892	470,892
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Expulsion Hearing Officer Training and Support	<u>0</u>	<u>0</u>	<u>162,720</u>	<u>113,949</u>	<u>113,949</u>
FTE	0.0	0.0	0.9	1.0	1.0
General Fund	0	0	162,720	113,949	113,949
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Early Childhood Program Transition	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
SUBTOTAL - (A) Learning Supports, Intervention, and Planning	0	0	9,907,324	10,241,562	10,241,562
FTE	<u>0.0</u>	<u>0.0</u>	<u>20.7</u>	<u>21.1</u>	<u>22.1</u>
General Fund	0	0	7,070,967	7,350,543	7,350,543
Cash Funds	0	0	2,836,357	2,891,019	2,891,019
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2024-25
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	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
(B) Early Literacy					
Early Literacy Program Administration and Technical Support	<u>0</u>	<u>0</u>	<u>1,862,420</u>	<u>1,900,891</u>	<u>1,900,891</u>
FTE	0.0	0.0	9.3	9.3	9.3
General Fund	0	0	0	0	0
Cash Funds	0	0	1,862,420	1,900,891	1,900,891
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Early Literacy Competitive Grant Program	<u>0</u>	<u>0</u>	<u>7,500,000</u>	<u>7,500,000</u>	<u>7,500,000</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	7,500,000	7,500,000	7,500,000
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Early Literacy Evidence Program Evidence Based Training Provided to Teachers	<u>0</u>	<u>0</u>	<u>2,707,865</u>	<u>2,740,397</u>	<u>2,740,397</u>
FTE	0.0	0.0	3.5	3.5	3.5
General Fund	0	0	0	0	0
Cash Funds	0	0	2,707,865	2,740,397	2,740,397
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Early Literacy Program External Evaluation	<u>0</u>	<u>0</u>	<u>750,000 0.0</u>	<u>750,000 0.0</u>	<u>750,000 0.0</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	750,000	750,000	750,000
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2024-25
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	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
Early Literacy Program Public Information					
Campaign	<u>0</u>	<u>0</u>	<u>502,261</u>	<u>504,124</u>	<u>504,124</u>
FTE	0.0	0.0	0.5	0.5	0.5
General Fund	0	0	0	0	0
Cash Funds	0	0	502,261	504,124	504,124
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Early Literacy Program Per Pupil Intervention					
Program	<u>0</u>	<u>0</u>	<u>26,261,551</u>	<u>26,261,551</u>	<u>26,261,551</u>
FTE	0.0	0.0	0.0	0.0	0.0
General Fund	0	0	0	0	0
Cash Funds	0	0	26,261,551	26,261,551	26,261,551
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Early Literacy Assessment Tool Program	<u>0</u>	<u>0</u>	<u>2,997,072</u>	<u>2,997,072</u>	<u>2,997,072</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	2,997,072	2,997,072	2,997,072
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
SUBTOTAL - (B) Early Literacy	0	0	42,581,169	42,654,035	42,654,035
FTE	<u>0.0</u>	<u>0.0</u>	<u>13.3</u>	<u>13.3</u>	<u>13.3</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	42,581,169	42,654,035	42,654,035
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2024-25
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	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
(C) Facility Schools					
Facility Schools Office, Facility School Board, and Facility School Technical Assistance Center	<u>0</u>	<u>0</u>	<u>738,482</u>	<u>1,017,365</u>	<u>917,365</u>
FTE	0.0	0.0	7.1	7.6	7.6
General Fund	0	0	0	0	0
Cash Funds	0	0	738,482	1,017,365	917,365
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
 State School Funding	<u>0</u>	<u>0</u>	<u>1,925,110</u>	<u>1,925,110</u>	<u>1,925,110</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	1,925,110	1,925,110	1,925,110
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
 Facility School Funding	<u>0</u>	<u>0</u>	<u>26,648,310</u>	<u>29,074,066</u>	<u>30,313,266</u> *
General Fund	0	0	0	0	0
Cash Funds	0	0	26,648,310	29,074,066	30,313,266
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
 Facility Schools Work Group and Program					
Evaluation Contracts	<u>0</u>	<u>0</u>	<u>100,000</u>	<u>100,000</u>	<u>200,000</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	100,000	100,000	200,000
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2024-25
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	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
Facility Schools Shared Operational Services Grant					
Program	<u>0</u>	<u>0</u>	<u>200,000</u>	<u>200,000</u>	<u>0</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	200,000	200,000	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
SUBTOTAL - (C) Facility Schools	0	0	29,611,902	32,316,541	33,355,741
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>7.1</u>	<u>7.6</u>	<u>7.6</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	29,611,902	32,316,541	33,355,741
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
TOTAL - (5) Student Learning	0	0	82,100,395	85,212,138	86,251,338
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>41.1</u>	<u>42.0</u>	<u>43.0</u>
General Fund	0	0	7,070,967	7,350,543	7,350,543
Cash Funds	0	0	75,029,428	77,861,595	78,900,795
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

