

CHAPTER 61

EDUCATION - PUBLIC SCHOOLS

HOUSE BILL 99-1113

BY REPRESENTATIVES Dean, King, Alexander, Allen, Clapp, Decker, Fairbank, Grossman, Hefley, Kaufman, Larson, Lee, May, McKay, Mitchell, Paschall, Pfiffner, Sinclair, Spence, Stengel, and T. Williams;
also SENATORS Arnold, Andrews, Congrove, Epps, Evans, Hillman, Lacy, Lamborn, Musgrave, Tebedo, and Teck.

AN ACT

CONCERNING AN INCREASE IN THE FUNDING FOR CHARTER SCHOOLS.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. 22-30.5-112 (2) (a), (2) (b), (2) (c), and (3) (a), Colorado Revised Statutes, are amended, and the said 22-30.5-112 (2) is further amended BY THE ADDITION OF THE FOLLOWING NEW PARAGRAPHS, to read:

22-30.5-112. Charter schools - financing - guidelines. (2) (a) (I) As part of the charter school contract, the charter school and the school district shall agree on funding and any services to be provided by the school district to the charter school.

(II) FOR THE 1999-2000 BUDGET YEAR, the charter school and the school district shall begin discussions on the contract using eighty percent of the district per pupil operating revenues. ~~As used in this subsection (2), district "per pupil operating revenues" shall have the same meaning as that provided in section 22-54-103 (9).~~

(III) FOR BUDGET YEAR 2000-2001 AND BUDGET YEARS THEREAFTER, EXCEPT AS OTHERWISE PROVIDED IN PARAGRAPH (a.3) OF THIS SUBSECTION (2), EACH CHARTER SCHOOL AND THE AUTHORIZING SCHOOL DISTRICT SHALL NEGOTIATE FUNDING UNDER THE CONTRACT AT A MINIMUM OF NINETY-FIVE PERCENT OF THE DISTRICT PER PUPIL REVENUES FOR EACH PUPIL ENROLLED IN THE CHARTER SCHOOL. THE SCHOOL DISTRICT MAY CHOOSE TO RETAIN UP TO FIVE PERCENT OF THE DISTRICT PER PUPIL REVENUES FOR EACH PUPIL ENROLLED IN THE CHARTER SCHOOL AS PAYMENT FOR THE CHARTER SCHOOL'S PORTION OF CENTRAL ADMINISTRATIVE OVERHEAD COSTS INCURRED BY THE SCHOOL DISTRICT.

(a.3) IF THE AUTHORIZING SCHOOL DISTRICT ENROLLS FIVE HUNDRED OR FEWER STUDENTS, THE CHARTER SCHOOL SHALL RECEIVE FUNDING IN THE AMOUNT OF THE

Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

GREATER OF ONE HUNDRED PERCENT OF THE DISTRICT PER PUPIL REVENUES FOR EACH PUPIL ENROLLED IN THE CHARTER SCHOOL MINUS THE ACTUAL AMOUNT OF THE CHARTER SCHOOL'S PER PUPIL SHARE OF THE CENTRAL ADMINISTRATIVE OVERHEAD COSTS INCURRED BY THE SCHOOL DISTRICT, BASED ON AUDITED FIGURES, OR EIGHTY-FIVE PERCENT OF THE DISTRICT PER PUPIL REVENUES FOR EACH PUPIL ENROLLED IN THE CHARTER SCHOOL.

(a.5) AS USED IN THIS SUBSECTION (2):

(I) "CENTRAL ADMINISTRATIVE OVERHEAD COSTS" MEANS INDIRECT COSTS INCURRED IN PROVIDING ITEMS OR SERVICES LISTED UNDER THE HEADING OF SUPPORT SERVICES - GENERAL ADMINISTRATION IN THE SCHOOL DISTRICT CHART OF ACCOUNTS AS SPECIFIED BY RULE OF THE STATE BOARD.