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(6) SCHOOL QUALITY AND SUPPORT

Funding for the Division of Online Learning, Schools of Choice Office, and programs related to accountability and transformation.

(A) Accountability and Transformation

Longitudinal Analysis of Student Assessment Results	<u>0</u>	<u>0</u>	<u>640,109</u>	<u>620,960</u>	<u>620,960</u>
FTE	0.0	0.0	5.6	5.1	5.1
General Fund	0	0	640,109	620,960	620,960
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Accountability and Improvement Planning	<u>0</u>	<u>0</u>	<u>1,866,784</u>	<u>1,902,616</u>	<u>2,417,553</u>
FTE	0.0	0.0	11.9	11.9	15.1
General Fund	0	0	1,316,452	1,352,284	1,352,284
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	550,332	550,332	1,065,269
Local Accountability System Grant Program	<u>0</u>	<u>0</u>	<u>498,265 0.4</u>	<u>500,174 0.4</u>	<u>500,174 0.4</u>
General Fund	0	0	498,265	500,174	500,174
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

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	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
School Transformation Grant Program	<u>0</u>	<u>0</u>	<u>7,571,387</u>	<u>8,090,396</u>	<u>8,099,059</u> *
FTE	0.0	0.0	3.9	3.9	4.0
General Fund	0	0	5,563,139	6,077,869	6,086,532
Cash Funds	0	0	2,008,248	2,012,527	2,012,527
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Federal School Transformation Administration and Support	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>769,725</u>
FTE	0.0	0.0	0.0	0.0	4.2
Federal Funds	0	0	0	0	769,725
Educator Perception	<u>0</u>	<u>0</u>	<u>83,500</u>	<u>25,000</u>	<u>25,000</u>
General Fund	0	0	83,500	25,000	25,000
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
H.B. 23-1241 Accountability, Accreditation, Student Performance, and Resource Inequity Task Force	<u>0</u>	<u>0</u>	<u>300,709</u>	<u>0</u>	<u>0</u>
FTE	0.0	0.0	0.3	0.0	0.0
General Fund	0	0	300,709	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

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SUBTOTAL - (A) Accountability and Transformation	0	0	10,960,754	11,139,146	12,432,471
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>22.1</u>	<u>21.3</u>	<u>28.8</u>
General Fund	0	0	8,402,174	8,576,287	8,584,950
Cash Funds	0	0	2,008,248	2,012,527	2,012,527
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	550,332	550,332	1,834,994

(B) Schools of Choice

Schools of Choice	<u>0</u>	<u>0</u>	<u>10,671,909</u>	<u>10,686,791</u>	<u>10,686,791</u>
FTE	0.0	0.0	6.8	6.8	6.8
General Fund	0	0	345,409	360,291	360,291
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	10,326,500	10,326,500	10,326,500
Supplemental Online Education Services	<u>0</u>	<u>0</u>	<u>1,220,000</u>	<u>1,220,000</u>	<u>1,220,000</u>
FTE	0.0	0.0	0.0	0.0	0.0
General Fund	0	0	0	0	0
Cash Funds	0	0	1,220,000	1,220,000	1,220,000
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

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	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
Office of Online and Hybrid Learning and Innovation Schools	<u>0</u>	<u>0</u>	<u>522,271</u>	<u>543,519</u>	<u>543,519</u>
FTE	0.0	0.0	4.7	4.8	4.8
General Fund	0	0	46,347	48,677	48,677
Cash Funds	0	0	475,924	494,842	494,842
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
SUBTOTAL - (B) Schools of Choice	0	0	12,414,180	12,450,310	12,450,310
FTE	<u>0.0</u>	<u>0.0</u>	<u>11.5</u>	<u>11.6</u>	<u>11.6</u>
General Fund	0	0	391,756	408,968	408,968
Cash Funds	0	0	1,695,924	1,714,842	1,714,842
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	10,326,500	10,326,500	10,326,500
TOTAL - (6) School Quality and Support	0	0	23,374,934	23,589,456	24,882,781
FTE	<u>0.0</u>	<u>0.0</u>	<u>33.6</u>	<u>32.9</u>	<u>40.4</u>
General Fund	0	0	8,793,930	8,985,255	8,993,918
Cash Funds	0	0	3,704,172	3,727,369	3,727,369
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	10,876,832	10,876,832	12,161,494

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(7) STUDENT PATHWAYS

Funding for health and wellness, dropout prevention, and career readiness programs.

(A) Health and Wellness

S.B. 97-101 Public School Health Services	<u>0</u>	<u>0</u>	<u>184,958</u>	<u>184,958</u>	<u>182,652</u>
FTE	0.0	0.0	1.4	1.4	1.4
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	184,958	184,958	182,652
Federal Funds	0	0	0	0	0
Behavioral Health Care Professional Matching Grant					
Program	<u>0</u>	<u>0</u>	<u>14,968,106</u>	<u>14,988,339</u>	<u>14,988,339</u>
FTE	0.0	0.0	5.0	5.0	5.0
General Fund	0	0	0	0	0
Cash Funds	0	0	14,968,106	14,988,339	14,988,339
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Mental Health Education Resource Bank and					
Technical Assistance	<u>0</u>	<u>0</u>	<u>47,221</u>	<u>49,076</u>	<u>49,076</u>
FTE	0.0	0.0	0.6	0.6	0.6
General Fund	0	0	47,221	49,076	49,076
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2024-25
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	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
K-5 Social and Emotional Health Pilot Program	<u>0</u>	<u>0</u>	<u>2,502,225</u>	<u>2,502,388</u>	<u>2,502,388</u>
FTE	0.0	0.0	1.0	1.0	1.0
General Fund	0	0	0	0	0
Cash Funds	0	0	2,502,225	2,502,388	2,502,388
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Menstrual Hygiene Product Accessibility Grant Program	<u>0</u>	<u>0</u>	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>
General Fund	0	0	100,000	100,000	100,000
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
SUBTOTAL - (A) Health and Wellness	0	0	17,802,510	17,824,761	17,822,455
FTE	<u>0.0</u>	<u>0.0</u>	<u>8.0</u>	<u>8.0</u>	<u>8.0</u>
General Fund	0	0	147,221	149,076	149,076
Cash Funds	0	0	17,470,331	17,490,727	17,490,727
Reappropriated Funds	0	0	184,958	184,958	182,652
Federal Funds	0	0	0	0	0