(II) "DISTRICT PER PUPIL REVENUES" MEANS THE DISTRICT'S TOTAL PROGRAM AS DEFINED IN SECTION 22-54-103 (6) FOR ANY BUDGET YEAR DIVIDED BY THE DISTRICT'S FUNDED PUPIL COUNT AS DEFINED IN SECTION 22-54-103 (7) FOR SAID BUDGET YEAR.

(III) "PER PUPIL OPERATING REVENUES" SHALL HAVE THE SAME MEANING AS PROVIDED IN SECTION 22-54-103 (9).

(a.7) FOR THE 2000-2001 BUDGET YEAR AND BUDGET YEARS THEREAFTER, EACH CHARTER SCHOOL SHALL ANNUALLY ALLOCATE THE MINIMUM PER PUPIL DOLLAR AMOUNT SPECIFIED IN SECTION 22-54-105 (2) (b), MULTIPLIED BY THE NUMBER OF STUDENTS ENROLLED IN THE CHARTER SCHOOL, TO A FUND CREATED BY THE CHARTER SCHOOL FOR CAPITAL RESERVE PURPOSES, AS SET FORTH IN SECTION 22-45-103 (1) (c) AND (1) (e), OR SOLELY FOR THE MANAGEMENT OF RISK-RELATED ACTIVITIES, AS IDENTIFIED IN SECTION 24-10-115, C.R.S., AND ARTICLE 13 OF TITLE 29, C.R.S., OR AMONG SUCH ALLOWABLE FUNDS. SAID MONEYS SHALL BE USED FOR THE PURPOSES SET FORTH IN SECTION 22-45-103 (1) (c) AND (1) (e) AND MAY NOT BE EXPENDED BY THE CHARTER SCHOOL FOR ANY OTHER PURPOSE.

(a.8) FOR THE 2000-2001 BUDGET YEAR AND BUDGET YEARS THEREAFTER, THE SCHOOL DISTRICT SHALL PROVIDE FEDERALLY REQUIRED EDUCATIONAL SERVICES TO STUDENTS ENROLLED IN CHARTER SCHOOLS ON THE SAME BASIS AS SUCH SERVICES ARE PROVIDED TO STUDENTS ENROLLED IN OTHER PUBLIC SCHOOLS OF THE SCHOOL DISTRICT. EACH CHARTER SCHOOL SHALL PAY AN AMOUNT EQUAL TO THE PER PUPIL COST INCURRED BY THE SCHOOL DISTRICT IN PROVIDING FEDERALLY REQUIRED EDUCATIONAL SERVICES, MULTIPLIED BY THE NUMBER OF STUDENTS ENROLLED IN THE CHARTER SCHOOL. AT EITHER PARTY'S REQUEST, HOWEVER, THE CHARTER SCHOOL AND THE SCHOOL DISTRICT MAY NEGOTIATE AND INCLUDE IN THE CHARTER CONTRACT ALTERNATE ARRANGEMENTS FOR THE PROVISION OF AND PAYMENT FOR FEDERALLY REQUIRED EDUCATIONAL SERVICES.

(b) ~~All services centrally or otherwise provided by the school district including, but not limited to, food services, custodial services, maintenance, curriculum, media services, libraries, and warehousing shall be subject to negotiation between a charter school and the school district and paid for out of the revenues negotiated pursuant to paragraph (a) of this subsection (2).~~ THE CHARTER SCHOOL, AT ITS DISCRETION, MAY CONTRACT WITH THE SCHOOL DISTRICT FOR THE DIRECT PURCHASE OF DISTRICT

SERVICES IN ADDITION TO THOSE INCLUDED IN CENTRAL ADMINISTRATIVE OVERHEAD COSTS, INCLUDING BUT NOT LIMITED TO FOOD SERVICES, CUSTODIAL SERVICES, MAINTENANCE, CURRICULUM, MEDIA SERVICES, AND LIBRARIES. THE AMOUNT TO BE PAID BY A CHARTER SCHOOL IN PURCHASING ANY DISTRICT SERVICE PURSUANT TO THIS PARAGRAPH (b) SHALL BE DETERMINED BY DIVIDING THE COST OF PROVIDING THE SERVICE FOR THE ENTIRE SCHOOL DISTRICT, AS SPECIFIED IN THE SCHOOL DISTRICT'S BUDGET, BY THE NUMBER OF STUDENTS ENROLLED IN THE SCHOOL DISTRICT AND MULTIPLYING SAID AMOUNT BY THE NUMBER OF STUDENTS ENROLLED IN THE CHARTER SCHOOL.