(B) Dropout Prevention and Student Reengagement

Dropout Prevention	<u>0</u>	<u>0</u>	<u>2,010,299</u>	<u>2,014,663</u>	<u>2,014,663</u>
FTE	0.0	0.0	1.0	1.0	1.0
General Fund	0	0	0	0	0
Cash Funds	0	0	2,010,299	2,014,663	2,014,663
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2024-25
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	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
Ninth Grade Success Grant Program	<u>0</u>	<u>0</u>	<u>2,400,000</u>	<u>804,250</u>	<u>804,250</u>
FTE	0.0	0.0	1.8	0.6	0.6
General Fund	0	0	2,400,000	804,250	804,250
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Foster Care H.B. 22-1374	<u>0</u>	<u>0</u>	<u>66,200</u>	<u>69,247</u>	<u>69,247</u>
FTE	0.0	0.0	0.0	0.0	0.4
General Fund	0	0	66,200	69,247	69,247
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Educational Stability Grant	<u>0</u>	<u>0</u>	<u>1,033,630</u>	<u>1,039,725</u>	<u>1,039,725</u>
FTE	0.0	0.0	3.0	3.0	3.0
General Fund	0	0	1,033,630	1,039,725	1,039,725
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
H.B. 23-1231 Colorado Academic Accelerator Grant Program	<u>0</u>	<u>0</u>	<u>24,500,000</u>	<u>0</u>	<u>0</u> *
FTE	0.0	0.0	2.6	0.9	0.0
General Fund	0	0	24,500,000	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2024-25
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	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
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SUBTOTAL - (B) Dropout Prevention and Student Reengagement	0	0	30,010,129	3,927,885	3,927,885
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>8.4</u>	<u>5.5</u>	<u>5.0</u>
General Fund	0	0	27,999,830	1,913,222	1,913,222
Cash Funds	0	0	2,010,299	2,014,663	2,014,663
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

(C) Career Readiness

Career Development Success Program	<u>0</u>	<u>0</u>	<u>9,520,000</u>	<u>11,520,000</u>	<u>9,520,000</u> *
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>0.9</u>	<u>1.1</u>	<u>1.1</u>
General Fund	0	0	9,520,000	11,520,000	9,520,000
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
 College and Career Readiness	 <u>0</u>	 <u>0</u>	 <u>349,416</u>	 <u>360,869</u>	 <u>360,869</u>
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>3.1</u>	<u>3.1</u>	<u>3.1</u>
General Fund	0	0	349,416	360,869	360,869
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
 Concurrent Enrollment Expansion and Innovation	 <u>0</u>	 <u>0</u>	 <u>1,476,896</u>	 <u>1,476,948</u>	 <u>1,476,948</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	1,476,896	1,476,948	1,476,948
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2024-25
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	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
Accelerated College Opportunity Exam Fee Grant	<u>0</u>	<u>0</u>	<u>563,242 0.4</u>	<u>564,549 0.4</u>	<u>564,549 0.4</u>
General Fund	0	0	563,242	564,549	564,549
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
School Counselor Corps Grant Program	<u>0</u>	<u>0</u>	<u>12,016,250</u>	<u>12,029,013</u>	<u>12,029,013</u>
FTE	0.0	0.0	2.0	2.0	2.0
General Fund	0	0	0	0	0
Cash Funds	0	0	12,016,250	12,029,013	12,029,013
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Fourth-year Innovation Pilot Program - Distributions to LEPs	<u>0</u>	<u>0</u>	<u>283,824</u>	<u>386,659</u>	<u>386,659</u> *
General Fund	0	0	283,824	386,659	386,659
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
High School Innovative Learning Pilot Program	<u>0</u>	<u>0</u>	<u>349,407 0.6</u>	<u>351,744 0.6</u>	<u>351,744 0.6</u>
General Fund	0	0	349,407	351,744	351,744
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2024-25
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	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
John W Buckner Automatic Enrollment in Advanced Courses Grant Program	<u>0</u>	<u>0</u>	<u>250,275</u>	<u>250,275</u>	<u>250,275</u>
FTE	0.0	0.0	0.3	0.3	0.3
General Fund	0	0	250,275	250,275	250,275
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Basic Skills Placement or Assessment Tests	<u>0</u>	<u>0</u>	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	50,000	50,000	50,000
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Colorado Career Advisor Training Program	<u>0</u>	<u>0</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>
General Fund	0	0	1,000,000	1,000,000	1,000,000
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Adult Education and Literacy Grant	<u>0</u>	<u>0</u>	<u>2,977,125</u>	<u>2,977,125</u>	<u>2,977,125</u>
FTE	0.0	0.0	2.3	2.3	2.3
General Fund	0	0	2,977,125	2,977,125	2,977,125
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2024-25
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	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
Colorado Adult High School Program	<u>0</u>	<u>0</u>	<u>4,978,852</u>	<u>0</u>	<u>0</u>
FTE	0.0	0.0	0.7	0.3	0.3
General Fund	0	0	4,978,852	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Federal Adult Education Support	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>9,193,475</u>
FTE	0.0	0.0	0.0	0.0	8.9
Federal Funds	0	0	0	0	9,193,475
SUBTOTAL - (C) Career Readiness	0	0	33,815,287	30,967,182	38,160,657
FTE	<u>0.0</u>	<u>0.0</u>	<u>10.3</u>	<u>10.1</u>	<u>19.0</u>
General Fund	0	0	20,272,141	17,411,221	15,411,221
Cash Funds	0	0	13,543,146	13,555,961	13,555,961
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	9,193,475
TOTAL - (7) Student Pathways	0	0	81,627,926	52,719,828	59,910,997
FTE	<u>0.0</u>	<u>0.0</u>	<u>26.7</u>	<u>23.6</u>	<u>32.0</u>
General Fund	0	0	48,419,192	19,473,519	17,473,519
Cash Funds	0	0	33,023,776	33,061,351	33,061,351
Reappropriated Funds	0	0	184,958	184,958	182,652
Federal Funds	0	0	0	0	9,193,475

JBC Staff Figure Setting - FY 2024-25
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	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
(8) LIBRARY PROGRAMS					
Funding for all of the department's library-related programs and staff.					
Administration	<u>981,948</u>	<u>984,276</u>	<u>1,217,716</u>	<u>1,262,635</u>	<u>1,262,635</u>
FTE	14.3	8.6	14.3	14.3	14.3
General Fund	912,521	955,677	950,303	995,222	995,222
Cash Funds	69,427	28,599	267,413	267,413	267,413
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
 Federal Library Funding	 <u>3,759,168</u>	 <u>5,632,783</u>	 <u>3,337,351</u>	 <u>3,418,751</u>	 <u>3,418,751</u>
FTE	23.8	23.8	23.8	23.8	24.8
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	3,759,168	5,632,783	3,337,351	3,418,751	3,418,751
 Colorado Library Consortium	 <u>1,000,000</u>	 <u>1,000,000</u>	 <u>1,150,000</u>	 <u>1,150,000</u>	 <u>1,150,000</u>
General Fund	1,000,000	1,000,000	1,150,000	1,150,000	1,150,000
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
 Colorado Virtual Library	 <u>359,796</u>	 <u>359,796</u>	 <u>379,796</u>	 <u>379,796</u>	 <u>379,796</u>
General Fund	359,796	359,796	359,796	359,796	359,796
Cash Funds	0	0	20,000	20,000	20,000
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2024-25
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	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
Colorado Talking Book Library	<u>283,766</u>	<u>336,892 2.5</u>	<u>349,527 2.7</u>	<u>349,527 2.7</u>	<u>349,527 2.7</u>
General Fund	85,043	89,736	96,146	96,146	96,146
Cash Funds	0	0	0	0	0
Reappropriated Funds	198,723	247,156	253,381	253,381	253,381
Federal Funds	0	0	0	0	0
Reading Services for the Blind	<u>560,000</u>	<u>660,000</u>	<u>660,000</u>	<u>660,000</u>	<u>660,000</u>
General Fund	50,000	50,000	50,000	50,000	50,000
Cash Funds	0	0	0	0	0
Reappropriated Funds	510,000	610,000	610,000	610,000	610,000
Federal Funds	0	0	0	0	0
State Grants to Publicly-Supported Libraries Program	<u>2,975,496</u>	<u>2,963,007 0.5</u>	<u>3,001,944</u>	<u>3,001,944</u>	<u>3,001,944</u>
General Fund	2,975,496	2,963,007	3,001,944	3,001,944	3,001,944
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Colorado Imagination Library Program	<u>235,283</u>	<u>706,718</u>	<u>1,624,365</u>	<u>0</u>	<u>0 *</u>
General Fund	235,283	706,718	1,624,365	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Indirect Cost Assessment	<u>0</u>	<u>0</u>	<u>55,327</u>	<u>55,327</u>	<u>55,327</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	55,327	55,327	55,327