(b.5) THE CHARTER SCHOOL MAY AGREE WITH THE SCHOOL DISTRICT TO PAY ANY ACTUAL COSTS INCURRED BY THE SCHOOL DISTRICT IN PROVIDING UNIQUE SUPPORT SERVICES USED ONLY BY THE CHARTER SCHOOL.

(c) (I) FOR THE 1999-2000 BUDGET YEAR, IN NO EVENT SHALL THE AMOUNT OF FUNDING NEGOTIATED PURSUANT TO THIS SUBSECTION (2) BE LESS THAN EIGHTY PERCENT OF THE DISTRICT PER PUPIL OPERATING REVENUES MULTIPLIED BY THE NUMBER OF PUPILS ENROLLED IN THE CHARTER SCHOOL.

(II) FOR BUDGET YEAR 2000-2001 AND BUDGET YEARS THEREAFTER, THE AMOUNT OF FUNDING RECEIVED BY A CHARTER SCHOOL PURSUANT TO THIS SUBSECTION (2) SHALL NOT BE LESS THAN NINETY-FIVE PERCENT OF THE DISTRICT PER PUPIL REVENUES MULTIPLIED BY THE NUMBER OF PUPILS ENROLLED IN THE CHARTER SCHOOL OR AS OTHERWISE PROVIDED IN PARAGRAPH (a.3) OF THIS SUBSECTION (2) FOR ANY CHARTER SCHOOL AUTHORIZED BY A SCHOOL DISTRICT THAT ENROLLS FIVE HUNDRED OR FEWER STUDENTS.

(3) (a) Notwithstanding subsection (2) of this section, IF THE CHARTER SCHOOL AND THE SCHOOL DISTRICT HAVE NEGOTIATED TO ALLOW THE CHARTER SCHOOL TO PROVIDE FEDERALLY REQUIRED EDUCATIONAL SERVICES PURSUANT TO PARAGRAPH (a.8) OF SUBSECTION (2) OF THIS SECTION:

(I) The proportionate share of state and federal resources generated by students with disabilities or staff serving them shall be directed to THE charter ~~schools~~ SCHOOL enrolling such students by their school districts or administrative units; AND

(II) The proportionate share of moneys generated under other federal or state categorical aid programs shall be directed to the charter ~~schools~~ SCHOOL serving students eligible for such aid.

SECTION 2. 22-54-105 (2) (b), Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SUBPARAGRAPH to read:

22-54-105. Instructional supplies and materials - capital reserve and insurance reserve. (2) (b) (III) FOR THE 2000-2001 BUDGET YEAR AND BUDGET YEARS THEREAFTER, THE AMOUNT REQUIRED TO BE BUDGETED PURSUANT TO THIS PARAGRAPH (b) SHALL BE REDUCED BY AN AMOUNT DETERMINED BY MULTIPLYING THE MINIMUM DOLLAR AMOUNT REQUIRED TO BE BUDGETED FOR THAT BUDGET YEAR PURSUANT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH (b) BY THE NUMBER OF PUPILS ENROLLED IN CHARTER SCHOOLS WITHIN THE SCHOOL DISTRICT.

SECTION 3. No appropriation. The general assembly has determined that this act can be implemented within existing appropriations, and therefore no separate appropriation of state moneys is necessary to carry out the purposes of this act.

SECTION 4. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

Approved: March 30, 1999