JBC Staff Figure Setting - FY 2024-25
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	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
TOTAL - (8) Library Programs	10,155,457	12,643,472	11,776,026	10,277,980	10,277,980
<i>FTE</i>	<u>38.1</u>	<u>35.4</u>	<u>40.8</u>	<u>40.8</u>	<u>41.8</u>
General Fund	5,618,139	6,124,934	7,232,554	5,653,108	5,653,108
Cash Funds	69,427	28,599	287,413	287,413	287,413
Reappropriated Funds	708,723	857,156	863,381	863,381	863,381
Federal Funds	3,759,168	5,632,783	3,392,678	3,474,078	3,474,078

JBC Staff Figure Setting - FY 2024-25
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	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
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(9) SCHOOL FOR THE DEAF AND THE BLIND

Funding to support the operation of the Colorado School for the Deaf and the Blind, located in Colorado Springs, which provides educational services for children throughout the State who are deaf, hard of hearing, blind, or visually impaired.

(A) School Operations

Personal Services	<u>11,304,017</u>	<u>11,584,430</u>	<u>12,594,952</u>	<u>13,957,543</u>	<u>13,907,714</u> *
FTE	153.1	147.8	153.1	156.5	156.1
General Fund	9,848,996	9,993,994	10,809,450	12,172,041	12,080,631
Cash Funds	0	0	0	0	0
Reappropriated Funds	1,455,021	1,590,436	1,785,502	1,785,502	1,827,083
Federal Funds	0	0	0	0	0
Early Intervention Services	<u>1,071,233</u>	<u>1,302,877</u>	<u>1,334,132</u>	<u>1,376,111</u>	<u>1,376,111</u>
FTE	10.0	10.5	10.0	10.0	10.0
General Fund	1,071,233	1,302,877	1,334,132	1,376,111	1,376,111
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Shift Differential	<u>86,754</u>	<u>141,569</u>	<u>66,600</u>	<u>86,749</u>	<u>76,680</u>
General Fund	86,754	141,569	66,600	86,664	76,680
Cash Funds	0	0	0	69	0
Reappropriated Funds	0	0	0	16	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2024-25
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	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
Operating Expenses	<u>668,291</u>	<u>754,991</u>	<u>694,291</u>	<u>694,291</u>	<u>794,291</u>
General Fund	668,291	754,991	694,291	694,291	794,291
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Vehicle Lease Payments	<u>32,237</u>	<u>36,302</u>	<u>35,112</u>	<u>38,683</u>	<u>38,683</u> *
General Fund	32,237	36,302	35,112	38,683	38,683
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Utilities	<u>720,789</u>	<u>745,981</u>	<u>745,981</u>	<u>745,981</u>	<u>745,981</u>
General Fund	720,789	745,981	745,981	745,981	745,981
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Allocation of State and Federal Categorical Program Funding	<u>165,813</u>	<u>124,077</u>	<u>190,104</u>	<u>190,104</u>	<u>190,104</u>
FTE	0.4	0.1	0.4	0.4	0.4
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	165,813	124,077	190,104	190,104	190,104
Federal Funds	0	0	0	0	0

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	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
Medicaid Reimbursements for Public School Health Services	<u>181,359</u>	<u>214,964</u>	<u>429,896</u>	<u>446,396</u>	<u>446,396</u>
FTE	1.5	1.3	1.5	1.5	1.5
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	181,359	214,964	429,896	446,396	446,396
Federal Funds	0	0	0	0	0
SUBTOTAL - (A) School Operations	14,230,493	14,905,191	16,091,068	17,535,858	17,575,960
FTE	<u>165.0</u>	<u>159.7</u>	<u>165.0</u>	<u>168.4</u>	<u>168.0</u>
General Fund	12,428,300	12,975,714	13,685,566	15,113,771	15,112,377
Cash Funds	0	0	0	69	0
Reappropriated Funds	1,802,193	1,929,477	2,405,502	2,422,018	2,463,583
Federal Funds	0	0	0	0	0
(B) Special Purpose					
Fees and Conferences	<u>87,711</u>	<u>97,068</u>	<u>120,000</u>	<u>120,000</u>	<u>120,000</u>
Cash Funds	87,711	97,068	120,000	120,000	120,000
Outreach Services	<u>498,182</u>	<u>569,756</u>	<u>1,000,000</u>	<u>1,014,994</u>	<u>1,000,000</u>
FTE	6.2	4.2	6.2	6.2	6.2
Cash Funds	408,991	443,256	750,000	764,994	750,000
Reappropriated Funds	89,191	126,500	250,000	250,000	250,000
Tuition from Out-of-state Students	<u>38,190</u>	<u>0</u>	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>
Cash Funds	38,190	0	200,000	200,000	200,000

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	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
Grants	<u>502,417</u>	<u>412,151</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>
FTE	0.0	6.0	6.0	6.0	6.0
Reappropriated Funds	0	412,151	1,000,000	1,000,000	1,000,000
Federal Funds	502,417	0	0	0	0
SUBTOTAL - (B) Special Purpose	1,126,500	1,078,975	2,320,000	2,334,994	2,320,000
FTE	<u>6.2</u>	<u>10.2</u>	<u>12.2</u>	<u>12.2</u>	<u>12.2</u>
Cash Funds	534,892	540,324	1,070,000	1,084,994	1,070,000
Reappropriated Funds	89,191	538,651	1,250,000	1,250,000	1,250,000
Federal Funds	502,417	0	0	0	0
TOTAL - (9) School for the Deaf and the Blind	15,356,993	15,984,166	18,411,068	19,870,852	19,895,960
FTE	<u>171.2</u>	<u>169.9</u>	<u>177.2</u>	<u>180.6</u>	<u>180.2</u>
General Fund	12,428,300	12,975,714	13,685,566	15,113,771	15,112,377
Cash Funds	534,892	540,324	1,070,000	1,085,063	1,070,000
Reappropriated Funds	1,891,384	2,468,128	3,655,502	3,672,018	3,713,583
Federal Funds	502,417	0	0	0	0

JBC Staff Figure Setting - FY 2024-25
Staff Working Document - Does Not Represent Committee Decision

	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
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(10) CHARTER SCHOOL INSTITUTE

Funding for the Charter School Institute, which is allowed to authorize charter schools located within a school district's boundaries if the school district has not retained exclusive authority to authorize charter schools or if the school district allows the charter school applicant to seek CSI authorization.

State Charter School Institute Administration,

Oversight, and Management	<u>0</u>	<u>0</u>	<u>5,000,000</u>	<u>5,000,000</u>	<u>5,000,000</u>
FTE	0.0	0.0	11.7	11.7	11.7
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	5,000,000	5,000,000	5,000,000
Federal Funds	0	0	0	0	0
 Institute Charter School Assistance Fund	 <u>0</u>	 <u>0</u>	 <u>1,800,000</u>	 <u>1,800,000</u>	 <u>1,800,000</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	1,800,000	1,800,000	1,800,000
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
 Other Transfers to Institute Charter Schools	 <u>0</u>	 <u>0</u>	 <u>21,500,000</u>	 <u>21,500,000</u>	 <u>21,500,000</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	21,500,000	21,500,000	21,500,000
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2024-25
Staff Working Document - Does Not Represent Committee Decision

	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
Transfer of Federal Money to Institute Charter					
Schools	<u>0</u>	<u>0</u>	<u>17,400,000 4.5</u>	<u>17,400,000 4.5</u>	<u>17,400,000 4.5</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	17,400,000	17,400,000	17,400,000
Federal Funds	0	0	0	0	0
CSI Mill Levy Equalization	<u>0</u>	<u>0</u>	<u>54,364,000</u>	<u>42,487,426</u>	<u>99,176,392 *</u>
General Fund	0	0	27,000,000	0	49,220,696
Cash Funds	0	0	364,000	42,487,426	735,000
Reappropriated Funds	0	0	27,000,000	0	49,220,696
Federal Funds	0	0	0	0	0
Implementation of Section 22-30.5-501	<u>0</u>	<u>0</u>	<u>243,362 1.6</u>	<u>243,362 1.6</u>	<u>243,362 1.6</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	243,362	243,362	243,362
Federal Funds	0	0	0	0	0
TOTAL - (10) Charter School Institute	0	0	100,307,362	88,430,788	145,119,754
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>17.8</u>	<u>17.8</u>	<u>17.8</u>
General Fund	0	0	27,000,000	0	49,220,696
Cash Funds	0	0	2,164,000	44,287,426	2,535,000
Reappropriated Funds	0	0	71,143,362	44,143,362	93,364,058
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2024-25
Staff Working Document - Does Not Represent Committee Decision

	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
TOTAL - Department of Education	7,077,629,672	7,238,922,082	7,525,984,967	7,768,907,341	7,419,065,985
<i>FTE</i>	<u>606.9</u>	<u>685.2</u>	<u>661.9</u>	<u>666.4</u>	<u>733.0</u>
General Fund	3,236,339,446	4,494,786,248	3,397,979,272	3,345,522,124	3,410,355,894
General Fund Exempt	1,045,914,612	0	1,328,093,165	1,282,784,802	1,291,693,165
Cash Funds	1,360,478,823	1,436,162,072	1,667,710,231	2,032,581,946	1,740,427,254
Reappropriated Funds	36,263,860	52,523,342	82,257,878	55,994,018	105,467,133
Federal Funds	1,398,632,931	1,255,450,420	1,049,944,421	1,052,024,451	871,122,539

K-12 FY 2024-25 Request Above/(Below) Recommendation by Division & Subdivision						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Management & Admin	(\$2,532,004)	(\$1,311,685)	(\$276,789)	(\$213,160)	(\$730,370)	1.8
Statewide Assessment	1,590,843	0	1,715,170	0	(124,327)	(3.4)
School Dist Operation						
School Finance	\$286,175,647	\$25,000,000	\$261,175,647	\$0	\$0	0.0
Categoricals	\$47,784	\$0	\$47,784	\$0	\$0	(37.0)
Federal Support	\$191,663,330	(\$571,416)	\$0	\$0	\$192,234,746	(3.7)
Nutrition	(\$51,918,203)	(\$52,768,203)	\$850,000	\$0	\$0	(8.0)
Capcon	(\$12,085,409)	\$0	(\$12,085,409)	\$0	\$0	0.0
Indirects	\$0		\$0	\$0	\$0	0.0
Educator Talent	\$3,137,136	\$3,137,136	\$0	\$0	\$0	1.2
Student Learning	(\$1,039,200)	\$0	(\$1,039,200)	\$0	\$0	(1.0)
School Quality	(1,293,325)	(8,663)	0	0	(1,284,662)	(8)
Student Pathways	(\$7,191,169)	\$2,000,000	\$0	\$2,306	(\$9,193,475)	(8.4)
Library	\$0	\$0	\$0	\$0	\$0	(1.0)
Schl for Deaf & Blind	(\$25,108)	\$1,394	\$15,063	(\$41,565)	\$0	0.4
Charter School Inst.	(\$56,688,966)	(\$49,220,696)	\$41,752,426	(\$49,220,696)	\$0	0.0
Total differences - Request above/(below) Recommendation	349,841,356	(73,742,133)	292,154,692	(49,473,115)	180,901,912	(66.6)
<i>Impact of Potential Bills</i>						
<i>JBC staff recommendations</i>						
JBC bill for HSMA	(17,495,908)	(46,343,095)	28,847,187	0	0	(1.0)
JBC bill amount for mentoring bill	3,137,136	3,137,136	0	0	0	0.9
JBC bill for transfer to MLO fund (school finance)	13,476,643	13,476,643	0	0	0	0.0
Total to reduce from differences	(882,129)	(29,729,316)	28,847,187	0	0	(0.1)
<i>Reflect Gov CSI request using current law structure</i>						
Gov CSI request	(11,876,574)	(27,000,000)	42,123,426	(27,000,000)	0	0.0
Gov request using current law	30,246,852	15,123,426	0	15,123,426	0	0.0
Total to add to differences	42,123,426	42,123,426	(42,123,426)	42,123,426	0	0.0
Difference with bill adjustments. Request above/(below) Staff Rec	392,846,911	(1,889,391)	221,184,079	(7,349,689)	180,901,912	(66.5)